

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 2

2022 ANNUAL REPORT

Pursuant to § 32-1-207(3)(c), C.R.S., Thompson Crossing Metropolitan District No. 2 (the “**District**”) is required to provide an annual report to the Town of Johnstown, Colorado (the “**Town**”) the with regard to the following matters:

For the year ending December 31, 2022, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

None.

2. Intergovernmental Agreements entered into or terminated.

None.

3. Access information to obtain a copy of rules and regulations adopted by the board.

As of the reporting year, the District has not adopted any rules or regulations.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Larimer County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2022.

5. Status of the construction of public improvements by the District.

No construction of public improvements took place in 2022.

6. A list of facilities or improvements constructed by the District there were conveyed or dedicated to the county or municipality.

No facilities or improvements were conveyed or dedicated to the Town in 2022.

7. The final assessed valuation of the District as of December 31st of the reporting year.

See **Exhibit A**.

8. A copy of the current year’s budget.

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

- 9. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2022 Audit will be provided as a supplement report at a later date.

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

None.

- 11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

None.

EXHIBIT A
2022 Assessed Valuation

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: 125 - THOMPSON CROSSING METRO DISTRICT NO. 2

IN LARIMER COUNTY ON 11/17/2022

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY
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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 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$75,600,262
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$78,493,006
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$78,493,006
5. NEW CONSTRUCTION: **	\$2,328,800
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$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.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
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.):	\$23,065.26

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

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

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$403,358,060
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$7,851,600
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(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.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, 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:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$104,913
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** 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 f(3). C.R.S.

EXHIBIT B
2023 Budget

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 2				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
GENERAL FUND				
	(a)	(b)	(c)	(f)
	2021	2022	2022	2023
	Audited	Adopted	Projected	Adopted
	Actual	Budget	Actual	Budget
Revenues				
Property Taxes	\$ 211,664	\$ 351,314	\$ 351,314	\$ 418,211
Specific Ownership Taxes	16,441	21,079	21,079	29,275
Interest & Other Income	1,675	1,500	1,500	-
Total Revenues	\$ 229,780	\$ 373,893	\$ 373,893	\$ 447,485
Expenditures				
Administration:				
Accounting	\$ 23,100	\$ 24,700	\$ 24,700	\$ 26,500
Audit	5,500	5,500	5,500	6,000
District 1 Operations Expenditures	7,771	11,108	11,108	-
District Management	9,780	12,480	12,480	13,500
Election	238	3,000	2,411	3,000
Insurance	5,360	5,832	5,832	6,532
Legal	24,247	15,000	15,000	15,000
Office & Other	1,297	4,000	4,000	4,000
Treasurer's Fees	4,241	7,026	7,026	8,364
Transfer to Capital Fund	-	250,000	250,000	540,000
Contingency	-	5,000	5,000	5,000
Total Expenditures	\$ 81,534	\$ 343,646	\$ 343,057	\$ 627,896
Revenues Over/(Under) Exp	\$ 148,246	\$ 30,247	\$ 30,836	\$ (180,411)
Beginning Fund Balance	98,804	247,050	247,050	277,886
Ending Fund Balance	\$ 247,050	\$ 277,297	\$ 277,886	\$ 97,476
COMPONENTS OF ENDING FUND BALANCE:				
Emergency Reserve (3% of Revenues)	\$6,893	\$11,217	\$11,217	\$ 13,425
Operating Reserve (25% of Expenses)	20,384	85,912	85,764	156,974
Unrestricted	219,773	180,169	180,905	(72,923)
TOTAL ENDING FUND BALANCE	\$247,050	\$277,297	\$277,886	\$ 97,476
Mill Levy				
Operating	3.371	4.647	4.647	5.328
Debt Service	16.629	20.021	20.021	19.086
Total Mill Levy	20.000	24.668	24.668	24.414
Assessed Value				
Operating	\$64,156,355	\$ 75,600,262	\$ 75,600,262	\$ 78,493,006
Debt Service	-	18,900,843	18,900,843	20,309,008
Property Tax Revenue				
Operating	-	351,314	351,314	418,211
Debt Service	-	88,229	1,248,920	1,241,293
Total Property Tax Revenue	\$0	\$ 439,544	\$ 1,600,234	\$ 1,659,504

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 2				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
DEBT SERVICE FUND				
	(a)	(b)	(c)	(f)
	2021	2022	2022	2023
	Audited	Amended	Projected	Adopted
	Actual	Budget	Actual	Budget
Revenues				
Property Taxes	\$ 1,121,991	\$ 1,160,691	\$ 1,160,691	\$ 1,151,649
Specific Ownership Tax	87,034	69,641	69,641	80,615
Property Taxes - Bond	-	88,229	88,229	89,644
Specific Ownership Tax - Bond	-	5,294	5,294	5,379
Interest and Other Income	32	-	-	-
Total Revenues	\$ 1,209,057	\$ 1,323,855	\$ 1,323,855	\$ 1,327,287
Expenditures				
Debt Service - Interest - 2016A	\$ 219,475	\$ 216,175	\$ 216,175	\$ 211,113
Debt Service - Interest - 2016B	680,313	677,813	677,813	675,213
Debt Service - Principal - 2016A	165,000	225,000	225,000	225,000
Debt Service - Principal - 2016B	125,000	130,000	130,000	130,000
Paying Agent Fees	800	800	800	800
Treasurer's Fees	22,479	24,978	24,978	23,033
Repayment of Developer Advances	-	30,925	-	-
Contingency	-	5,000	5,000	5,000
Total Expenditures	\$ 1,213,067	\$ 1,310,691	\$ 1,279,766	\$ 1,270,159
Revenues Over/(Under) Exp	\$ (4,010)	\$ 13,164	\$ 44,089	\$ 57,128
Beginning Fund Balance	504,576	520,573	500,566	544,655
Ending Fund Balance	\$ 500,566	\$ 533,737	\$ 544,655	\$601,783

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 2				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
CAPITAL IMPROVEMENTS FUND				
	(a)	(b)	(c)	(f)
	2021	2022	2022	2023
	Audited	Adopted	Projected	Proposed
	Actual	Budget	Actual	Budget
Revenues				
Developer Advances	\$ 439,931	\$ 1,550,000	\$ 1,550,000	\$ 2,610,000
Easement Revenue	111,281	-	-	
Total Revenues	\$ 551,212	\$ 1,550,000	\$ 1,550,000	\$ 2,610,000
Expenditures				
Accounting & Consulting	\$ 6,950	\$ 10,000	\$ 10,000	\$ 10,000
Engineering & Review	14,867	100,000	100,000	100,000
Water	-	50,000	50,000	300,000
Non-potable system	32,529	40,000	40,000	100,000
Streets	-	1,000,000	1,000,000	1,500,000
Traffic & Safety Control	-	50,000	50,000	-
Sewer Lines/Sanitation	382,942	100,000	100,000	300,000
Storm Drainage	86,850	200,000	200,000	300,000
Other	-	-	-	-
Transfer to General Fund	-	-	-	-
Total Expenditures	\$ 524,138	\$ 1,550,000	\$ 1,550,000	\$ 2,610,000
Revenues Over/(Under) Exp	\$ 27,074	\$ -	\$ -	\$ -
Other Sources/(Uses) of Funds				
Developer Advance Repayment	\$ -	\$ 250,000	\$ 250,000	\$ 540,000
Transfer from General Fund	-	(250,000)	(250,000)	(540,000)
Net Other Sources/(Uses) of Funds	\$0	\$0	\$ -	\$ -
Revenues and Other Sources Over/				
(Under) Exp and Other (Uses)	\$ 27,074	\$ -	\$ -	\$ -
Beginning Fund Balance	65,955	93,029	93,029	93,029
Ending Fund Balance	\$ 93,029	\$ 93,029	\$ 93,029	\$ 93,029

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 2

2023 BUDGET MESSAGE

Thompson Crossing Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed in November 2001. The District was established as part of a “Multiple District Structure” in the Town of Johnstown, Colorado, and was organized to provide the acquisition, construction and installation of water, sewer, streets, park and recreation facilities and other related improvements and to provide ongoing operation and maintenance within the District.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

The District's strategy in preparing the 2023 budget is to strive to provide the level of water, sewer, streets, park and recreation facilities and other related services as desired by the property owners and residents of the District in the most economical manner possible.

General Fund

General and administrative expenditures budgeted in the amount of \$627,896 are expected to be funded by Property Taxes of \$418,211, and Specific Ownership Taxes of \$29,275.

Debt Service Fund

Expenditures for principal, interest and other payments relate to the Series 2016, General Obligation Bonds. Debt service expenditures totaling \$1,270,159 are expected to be funded by Property Taxes of \$1,241,293 and Specific Ownership Taxes of \$85,994.

Capital Improvements Fund

Capital expenditures budgeted in the amount of \$2,610,000 are expected to be funded through Developer Advances.

Reserves/Fund Balance

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2023, as defined under TABOR, in the District's General Fund.