

## **ERIE CORPORATE CENTER METROPOLITAN DISTRICT NO. 3**

### **2017 BUDGET**

#### **SUMMARY OF SIGNIFICANT ASSUMPTIONS**

##### **Services Provided**

In accordance with its Service Plan, Erie Corporate Center Metropolitan District No. 3 (the "District") was formed to finance public roadway, drainage, and park services and facilities for the commercial component of the "Erie Corporate Center" P.U.D., located in Erie, Colorado. The Service Plan of the District limits the debt and general mill levy of the District.

In 2004, the District voters approved debt authorization of \$27,000,000 in general obligation bonds for the combined District Nos. 1, 2 and 3, to be used for district formation costs and costs of infrastructure. The District has not issued any G.O. debt to date and does not anticipate issuing debt in 2017.

The District prepares its budget on the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications and public hearing.

##### **Revenue**

###### **Property Taxes**

The primary source of revenue for the District is property taxes. Property taxes are assessed and collected based upon the assessed value of all of the non-exempt property located within the District. The District adopts mill levies for debt service and for operations which, when combined with the District's other sources of revenue, provide sufficient resources to pay the required debt service (if any), capital purchases and the estimated costs of operations for the calendar year. The District adopted a mill levy of 50 mills for operations in 2017. The total assessed value within the District in 2016 decreased by \$53,210 from the 2015 level.

##### **Expenditures**

###### **Administrative**

Administrative expenditures have been estimated based upon the level of expenditures incurred by the District in prior years.

###### **Transfers to District No. 1**

The District is obligated to transfer all of its net revenue to District No. 1, for the payment of debt service and allocated administrative costs.

##### **Reserve Funds**

The District has provided for an emergency reserve equal to \$3,059 for 2017 to cover any unanticipated expenditures. Such emergency reserve is an integral part of the Ending Fund Balance.

##### **Leases**

The District has no operating or capital leases.