

**ANNUAL INFORMATION REPORT
for the year 2022
NBC METROPOLITAN DISTRICT**

As required by the Service Plan for the above-referenced District, submitted to the City and approved on March 20, 2000, as amended by notice published January 15, 2004, and effective March 1, 2004, we present the following report of the District's activities from January 1, 2022 to December 31, 2022.

- (a) **Boundary changes made or proposed:** No boundary changes were made or proposed in 2022.
- (b) **Intergovernmental Agreements with other governmental bodies entered into or proposed:** No Intergovernmental Agreements were entered in 2022.
- (c) **Any changes in the financial status of the District including revenue projections or operating costs:**

A copy of the 2023 Budget is attached hereto as Exhibit A.

A copy of the 2022 audited financial statements of the District will be sent in July of 2023.
- (d) **A summary of any litigation which involves the District:** There has been no litigation involving the District.
- (e) **Status of Public Improvement Construction Schedule:** The 112th Avenue extension will be completed in 2023. The Circle Point Park Improvement Project was 90% completed in 2022.
- (f) **Submission of current assessed valuation in the District:** A copy of the assessed valuation of the District for the year 2022 is attached hereto as Exhibit B.

EXHIBIT A

NBC METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**NBC METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 1,522,590	\$ 6,550,012	\$ 2,687,407
REVENUES			
Property taxes	966,737	967,391	1,042,937
Specific ownership taxes	70,452	64,886	73,005
Interest income	7,374	9,000	23,000
Water service fees	18,957	20,000	20,000
Developer advance	143,653	576,531	1,100,000
Loan proceeds	9,695,000	-	1,015,000
Total revenues	<u>10,902,173</u>	<u>1,637,808</u>	<u>3,273,942</u>
TRANSFERS IN	<u>4,363,796</u>	-	-
Total funds available	<u>16,788,559</u>	<u>8,187,820</u>	<u>5,961,349</u>
EXPENDITURES			
General Fund	221,479	207,315	270,497
Debt Service Fund	4,975,213	546,663	599,993
Capital Projects Fund	678,059	4,746,435	2,998,190
Total expenditures	<u>5,874,751</u>	<u>5,500,413</u>	<u>3,868,680</u>
TRANSFERS OUT	<u>4,363,796</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>10,238,547</u>	<u>5,500,413</u>	<u>3,868,680</u>
ENDING FUND BALANCES	<u>\$ 6,550,012</u>	<u>\$ 2,687,407</u>	<u>\$ 2,092,669</u>
EMERGENCY RESERVE	\$ 10,900	\$ 11,700	\$ 12,800
REQUIRED RESERVE	112,500	335,000	366,010
TOTAL RESERVE	<u>\$ 123,400</u>	<u>\$ 346,700</u>	<u>\$ 378,810</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Residential - multi family	\$ -	\$ 510,070	\$ 2,635,578
Commercial	14,198,754	16,499,417	16,499,405
Vacant land	671,475	431,595	431,595
Personal property	1,871,889	1,490,248	842,292
State assessed	-	-	850
Certified Assessed Value	\$ 16,742,118	\$ 18,931,330	\$ 20,409,720

MILL LEVY

General	18.000	18.000	18.000
Debt Service	37.000	33.100	33.100
Total mill levy	55.000	51.100	51.100

PROPERTY TAXES

General	\$ 301,358	\$ 340,764	\$ 367,375
Debt Service	619,458	626,627	675,562
Levied property taxes	920,816	967,391	1,042,937
Adjustments to actual/rounding	45,921	-	-
Budgeted property taxes	\$ 966,737	\$ 967,391	\$ 1,042,937

BUDGETED PROPERTY TAXES

General	\$ 316,387	\$ 340,764	\$ 367,375
Debt Service	650,350	626,627	675,562
	\$ 966,737	\$ 967,391	\$ 1,042,937

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 653,772	\$ 649,538	\$ 830,843
REVENUES			
Property taxes	316,387	340,764	367,375
Specific ownership taxes	23,057	22,856	25,716
Interest income	2,497	5,000	13,000
Water service fees	18,957	20,000	20,000
Total revenues	360,898	388,620	426,091
Total funds available	1,014,670	1,038,158	1,256,934
EXPENDITURES			
General and administrative			
Accounting	24,663	25,000	29,000
Audit	4,200	4,200	5,000
County Treasurer's fees	4,780	5,111	5,511
Directors' fees	-	-	-
Insurance and bonds	8,217	8,279	10,000
District management	34,052	28,000	33,000
Legal services	11,220	10,000	15,000
Miscellaneous	1,298	2,000	3,000
Election expense	-	1,500	2,000
Contingency	-	-	6,986
Operations and maintenance			
Repairs and maintenance	18,102	15,000	20,000
Engineering	1,650	-	-
Landscaping maintenance	40,977	35,000	47,000
Landscaping maintenance - floral	9,149	6,225	12,000
Pest control	1,503	2,000	3,000
Site lighting	3,871	3,000	4,000
Snowplowing and sweeping	7,143	17,000	25,000
Utilities	50,654	45,000	50,000
Total expenditures	221,479	207,315	270,497
TRANSFERS OUT			
Transfers to other fund	143,653	-	-
Total expenditures and transfers out requiring appropriation	365,132	207,315	270,497
ENDING FUND BALANCE	\$ 649,538	\$ 830,843	\$ 986,437
EMERGENCY RESERVE	\$ 10,900	\$ 11,700	\$ 12,800
TOTAL RESERVE	\$ 10,900	\$ 11,700	\$ 12,800

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 868,818	\$ 816,370	\$ 942,364
REVENUES			
Property taxes	650,350	626,627	675,562
Specific ownership taxes	47,395	42,030	47,289
Interest income	4,877	4,000	10,000
Total revenues	<u>702,622</u>	<u>672,657</u>	<u>732,851</u>
TRANSFERS IN			
Transfers from other funds	<u>4,220,143</u>	-	<u>31,010</u>
Total funds available	<u>5,791,583</u>	<u>1,489,027</u>	<u>1,706,225</u>
EXPENDITURES			
General and administrative			
County Treasurer's fees	9,826	9,399	10,133
Paying agent fees	2,500	2,500	2,500
Contingency	-	-	9,947
Debt Service			
Loan interest	156,197	236,743	229,392
Loan principal	355,000	290,000	340,000
Non-use fee	-	8,021	8,021
Refunding escrow payment	4,451,690	-	-
Total expenditures	<u>4,975,213</u>	<u>546,663</u>	<u>599,993</u>
Total expenditures and transfers out requiring appropriation	<u>4,975,213</u>	<u>546,663</u>	<u>599,993</u>
ENDING FUND BALANCE	<u>\$ 816,370</u>	<u>\$ 942,364</u>	<u>\$ 1,106,232</u>
REQUIRED RESERVE	<u>\$ 112,500</u>	<u>\$ 335,000</u>	<u>\$ 366,010</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 5,084,104	\$ 914,200
REVENUES			
Loan proceeds	9,695,000	-	1,015,000
Developer advance	143,653	576,531	1,100,000
Total revenues	<u>9,838,653</u>	<u>576,531</u>	<u>2,115,000</u>
TRANSFERS IN			
Transfers from other funds	<u>143,653</u>	<u>-</u>	<u>-</u>
Total funds available	<u>9,982,306</u>	<u>5,660,635</u>	<u>3,029,200</u>
EXPENDITURES			
General and administrative			
Loan issue costs	358,003	-	-
Repay Developer advance	143,653	576,531	1,100,000
Repay Developer advance interest	-	50,435	100,000
Engineering	-	3,500	5,000
Capital Projects			
Public improvements	143,653	4,000,000	1,681,000
Campus Wayfinding / Signage	-	15,000	110,000
Other improvements	32,750	-	-
Contingency	-	100,969	2,190
Total expenditures	<u>678,059</u>	<u>4,746,435</u>	<u>2,998,190</u>
TRANSFERS OUT			
Transfers to other fund	<u>4,220,143</u>	<u>-</u>	<u>31,010</u>
Total expenditures and transfers out requiring appropriation	<u>4,898,202</u>	<u>4,746,435</u>	<u>3,029,200</u>
ENDING FUND BALANCE	<u>\$ 5,084,104</u>	<u>\$ 914,200</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

NBC Metropolitan District (District), a quasi-municipal corporation, was organized by court order on May 18, 2000, recorded on June 8, 2000, and is governed pursuant to provisions of the Colorado Special District Act. In accordance with its Service Plan, the District was formed to provide for the design, construction, installation, financing and acquisition of certain water, sanitation, street, safety protection, park and recreation, transportation, and television relay and translation improvements in its service area located entirely within the City of Westminster in Jefferson County.

The District was formed in May 2000 by election. The election approved an increase in taxes of \$1,000,000 annually for general operations and maintenance; general obligation indebtedness of \$15,900,000 for streets, \$1,500,000 for safety controls, \$1,900,000 for water facilities, \$5,400,000 for sewer and storm drainage facilities, \$4,000,000 for parks, \$1,300,000 for television relay and translation (for a total debt authorization of \$30,000,000), and \$30,000,000 for refunding debt at higher interest rates. The voters also approved the District's ability to annually collect and retain all revenue, other than property taxes, without regard to TABOR limitations. In addition, on November 6, 2012, a majority of the qualified electors of the District approved an increase in taxes of \$1,000,000 annually for general operations and maintenance and of \$30,000,000 annually for intergovernmental agreements. Also, the electors authorized the issuance of indebtedness in an amount not to exceed \$211,000,000. This includes an additional \$30,000,000 each for water facilities, sewer and storm drainage facilities, streets, safety controls, parks, television relay and translation, and public transportation. Also, the electors authorized the refunding of up to \$30,000,000 in general obligation bonds at a higher interest rate.

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 believes 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 District's maximum Required Mill Levy is 50.000 mills for debt service, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Series 2021 Loan (defined below) as the same become due and payable and to make up any deficiencies in the Reserve Fund capped at the 50.000 mills for debt service.

**NBC METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes – (continued)

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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 forecast assumes that the District's share will be equal to approximately 7% of the property taxes collected by both the General Fund and the Debt Service Fund.

Developer Advance

A significant portion of public improvement costs of the District are expected to be funded by the Developer.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

Expenditures

Administrative and Operating Expenditures

Administrative expenditures include the services necessary to maintain the District's administrative viability such as accounting, insurance, legal and management expenses. Operating expenditures include the street and sidewalk maintenance and landscape maintenance and water. These expenditures are based on estimates of the District's Board of Directors and consultants.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**NBC METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2021 Loan. The District's current debt service schedule is attached.

Debt and Leases

On April 13, 2021 the District entered into the Limited Tax General Obligation Refunding and Improvement Loan, Series 2021 (Series 2021 Loan) with U.S. Bank National Association in the principal amount of \$12,868,000, with an Initial Advance Amount of \$9,695,000. The loan bears an interest rate of 2.50%, with interest payments calculated based on a 360-day year and the actual days elapsed in each period made on June 1 and December 1 of each year, and principal payments on December 1 of each year. Proceeds were used and will be used for the purposes of paying and cancelling the Series 2015 Loan, acquiring and constructing certain public improvements, providing an initial deposit to the Reserve Fund, and paying the costs of issuing the Series 2021 Loan.

The pledged revenue includes: a) all moneys derived from the Required Mill Levy; b) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; and c) any other legally available moneys which the Board determines in its sole discretion to apply as Pledged Revenue. The Required Mill Levy is defined as the amount sufficient in each year to pay the Annual Debt Requirements and to replenish the Reserve Fund to the Required Reserve but not in excess of 50 mills, as may be adjusted so that to the extent possible, actual tax revenues generated by the District's mill levies are neither diminished nor enhanced as a result of changes to the method of calculating assessed valuation.

The District will pay the Lender the Non-Use Fee in an amount equal to 0.25% per annum of the Unfunded Maximum Advancing Amount in effect from time to time in accordance with the terms of the Loan Agreement.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending as defined under TABOR.

Debt Service Reserve

The Series 2021 Loan has a debt service Initial Reserve Requirement of \$335,000.

This information is an integral part of the accompanying forecasted budget.

**NBC METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$9,695,000

Limited Tax General Obligation Refunding and Improvement Loan Draw #1

Series 2021

Dated April 13, 2021

Interest Rate of 2.50%

Payable June 1 and December 1

Principal due December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 340,000	\$ 229,392	\$ 569,392
2024	405,000	220,774	625,774
2025	420,000	210,509	630,509
2026	435,000	199,863	634,863
2027	440,000	188,837	628,837
2028	465,000	177,684	642,684
2029	475,000	165,898	640,898
2030	490,000	153,858	643,858
2031	463,000	141,438	604,438
2032	443,000	129,702	572,702
2033	463,000	118,473	581,473
2034	483,000	106,737	589,737
2035	505,000	94,494	599,494
2036	528,000	81,694	609,694
2037	552,000	68,311	620,311
2038	576,000	54,319	630,319
2039	602,000	39,719	641,719
2040	965,000	24,460	989,460
Total	<u>\$ 9,050,000</u>	<u>\$ 2,406,159</u>	<u>\$ 11,456,159</u>

No assurance provided. See summary of significant assumptions.

EXHIBIT B

CERTIFICATION OF VALUATION BY JEFFERSON COUNTY ASSESSOR

New Tax Entity YES NO

Date: December 5, 2022

NAME OF TAX ENTITY: NBC METROPOLITAN DISTRICT

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	18,931,330
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	20,409,720
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	20,409,720
5. NEW CONSTRUCTION: *	5.	\$	1,954,372
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution

* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	97,144,188
ADDITIONS TO TAXABLE REAL PROPERTY			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	28,740,770
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	100,108,463
---	----	----	-------------

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	14,935
--	--	----	--------

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.