

**ORCHARD FARMS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2026**

**ORCHARD FARMS METRO DISTRICT  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31, 2026**

1/14/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 425,057	\$ 580,197	\$ 684,003
REVENUES			
Property Taxes	1,097,284	1,166,680	1,164,768
Specific Ownership Taxes	54,462	57,678	69,887
Operations and Maintenance Fee	268,777	270,000	270,000
Interest Income	42,790	35,354	35,000
Other Revenue	15,726	16,000	20,400
Transfer Fees	23,000	1,000	-
Legal Collection Fees	-	-	600
Total revenues	<u>1,502,039</u>	<u>1,546,712</u>	<u>1,560,655</u>
TRANSFERS IN	<u>255,000</u>	<u>380,000</u>	<u>290,000</u>
Total funds available	<u>2,182,096</u>	<u>2,506,909</u>	<u>2,534,658</u>
EXPENDITURES			
General Fund	82,305	108,114	135,000
Operations Fee Fund	462,644	528,792	595,000
Debt Service Fund	801,950	806,000	820,000
Total expenditures	<u>1,346,899</u>	<u>1,442,906</u>	<u>1,550,000</u>
TRANSFERS OUT	<u>255,000</u>	<u>380,000</u>	<u>290,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,601,899</u>	<u>1,822,906</u>	<u>1,840,000</u>
ENDING FUND BALANCES	<u>\$ 580,197</u>	<u>\$ 684,003</u>	<u>\$ 694,658</u>
EMERGENCY RESERVE	\$ 12,700	\$ 13,300	\$ 13,500
AVAILABLE FOR OPERATIONS	208,376	159,992	183,662
OPERATIONS FEE FUND RESERVE	120,000	300,000	300,000
TOTAL RESERVE	<u>\$ 341,076</u>	<u>\$ 473,292</u>	<u>\$ 497,162</u>

See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31, 2026**

1/14/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Residential	\$ 17,627,250	\$ 20,113,750	\$ 20,017,390
State assessed	5,860	5,890	8,530
Vacant land	1,275,260	22,030	1,890
Personal property	236,940	250,580	296,310
Oil and Gas	19,470	18,180	52,860
Certified Assessed Value	<b>\$ 19,164,780</b>	<b>\$ 20,410,430</b>	<b>\$ 20,376,980</b>
<b>MILL LEVY</b>			
General	19.161	19.161	19.161
Debt Service	38.000	38.000	38.000
Total mill levy	<b>57.161</b>	<b>57.161</b>	<b>57.161</b>
<b>PROPERTY TAXES</b>			
General	\$ 367,216	\$ 391,084	\$ 390,443
Debt Service	728,262	775,596	774,325
Levied property taxes	1,095,478	1,166,680	1,164,768
Adjustments to actual/rounding	1,806	-	-
Budgeted property taxes	<b>\$ 1,097,284</b>	<b>\$ 1,166,680</b>	<b>\$ 1,164,768</b>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 367,822</b>	<b>\$ 391,084</b>	<b>\$ 390,443</b>
Debt Service	<b>729,462</b>	<b>775,596</b>	<b>774,325</b>
	<b>\$ 1,097,284</b>	<b>\$ 1,166,680</b>	<b>\$ 1,164,768</b>

See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31, 2026**

1/14/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 138,333	\$ 221,076	\$ 173,292
<b>REVENUES</b>			
Property Taxes	367,821	391,084	390,443
Specific Ownership Taxes	18,256	19,334	23,427
Interest Income	18,545	13,912	15,000
Other Revenue	15,426	16,000	20,000
Total revenues	420,048	440,330	448,870
Total funds available	558,381	661,406	622,162
<b>EXPENDITURES</b>			
General and administrative			
Accounting	42,527	47,000	50,000
Auditing	6,500	6,996	7,600
County Treasurer's Fee	5,519	5,870	5,857
Dues and Membership	389	396	700
Insurance	4,127	6,458	8,000
Legal	22,719	33,000	38,000
Miscellaneous	-	37	100
Election	45	3,357	-
Contingency	-	-	18,743
Website	479	5,000	6,000
Total expenditures	82,305	108,114	135,000
<b>TRANSFERS OUT</b>			
Transfers to other fund	255,000	380,000	290,000
Total expenditures and transfers out requiring appropriation	337,305	488,114	425,000
ENDING FUND BALANCES	\$ 221,076	\$ 173,292	\$ 197,162
EMERGENCY RESERVE	\$ 12,700	\$ 13,300	\$ 13,500
AVAILABLE FOR OPERATIONS	208,376	159,992	183,662
TOTAL RESERVE	\$ 221,076	\$ 173,292	\$ 197,162

See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
OPERATIONS FEE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31, 2026**

1/14/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 231,708	\$ 325,544	\$ 461,610
REVENUES			
Operations and Maintenance Fee	268,777	270,000	270,000
Transfer Fees	23,000	1,000	-
Legal Collection Fees	-	-	600
Interest Income	9,403	13,858	12,000
Other Revenue	300	-	400
Total revenues	<u>301,480</u>	<u>284,858</u>	<u>283,000</u>
TRANSFERS IN			
Transfers from other funds	<u>255,000</u>	<u>380,000</u>	<u>290,000</u>
Total funds available	<u>788,188</u>	<u>990,402</u>	<u>1,034,610</u>
EXPENDITURES			
General and administrative			
Insurance	13,063	13,492	15,000
Design Review	16,200	20,800	22,000
District Management	37,000	38,850	41,000
District Management - Costs	11,469	16,500	16,500
Billing	31,000	34,700	37,000
Covenant Enforcement	23,969	25,000	25,000
Legal	3,931	10,000	5,000
Storage Facility	1,584	1,700	1,700
Community Cleanup	1,310	1,600	2,100
Community Activities	23,214	30,000	30,000
Contingency	-	-	22,150
Landscape Maintenance			
Irrigation Repairs & Improvements	5,779	10,000	20,000
Landscape Maintenance - Contract	76,642	85,000	90,000
Landscape Replacements & Improvements	25,831	50,000	30,000
Tree Replacements	1,902	20,000	10,000
Grounds and Park Maintenance			
Snow Removal	9,162	25,000	25,000
Lighting	570	600	-
Grounds Repair & Maintenance	13,103	21,000	16,500
Playground Inspection & Repairs	1,768	5,000	21,500
Holiday Lighting	2,278	3,500	3,500
Restroom Maintenance	3,753	4,300	4,300
Utilities			
Water	157,528	110,000	155,000
Electricity	1,588	1,750	1,750
Total expenditures	<u>462,644</u>	<u>528,792</u>	<u>595,000</u>
Total expenditures and transfers out requiring appropriation	<u>462,644</u>	<u>528,792</u>	<u>595,000</u>
ENDING FUND BALANCES	<u>\$ 325,544</u>	<u>\$ 461,610</u>	<u>\$ 439,610</u>
OPERATIONS FEE FUND RESERVE	<u>\$ 120,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>
TOTAL RESERVE	<u>\$ 120,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31, 2026**

1/14/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 55,016	\$ 33,577	\$ 49,101
<b>REVENUES</b>			
Property Taxes	729,463	775,596	774,325
Specific Ownership Taxes	36,206	38,344	46,460
Interest Income	14,842	7,584	8,000
Total revenues	780,511	821,524	828,785
Total funds available	835,527	855,101	877,886
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's Fee	10,946	11,634	11,615
Paying Agent Fees	3,000	3,000	3,000
Contingency	-	2,936	5,310
Debt Service			
Loan Interest - Series 2022	603,004	593,430	585,075
Loan Principal - Series 2022	185,000	195,000	215,000
Total expenditures	801,950	806,000	820,000
Total expenditures and transfers out requiring appropriation	801,950	806,000	820,000
ENDING FUND BALANCES	\$ 33,577	\$ 49,101	\$ 57,886

See summary of significant assumptions.

**ORCHARD FARMS METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Orchard Farms Metropolitan District, a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. The District was established to provide public streets, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

On November 6, 2007, the District's voters authorized total general obligation indebtedness of \$48,000,000 for the above listed facilities and, with a maximum debt mill levy of 50.000 mills as adjusted for changes in the assessment ratio. The adjusted debt mill levy for the change in the assessment ratio from 6.70% to 6.25% is 63.494 mills.

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

The District prepares its budget on the modified accrual basis of accounting and 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, sale 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.

**ORCHARD FARMS METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (Continued)**

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

<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%
Multi-Family Residential	6.25%
Commercial	27.00%
Industrial	27.00%
Lodging	27.00%

<b>Category</b>	<b>Rate</b>
Agricultural Land	27.00%
Renewable Energy Land	27.00%
Vacant Land	27.00%
Personal Property	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 all the property taxes collected.

**Operations Fees**

The District imposes a monthly fee of \$47.00 from the homeowners.

**Expenditures**

**General and Administrative Expenditures**

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

**Operating and Maintenance Expenditures**

Anticipated expenditures for maintenance are outlined in the Operations Fees Fund of the Budget.

**ORCHARD FARMS METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

**Tax-Exempt Refunding Loan, Series 2022**

On September 16, 2022, the District entered into a Loan Agreement with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the Bank) pertaining to a loan in the amount of \$14,330,000 (2022 Loan). The proceeds from the 2022 Loan were used to (i) refund the 2017A Senior Bonds, the 2017B and 2017C Subordinate Bonds; (ii) pay the Bank's combined loan commitment fee and rate lock fee; (iii) pay the costs of issuing the 2022 Loan; and (iv) pay any remaining proceeds to the Loan Payment Fund.

The Loan bears interest at the Base Rate of 4.226%, until the Interest Reset Date of December 1, 2042, then the Base Rate shall be the greater of: (i) the sum of the 10-Year U.S. Treasury Rate as of the Interest Reset Date plus 200 basis points, multiplied by 80%, or (ii) 3.50%.

Interest payments are due on June 1 and December 1 of each year, commencing December 1, 2022 (Interest Payment Dates). All interest due and payable shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall compound on each Interest Payment Date. Principal payments are due December 1 of each year beginning on December 1, 2022. The 2022 Loan matures on December 1, 2052.

The Loan is not subject to prepayment prior to the tenth anniversary of the Closing Date, except from excess Pledged Revenue. At its option and subject to the restrictions set forth in this Section, the District may prepay all or any part of the principal of the Loan from any legally available revenues on any date on or after the tenth anniversary of the Closing Date upon payment to the Bank of the principal amount so prepaid, accrued interest thereon to the prepayment date, without prepayment fee or penalty.

The principal of and interest on the Loan shall be payable solely from and to the extent of the Pledged Revenue, which consists of (a) 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.

Prior to the time when the Debt to Assessed Ratio is 50% or less, the Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with moneys held in the Loan Payment Fund, to pay the annual debt requirements for the next fiscal year, but not in excess of 50 mills (subject to adjustment).

**Reserves**

**Emergency Reserve**

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

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

**ORCHARD FARMS METROPOLITAN DISTRICT**

**\$14,330,000 Tax-Exempt Refunding Loan, Series 2022**

**Issue date September 16, 2022**

**Principal Due Annually December 1**

**Interest at 4.226%**

**Due June 1 and December 1**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 215,000	\$ 585,075	\$ 800,075
2027	225,000	575,863	800,863
2028	245,000	567,774	812,774
2029	260,000	555,725	815,725
2030	285,000	544,585	829,585
2031	300,000	532,373	832,373
2032	325,000	520,943	845,943
2033	340,000	505,594	845,594
2034	365,000	491,026	856,026
2035	385,000	475,387	860,387
2036	415,000	460,148	875,148
2037	435,000	441,109	876,109
2038	465,000	422,471	887,471
2039	485,000	402,547	887,547
2040	515,000	382,812	897,812
2041	540,000	359,700	899,700
2042	570,000	336,563	906,563
2043	580,000	312,140	892,140
2044	615,000	288,076	903,076
2045	645,000	260,938	905,938
2046	675,000	233,302	908,302
2047	710,000	204,380	914,380
2048	740,000	174,435	914,435
2049	775,000	142,252	917,252
2050	810,000	109,045	919,045
2051	850,000	74,339	924,339
2052	885,000	38,023	923,023
	<u>\$ 13,655,000</u>	<u>\$ 9,996,625</u>	<u>\$ 23,651,625</u>

See summary of significant assumptions.