

ERIE CORPORATE CENTER METROPOLITAN DISTRICT NO. 1

2022 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

In accordance with its Service Plan, Erie Corporate Center Metropolitan District No. 1 (the "District") was formed to manage the administration, operation, maintenance, construction, acquisition and installation of public improvements within the property known as "Erie Corporate Center," which is located in Erie, Colorado. Such public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan permits the District to impose a maximum mill levy on the taxable property within its boundaries as a primary source of revenue for the construction and maintenance of public improvements, repayment of debt and operational costs. The Service Plan also provides a combined total debt issuance limitation in an aggregate principal amount not to exceed \$27,000,000 for Erie Corporate Center Metropolitan District Nos. 1, 2 and 3.

The District has not issued any general obligation debt to date and does not anticipate issuing such debt in 2022.

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

Transfers from District Nos. 2 and 3

The District expects to receive revenues of \$50,000 from District No. 2 and \$20,000 from District No. 3 in 2022, which will mainly be derived from ad valorem property taxes and specific ownership taxes collected by the Districts in order to fund the estimated costs of operations for the calendar year.

Expenditures

Administrative

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

Debt Service

The District does not anticipate any debt service costs in 2022.

Capital Outlay

The District anticipates expenditures of approximately \$2,500 for capital improvements in 2022.

Reserve Funds

The District has provided for an emergency reserve equal to \$22,353, which is intended for use on any unanticipated expenditures in 2022. Such emergency reserve is an integral part of the Ending Fund Balance.

Leases

The District has no operating or capital leases.