# THIRD CREEK METROPOLITAN DISTRICT NO. 2

## ANNUAL BUDGET

## FOR THE YEAR ENDING DECEMBER 31, 2026

**THIRD CREEK METROPOLITAN DISTRICT NO. 2**
**SUMMARY**
**2026 BUDGET**
**WITH 2024 ACTUAL AND 2025 ESTIMATED**
**For the Years Ended and Ending December 31,**

1/28/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---|---|---|
| BEGINNING FUND BALANCES | $ (168,291) | $ 6,564,278 | $ 6,335 |
| REVENUES | | | |
| Property taxes | 480 | 475 | 112,248 |
| Specific ownership taxes | 34 | 25 | 6,174 |
| Interest Income | 487,526 | 230,000 | - |
| Developer advance | 220,724 | 14,391,000 | 3,165,000 |
| Other Revenue | - | 1 | 315 |
| Intergovernmental Revenues | 16,500,000 | - | - |
| Total revenues | 17,208,764 | 14,621,501 | 3,283,737 |
| Total funds available | 17,040,473 | 21,185,779 | 3,290,072 |
| EXPENDITURES | | | |
| General Fund | 79,947 | 102,528 | 117,000 |
| Debt Service Fund | 428 | 416 | 99,000 |
| Capital Projects Fund | 10,395,820 | 21,076,500 | 3,072,000 |
| Total expenditures | 10,476,195 | 21,179,444 | 3,288,000 |
| Total expenditures and transfers out requiring appropriation | 10,476,195 | 21,179,444 | 3,288,000 |
| ENDING FUND BALANCES | $ 6,564,278 | $ 6,335 | $ 2,072 |
| EMERGENCY RESERVE | $ 100 | $ 100 | $ 600 |
| AVAILABLE FOR OPERATIONS | (12,036) | 1,521 | 758 |
| TOTAL RESERVE | $ (11,936) | $ 1,621 | $ 1,358 |

See summary of significant assumptions.

**THIRD CREEK METROPOLITAN DISTRICT NO. 2**
**PROPERTY TAX SUMMARY INFORMATION**
**2026 BUDGET**
**WITH 2024 ACTUAL AND 2025 ESTIMATED**
**For the Years Ended and Ending December 31,**

1/28/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---|---|---|
| ASSESSED VALUATION | | | |
| Agricultural | 6,120 | 6,070 | 1,950 |
| State assessed | 30 | 20 | - |
| Personal property | 460 | 450 | 1,573,560 |
| Certified Assessed Value | $ 6,610 | $ 6,540 | $ 1,575,510 |
| MILL LEVY | | | |
| General | 12.096 | 12.097 | 11.874 |
| Debt Service | 60.481 | 60.486 | 59.371 |
| Total mill levy | 72.577 | 72.583 | 71.245 |
| PROPERTY TAXES | | | |
| General | $ 80 | $ 79 | $ 18,708 |
| Debt Service | 400 | 396 | 93,540 |
| Levied property taxes | 480 | 475 | 112,248 |
| Budgeted property taxes | $ 480 | $ 475 | $ 112,248 |
| **BUDGETED PROPERTY TAXES** | | | |
| **General** | **$ 80** | **$ 79** | **$ 18,708** |
| **Debt Service** | **400** | **396** | **93,540** |
| | **$ 480** | **$ 475** | **$ 112,248** |

See summary of significant assumptions.

**THIRD CREEK METROPOLITAN DISTRICT NO. 2**
**GENERAL FUND**
**2026 BUDGET**
**WITH 2024 ACTUAL AND 2025 ESTIMATED**
**For the Years Ended and Ending December 31,**

1/28/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---|---|---|
| BEGINNING FUND BALANCES | $ (47,811) | $ (11,936) | $ 1,621 |
| REVENUES | | | |
| Property taxes | 80 | 79 | 18,708 |
| Specific ownership taxes | 6 | 5 | 1,029 |
| Developer advance | 115,736 | 116,000 | 97,000 |
| Other Revenue | - | 1 | - |
| Total revenues | 115,822 | 116,085 | 116,737 |
| Total funds available | 68,011 | 104,149 | 118,358 |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 38,699 | 35,000 | 37,000 |
| Auditing | - | 5,900 | 6,850 |
| County Treasurer's Fee | 1 | 1 | 281 |
| Dues and Membership | 352 | 363 | 400 |
| Insurance | 3,371 | 3,264 | 3,500 |
| District management | 14,746 | 15,000 | 24,000 |
| Legal | 22,778 | 35,000 | 37,000 |
| Miscellaneous | - | - | 2,000 |
| Election | - | 6,000 | - |
| Website | - | 2,000 | 2,500 |
| Contingency | - | - | 3,469 |
| Total expenditures | 79,947 | 102,528 | 117,000 |
| Total expenditures and transfers out requiring appropriation | 79,947 | 102,528 | 117,000 |
| ENDING FUND BALANCES | $ (11,936) | $ 1,621 | $ 1,358 |
| EMERGENCY RESERVE | $ 100 | $ 100 | $ 600 |
| AVAILABLE FOR OPERATIONS | (12,036) | 1,521 | 758 |
| TOTAL RESERVE | $ (11,936) | $ 1,621 | $ 1,358 |

See summary of significant assumptions.

**THIRD CREEK METROPOLITAN DISTRICT NO. 2**
**DEBT SERVICE FUND**
**2026 BUDGET**
**WITH 2024 ACTUAL AND 2025 ESTIMATED**
**For the Years Ended and Ending December 31,**

1/28/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---|---|---|
| BEGINNING FUND BALANCES | $ - | $ - | $ - |
| REVENUES | | | |
| Property taxes | 400 | 396 | 93,540 |
| Specific ownership taxes | 28 | 20 | 5,145 |
| Other Revenue | - | - | 315 |
| Total revenues | 428 | 416 | 99,000 |
| Total funds available | 428 | 416 | 99,000 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's Fee | 6 | 6 | 1,403 |
| Transfer to TCMD1 | 422 | 410 | 97,282 |
| Contingency | - | - | 315 |
| Total expenditures | 428 | 416 | 99,000 |
| Total expenditures and transfers out requiring appropriation | 428 | 416 | 99,000 |
| ENDING FUND BALANCES | $ - | $ - | $ - |

See summary of significant assumptions.

**THIRD CREEK METROPOLITAN DISTRICT NO. 2**
**CAPITAL PROJECTS FUND**
**2026 BUDGET**
**WITH 2024 ACTUAL AND 2025 ESTIMATED**
**For the Years Ended and Ending December 31,**

1/28/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|---|---|---|
| BEGINNING FUND BALANCES | $ (120,480) | $ 6,576,214 | $ 4,714 |
| REVENUES | | | |
| Interest Income | 487,526 | 230,000 | - |
| Developer advance | 104,988 | 14,275,000 | 3,068,000 |
| Intergovernmental Revenues | 16,500,000 | - | - |
| Total revenues | 17,092,514 | 14,505,000 | 3,068,000 |
| Total funds available | 16,972,034 | 21,081,214 | 3,072,714 |
| EXPENDITURES | | | |
| General and Administrative | | | |
| Accounting | 15,992 | 20,000 | 15,000 |
| Legal | 25,026 | 25,000 | 15,000 |
| Escrow Agent Fee | 2,000 | 1,500 | 2,000 |
| Capital Projects | | | |
| Engineering - Cost Verification | 23,628 | 30,000 | 40,000 |
| Capital outlay | 10,329,174 | 21,000,000 | 3,000,000 |
| Total expenditures | 10,395,820 | 21,076,500 | 3,072,000 |
| Total expenditures and transfers out requiring appropriation | 10,395,820 | 21,076,500 | 3,072,000 |
| ENDING FUND BALANCES | $ 6,576,214 | $ 4,714 | $ 714 |

See summary of significant assumptions.

# THIRD CREEK METROPOLITAN DISTRICT NO. 2
# 2026 BUDGET
# SUMMARY OF SIGNIFICANT ASSUMPTIONS

## SERVICES PROVIDED

Third Creek Metropolitan District No. 2 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court of Adams County on November 20, 2020 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by Commerce City.

The District was established to provide financing for the design, acquisition, and construction and completion of public improvements, including water, sanitation, streets, park and recreation improvements, mosquito control, public transportation, television relay and translation, safety protection improvements and services.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believe are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

## REVENUES

### Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

## Revenues (Continued)

### Property Taxes (Continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

| Category | Rate | | Category | Rate |
|---|---|---|---|---|
| Single-Family Residential | 6.25% | | Agricultural Land | 27.00% |
| Multi-Family Residential | 6.25% | | Renewable Energy Land | 27.00% |
| Commercial | 27.00% | | Vacant Land | 27.00% |
| Industrial | 27.00% | | Personal Property | 27.00% |
| Lodging | 27.00% | | State Assessed | 27.00% |
| | | | Oil & Gas Production | 87.50% |

### Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 5.5% of the property taxes collected.

### Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

# THIRD CREEK METROPOLITAN DISTRICT NO. 2
# 2026 BUDGET
# SUMMARY OF SIGNIFICANT ASSUMPTIONS

## EXPENDITURES

### General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

### County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

### Transfer to Third Creek MD No. 1

Pursuant to a certain intergovernmental agreement, the District will transfer net tax revenues generated from its debt service mill levy to District No. 1 to pay for Series 2022A Bonds.

### Capital Outlay

The District anticipates capital expenditures as outlined in the Capital Projects Fund.

## RESERVES

### Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**Information is an integral part of the accompanying forecasted budget.**