

**2023 ANNUAL REPORT**  
**NBC METROPOLITAN DISTRICT**

As required by Section 32-1-207(3)(c), C.R.S. and the District's Service Plan, the following report of the activities of NBC Metropolitan District (the "**District**") from January 1, 2023 to December 31, 2023 is hereby submitted.

- A. Boundary changes made: No boundary changes were made or proposed in 2023.
- B. Intergovernmental Agreements entered into or terminated: No Intergovernmental Agreements were entered in 2023.
- C. Access information to obtain a copy of rules and regulations adopted: The District adopted a policy related to the Colorado Open Records Act Requests to amend the Policy due to the legislative changes.
- D. Summary of litigation involving the District's public improvements: To our knowledge, the District is not involved in any litigation regarding the District's public improvements.
- E. Status of the District's construction of public improvements: The 112th Avenue extension was completed in 2023. The Circle Point Park Improvement Project is expected to be completed in early 2024.
- F. Conveyances or dedications of facilities or improvements, constructed by the District, to the City of Westminster: The District did not convey or dedicate any facilities or improvements to the City of Westminster in 2023.
- G. Final assessed valuation of the District for the reporting year: \$25,961,663
- H. Current year's budget: A copy of the District's 2024 budget is attached hereto as **Exhibit A**.
- I. Audited financial statements for the reporting year (or application for exemption from audit): A copy of the 2023 Audit will be provided when available.
- J. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument: To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.
- K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period: To our knowledge, the District has been able to pay its obligations as they come due.

**EXHIBIT A**  
**2024 BUDGET**

**NBC METROPOLITAN DISTRICT  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 6,550,012	\$ 3,588,064	\$ 1,918,009
REVENUES			
Property taxes	972,535	1,042,937	1,326,641
Specific ownership taxes	66,408	73,005	66,333
Interest income	7,878	13,000	15,000
Developer advance	576,531	853,926	200,000
Water service fees	17,669	10,000	20,000
Total revenues	<u>1,641,021</u>	<u>1,992,868</u>	<u>1,627,974</u>
TRANSFERS IN	<u>-</u>	<u>56,024</u>	<u>300,000</u>
Total funds available	<u>8,191,033</u>	<u>5,636,956</u>	<u>3,845,983</u>
EXPENDITURES			
General Fund	206,642	243,976	295,000
Debt Service Fund	543,319	713,575	655,000
Capital Projects Fund	3,853,008	2,705,372	512,205
Total expenditures	<u>4,602,969</u>	<u>3,662,923</u>	<u>1,462,205</u>
TRANSFERS OUT	<u>-</u>	<u>56,024</u>	<u>300,000</u>
Total expenditures and transfers out requiring appropriation	<u>4,602,969</u>	<u>3,718,947</u>	<u>1,762,205</u>
ENDING FUND BALANCES	<u>\$ 3,588,064</u>	<u>\$ 1,918,009</u>	<u>\$ 2,083,778</u>
EMERGENCY RESERVE	\$ 11,800	\$ 12,500	\$ 15,800
AVAILABLE FOR OPERATIONS	821,668	937,059	864,435
TOTAL RESERVE	<u>\$ 1,168,468</u>	<u>\$ 1,284,559</u>	<u>\$ 1,215,235</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Residential - multi family	\$ 510,070	\$ 2,635,578	\$ 6,228,682
Commercial	16,499,417	16,499,405	16,990,653
State assessed	-	850	1,087
Vacant land	431,595	431,595	407,194
Personal property	1,490,248	842,292	2,334,047
Certified Assessed Value	\$ 18,931,330	\$ 20,409,720	\$ 25,961,663

**MILL LEVY**

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

**PROPERTY TAXES**

General	\$ 340,764	\$ 367,375	\$ 467,310
Debt Service	626,627	675,562	859,331
Levied property taxes	967,391	1,042,937	1,326,641
Adjustments to actual/rounding	5,144	-	-
Budgeted property taxes	\$ 972,535	\$ 1,042,937	\$ 1,326,641

**BUDGETED PROPERTY TAXES**

General	\$ 342,576	\$ 367,375	\$ 467,310
Debt Service	629,959	675,562	859,331
	\$ 972,535	\$ 1,042,937	\$ 1,326,641

**NBC METROPOLITAN DISTRICT  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 649,538	\$ 833,468	\$ 949,559
<b>REVENUES</b>			
Property taxes	342,576	367,375	467,310
Specific ownership taxes	23,392	25,716	23,366
Interest income	6,935	13,000	15,000
Water service fees	17,669	10,000	20,000
Total revenues	<u>390,572</u>	<u>416,091</u>	<u>525,676</u>
Total funds available	<u>1,040,110</u>	<u>1,249,559</u>	<u>1,475,235</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	26,526	35,000	36,000
Auditing	4,200	5,000	5,500
County Treasurer's fee	5,146	5,511	7,010
Dues and membership	-	500	550
Insurance	8,279	13,920	15,000
District management	29,459	45,000	36,000
Legal	11,132	20,000	20,000
Miscellaneous	1,509	1,200	3,000
Election	847	1,153	-
Contingency	-	-	7,140
Website	-	832	1,000
Operations and maintenance			
Repairs and maintenance	20,868	12,000	15,000
Landscaping	36,855	50,000	52,000
Landscaping maintenance-floral	6,225	6,860	12,000
Site Lighting	1,436	4,000	4,000
Pest Control	1,500	3,000	3,300
Snow removal	16,871	25,000	27,500
Utilities	35,789	15,000	50,000
Total expenditures	<u>206,642</u>	<u>243,976</u>	<u>295,000</u>
<b>TRANSFERS OUT</b>			
Transfers to other fund	<u>-</u>	<u>56,024</u>	<u>300,000</u>
Total expenditures and transfers out requiring appropriation	<u>206,642</u>	<u>300,000</u>	<u>595,000</u>
ENDING FUND BALANCES	<u>\$ 833,468</u>	<u>\$ 949,559</u>	<u>\$ 880,235</u>
EMERGENCY RESERVE	\$ 11,800	\$ 12,500	\$ 15,800
AVAILABLE FOR OPERATIONS	<u>821,668</u>	<u>937,059</u>	<u>864,435</u>
TOTAL RESERVE	<u>\$ 833,468</u>	<u>\$ 949,559</u>	<u>\$ 880,235</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 816,370	\$ 946,969	\$ 956,245
REVENUES			
Property taxes	629,959	675,562	859,331
Specific ownership taxes	43,016	47,289	42,967
Interest income	943	-	-
Total revenues	<u>673,918</u>	<u>722,851</u>	<u>902,298</u>
Total funds available	<u>1,490,288</u>	<u>1,669,820</u>	<u>1,858,543</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	9,464	10,133	12,890
Paying agent fees	2,000	2,500	2,500
Contingency	-	9,947	6,325
Debt Service			
Bond interest	236,743	228,592	220,220
Loan Interest	-	114,382	-
Non-use fee	5,112	8,021	8,065
Loan principal	290,000	340,000	405,000
Total expenditures	<u>543,319</u>	<u>713,575</u>	<u>655,000</u>
Total expenditures and transfers out requiring appropriation	<u>543,319</u>	<u>713,575</u>	<u>655,000</u>
ENDING FUND BALANCES	<u>\$ 946,969</u>	<u>\$ 956,245</u>	<u>\$ 1,203,543</u>
DEBT SERVICE RESERVE	<u>\$ 335,000</u>	<u>\$ 335,000</u>	<u>\$ 335,000</u>
TOTAL RESERVE	<u>\$ 335,000</u>	<u>\$ 335,000</u>	<u>\$ 335,000</u>

No assurance provided. See summary of significant assumptions.

**NBC METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 5,084,104	\$ 1,807,627	\$ 12,205
REVENUES			
Developer advance	576,531	853,926	200,000
Total revenues	<u>576,531</u>	<u>853,926</u>	<u>200,000</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>56,024</u>	<u>300,000</u>
Total funds available	<u>5,660,635</u>	<u>2,717,577</u>	<u>512,205</u>
EXPENDITURES			
General and Administrative			
District management	-	1,463	-
Contingency	990	-	12,205
Capital Projects			
Repay developer advance	576,531	887,695	200,000
Developer advance - interest expense	-	18,854	-
Campus Wayfinding/Signage	10,685	-	-
Public Improvements	3,263,729	1,795,157	300,000
Engineering	1,073	2,203	-
Total expenditures	<u>3,853,008</u>	<u>2,705,372</u>	<u>512,205</u>
Total expenditures and transfers out requiring appropriation	<u>3,853,008</u>	<u>2,705,372</u>	<u>512,205</u>
ENDING FUND BALANCES	<u>\$ 1,807,627</u>	<u>\$ 12,205</u>	<u>\$ -</u>

**NBC METROPOLITAN DISTRICT  
2024 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  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (Continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		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 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.

**NBC METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (Continued)**

**Capital Outlay**

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

**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.

**NBC METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.**