

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

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

1/12/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 646,692	\$ 253,227	\$ 293,398
REVENUES			
Property taxes	542,649	611,680	607,435
Specific ownership taxes	37,406	39,038	36,446
Interest income	478	2,200	2,500
Total revenues	<u>580,533</u>	<u>652,918</u>	<u>646,381</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>30,000</u>
Total funds available	<u>1,227,225</u>	<u>906,145</u>	<u>969,779</u>
EXPENDITURES			
General and administrative	5,013	7,941	11,000
Debt service	968,985	604,806	710,992
Total expenditures	<u>973,998</u>	<u>612,747</u>	<u>721,992</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>30,000</u>
Total expenditures and transfers out requiring appropriation	<u>973,998</u>	<u>612,747</u>	<u>751,992</u>
ENDING FUND BALANCES	<u>\$ 253,227</u>	<u>\$ 293,398</u>	<u>\$ 217,787</u>
EMERGENCY RESERVE	\$ 100	\$ 200	\$ 200
LIQUIDITY RESERVE	200,000	200,000	200,000
TOTAL RESERVE	<u>\$ 200,100</u>	<u>\$ 200,200</u>	<u>\$ 200,200</u>

No assurance provided. See summary of significant assumptions.

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

1/12/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION - ARAPAHOE #4330</b>			
Residential - single family	\$ 37,774	\$ 40,948	\$ 39,803
Commercial	618,570	691,070	691,070
State assessed	20	30	450
Vacant land	527,742	527,742	527,742
Personal property	83,393	86,138	119,776
Certified Assessed Value	<u>\$ 1,267,499</u>	<u>\$ 1,345,928</u>	<u>\$ 1,378,841</u>
<b>MILL LEVY</b>			
General	2.000	2.000	2.000
Debt Service	40.000	40.000	40.000
Total mill levy	<u>42.000</u>	<u>42.000</u>	<u>42.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 2,535	\$ 2,692	\$ 2,758
Debt Service	50,700	53,837	55,154
Levied property taxes	53,235	56,529	57,912
Delinquent taxes, rebates, and abatements	(99)	-	-
Adjustments to actual/rounding			
Budgeted property taxes	<u>\$ 53,136</u>	<u>\$ 56,529</u>	<u>\$ 57,912</u>
<b>ASSESSED VALUATION - ARAPAHOE #4331</b>			
Residential	\$ 6,186,472	\$ 7,460,732	\$ -
Residential - single family	-	-	4,937,093
Residential - multi family	-	-	2,862,212
Commercial	4,969,297	5,416,853	5,160,203
State assessed	790	1,200	1,740
Personal property	1,081,288	999,980	776,817
Certified Assessed Value	<u>\$ 12,237,847</u>	<u>\$ 13,878,765</u>	<u>\$ 13,738,065</u>
<b>MILL LEVY</b>			
Debt Service	40.000	40.000	40.000
Total mill levy	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>
<b>PROPERTY TAXES</b>			
Debt Service	\$ 489,514	\$ 555,151	\$ 549,523
Levied property taxes	489,514	555,151	549,523
Adjustments to actual/rounding	(1)	-	-
Budgeted property taxes	<u>\$ 489,513</u>	<u>\$ 555,151</u>	<u>\$ 549,523</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 2,530	\$ 2,692	\$ 2,758
Debt Service	540,119	608,988	604,677
	<u>\$ 542,649</u>	<u>\$ 611,680</u>	<u>\$ 607,435</u>

No assurance provided. See summary of significant assumptions.

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

1/12/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 246,235	\$ 243,938	\$ 239,859
REVENUES			
Property taxes	2,530	2,692	2,758
Specific ownership taxes	175	170	165
Interest income	11	1,000	1,000
Total revenues	<u>2,716</u>	<u>3,862</u>	<u>3,923</u>
Total funds available	<u>248,951</u>	<u>247,800</u>	<u>243,782</u>
EXPENDITURES			
General and administrative			
Insurance	3,050	3,051	4,000
Treasurer's fees	38	40	51
Director's fees	1,200	1,000	1,000
Dues and subscriptions	445	452	500
Miscellaneous expenses	188	200	500
Payroll taxes	92	76	77
Election expense	-	3,122	3,500
Contingency	-	-	1,372
Total expenditures	<u>5,013</u>	<u>7,941</u>	<u>11,000</u>
TRANSFERS OUT			
Transfer to other funds	<u>-</u>	<u>-</u>	<u>30,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,013</u>	<u>7,941</u>	<u>41,000</u>
ENDING FUND BALANCE	<u>\$ 243,938</u>	<u>\$ 239,859</u>	<u>\$ 202,782</u>
EMERGENCY RESERVE	\$ 100	\$ 200	\$ 200
LIQUIDITY RESERVE	200,000	200,000	200,000
TOTAL RESERVE	<u>\$ 200,100</u>	<u>\$ 200,200</u>	<u>\$ 200,200</u>

No assurance provided. See summary of significant assumptions.

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

1/12/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 400,457	\$ 9,289	\$ 53,539
REVENUES			
Property taxes	540,119	608,988	604,677
Specific ownership taxes	37,231	38,868	36,281
Interest income	467	1,200	1,500
Total revenues	<u>577,817</u>	<u>649,056</u>	<u>642,458</u>
TRANSFERS IN			
Transfer from other funds	<u>-</u>	<u>-</u>	<u>30,000</u>
Total funds available	<u>978,274</u>	<u>658,345</u>	<u>725,997</u>
EXPENDITURES			
General and administrative			
Accounting	24,422	27,500	31,625
Audit	4,500	5,000	5,500
Treasurer's fees	8,105	9,135	9,070
Management	12,920	14,000	16,100
Legal	15,997	20,000	20,000
Paying agent fees	1,000	1,000	1,000
Contingency	-	-	3,888
Debt Service			
Bond interest	93,480	67,400	53,000
Bond principal	301,047	310,771	320,809
Bond issuance costs	7,500	-	-
Bond principal paydown	500,014	150,000	250,000
Total expenditures	<u>968,985</u>	<u>604,806</u>	<u>710,992</u>
Total expenditures and transfers out requiring appropriation	<u>968,985</u>	<u>604,806</u>	<u>710,992</u>
ENDING FUND BALANCE	<u>\$ 9,289</u>	<u>\$ 53,539</u>	<u>\$ 15,005</u>

No assurance provided. See summary of significant assumptions.

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

**Services Provided**

Galleria Metropolitan District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 4, 1986, 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 the City of Aurora on September 9, 1985, and as modified on November 4, 1986. The District's service area is located in the Cities of Aurora and Greenwood Village in Arapahoe County.

The District was organized to provide street improvements, storm drainage, park and recreation facilities, water and sewer facilities, transportation facilities and television relay facilities. Water service is provided to the property under a total water service contract with the Denver Water Board.

On May 5, 1998, the District's voters authorized total indebtedness not to exceed \$16,875,000 for the above listed facilities.

On May 2, 2000, the District's voters rescinded the authorized but unissued indebtedness of \$1,328,150 for storm drainage improvements and authorized an increase in the issuance of indebtedness related to street improvements not to exceed \$11,060,000, at an interest rate not to exceed 12% and \$16,875,000 for refunding the District's debt or other obligations and \$500,000 for operations and maintenance.

The District has no employees and contracts for all its management and professional services.

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 calculation of the taxes levied is displayed on the Property Tax Summary Information 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

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

**Revenues** (continued)

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 budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by both the General Fund and the Debt Service Fund.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on historical interest earnings.

**Expenditures**

**Administrative Expenditures**

The District exists primarily to repay its outstanding general obligation bonds; therefore, most all administrative and operating expenditures of the District are Debt Service in nature. Administrative and operating expenditures include the estimated services necessary to maintain the District: such as legal, management, accounting, insurance, and other administrative expenses.

**County Treasurer's Fees**

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

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2010 General Obligation Limited Tax Refunding Bonds (discussed under Debt and Leases).

**Debt and Leases**

On February 24, 2010, the District issued General Obligation Limited Tax Refunding Bonds, Series 2010, originally dated February 24, 2010, in the original amount of \$5,795,000, with interest at an initial rate of 4.45%. On June 26, 2012, the Series 2010 bonds were amended and restated in the amount of \$5,425,000, with interest at an initial rate of 3.23%. On March 7, 2016, the Series 2010 bonds were amended and restated in the amount of \$4,455,000, with a fixed interest rate of 3.23% through the maturity date of December 1, 2029. The reissuance of the Series 2010 bonds reduces the Debt Service Reserve Requirement to \$400,000 and eliminates the minimum liquidity requirement. On December 17, 2021, the Series 2010 bonds were amended and restated to eliminate the \$400,000 Reserve Requirement and establish a requirement that the District maintain a fund balance of not less than \$200,000. The \$400,000 reserve was used to pay down the principal of the bonds, which should allow

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

**Debt and Leases** (continued)

the District to pay off the bonds in 2025. The bonds may be prepaid without prepayment premium prior to maturity on any date.

The Bonds are secured by and payable solely from and to the extent of the Pledged Revenue, consisting of monies derived by the District from the Required Mill Levy and all specific ownership taxes. To the extent specific ownership tax revenues are not necessary in any fiscal year to pay the principal of, premium, if any, and interest on the bonds or to replenish any deficiency in the Debt Service Reserve account, such revenues may be expended by the District for any lawful purpose after December 15 of the fiscal year, plus any other legally available moneys credited to the Bond Account. 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 Bonds, operating expenses of the District, and any Parity Bonds as the same become due and payable, and to make up any deficiencies in the Debt Service Reserve Account, but not in excess of 50 mills.

The District anticipates making additional debt principal payments as funds allow.

The District has no operating or capital leases.

**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.

**Liquidity Reserve**

The District maintains a Liquidity Reserve as required by the Second Amendment to the Amended and Restated 2010 Resolution dated November 19, 2021.

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



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

<b>Bond and Interest Maturing in the Year Ending December 31,</b>	<b>\$4,455,000 Reissued General Obligation Limited Tax Refunding Bonds Originally dated February 24, 2010 - Series 2010 Amended June 26, 2012 and March 7, 2016 Interest Rate - 3.23% Interest Payable June 1 and December 1 Principal Payable December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 570,809	\$ 52,499	\$ 623,308
2024	581,171	34,062	615,233
2025	473,388	15,290	488,678
	<b>\$ 1,625,368</b>	<b>\$ 101,851</b>	<b>\$ 1,727,219</b>

Anticipates early payoff in 2025.

No assurance provided. See summary of significant assumptions.