

CERTIFICATION OF BUDGET FOR
BUCKHORN VALLEY METROPOLITAN DISTRICT NO 2

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Buckhorn Valley Metropolitan District No. 2, for the budget year ending December 31, 2025, as adopted on November 19, 2024.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Buckhorn Valley Metropolitan District No 2 in Eagle County, Colorado, this 2nd day of December 2024.

DocuSigned by:

Nick Viau

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Nickolas Viau, President

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2

GYPSUM
EAGLE COUNTY, COLORADO



2025 Budget (DRAFT)

Public Hearing Date: October 22, 2024 (continued to November 19, 2024)



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Accountant's Report

Board of Directors
Buckhorn Valley Metropolitan District No. 2
Gypsum, Colorado

The accompanying forecasted budget of revenues, expenditures and fund balances of the Buckhorn Valley Metropolitan District No. 2 for the General Fund, Debt Service Fund and Capital Project Fund for the year ending December 31, 2025 and the forecasted estimate of comparative information for the year ending December 31, 2024 were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

A handwritten signature in black ink that reads "Charles Wolfersberger". The signature is written in a cursive style with a long, sweeping underline.

Charles Wolfersberger, CPA
District Manager

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
SUMMARY
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED
 For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
BEGINNING FUND BALANCE	\$ 233,736	\$ 213,117	\$ 44,700
REVENUES			
Property taxes	893,804	1,295,500	1,409,900
Specific ownership taxes	51,231	63,000	69,100
Storage lot rental fees	21,600	24,000	24,000
Interest income	10,455	21,183	16,000
Total Revenues	977,090	1,403,683	1,519,000
OTHER FINANCING SOURCES			
Interfund transfers	-	-	-
Total Funds Available	1,210,826	1,616,800	1,563,700
EXPENDITURES			
General and administration	20,458	21,100	28,500
Storage lot expenses	21,720	22,500	24,000
Litigation costs	110,715	265,000	123,300
Debt service			
a) Direct and indirect collection costs	65,646	79,300	99,500
b) Bond principal payments	-	-	-
c) Bond interest payments	779,170	1,184,200	1,268,700
Capital project expenses	-	-	-
Total Expenditures	997,709	1,572,100	1,544,000
OTHER FINANCING USES			
Transfer to Buckhorn Valley Metro District No 1	-	-	-
Interfund transfers	-	-	-
Total expenditures and transfers out requiring appropriation	997,709	1,572,100	1,544,000
ENDING FUND BALANCE	\$ 213,117	\$ 44,700	\$ 19,700
EMERGENCY EXPENSE RESERVE	\$ 8,600	\$ 10,600	\$ 5,300
TOTAL DEBT RESERVES	-	-	-
TOTAL RESTRICTED FUNDS	\$ 8,600	\$ 10,600	\$ 5,300

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
 For the Years Ended and Ending December 31,

	ADOPTED 2023	ADOPTED 2024	ADOPTED 2025
ASSESSED VALUATION – EAGLE COUNTY			
Residential	\$ 12,727,650	\$ 18,395,140	\$ 18,851,340
Vacant Land	1,336,030	1,924,180	2,299,240
State Assessed	107,880	99,610	94,040
Certified Taxable Value	\$ 14,171,560	\$ 20,418,930	\$ 21,244,620
MILL LEVY			
General Fund	7.000	5.098	5.465
Debt Service Fund	56.057	58.149	60.902
Total Mill Levy	63.057	63.247	66.367
PROPERTY TAXES			
General Fund	\$ 99,200	\$ 104,100	\$ 116,100
Debt Service Fund	794,400	1,187,300	1,293,800
Total Property Tax Revenue	\$ 893,600	\$ 1,291,400	\$ 1,409,900

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
GENERAL FUND EXPENDITURE DETAILS
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
BEGINNING FUND BALANCE	\$ 235,358	\$ 209,640	\$ 44,700
REVENUES			
Property taxes	99,222	104,400	116,100
Specific ownership taxes	5,687	5,100	5,700
Storage lot rental fees	21,600	24,000	24,000
Interest income	666	10,160	5,000
Total Revenues	127,175	143,660	150,800
Total Funds Available	362,533	353,300	195,500
EXPENDITURES			
General & administrative expenses	20,458	21,100	28,500
Storage lot expenses	21,720	22,500	24,000
Litigation costs	110,715	265,000	123,300
Total Expenditures	152,893	308,600	175,800
OTHER FINANCING USES AND TRANSFERS OUT			
Transfer to Buckhorn Valley Metro District No 1	-	-	-
Transfers to capital project fund	-	-	-
Total expenditures and financing (sources) uses requiring appropriation	152,893	308,600	175,800
ENDING FUND BALANCE	\$ 209,640	\$ 44,700	\$ 19,700
EMERGENCY EXPENSE RESERVE	\$ 8,600	\$ 10,600	\$ 5,300

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
GENERAL FUND EXPENDITURE DETAILS
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED
 For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
General & Administrative Expenses			
District management fees	\$ 39,999	\$ 40,000	\$ 40,000
Administrative costs	1,262	3,000	3,000
Collection fees – County Treasurer (3% of PropTax)	2,978	3,200	3,500
Audit fees	7,150	8,500	8,500
Insurance	1,865	1,700	3,300
Legal fees – general	7,376	5,000	10,000
Newsletter	1,068	2,500	2,500
Election services	61	-	12,000
Contingency	-	-	3,700
Indirect collection cost allocation to debt fund (67%)	(41,300)	(42,800)	(58,000)
Total General & Administrative Expenses	\$ 20,459	\$ 21,100	\$ 28,500

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED
 For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
BEGINNING FUND BALANCE	(\$ 1,622)	\$ 3,477	\$ -
REVENUES			
Property taxes	794,582	1,191,100	1,293,800
Specific ownership taxes	45,544	57,900	63,400
Interest income	9,789	11,023	11,000
Total Revenues	849,915	1,260,023	1,368,200
FUND TRANSFERS IN			
Transfers from the General Fund	-	-	-
Total Funds Available	848,293	1,263,500	1,368,200
EXPENDITURES			
Direct and indirect collection costs	65,646	79,300	99,500
Bond principal – 2003 Series Bonds	-	-	-
Bond principal – 2008 Series Bonds	-	-	-
Bond principal – 2010 Series Bonds	-	-	-
Bond interest – 2003 Series Bonds	148,043	225,000	225,900
Bond interest – 2008 Series Bonds	-	-	-
Bond interest – 2010 Series Bonds	631,127	959,200	1,042,800
Total Expenditures	844,816	1,263,500	1,368,200
OTHER FINANCING USES AND TRANSFERS OUT			
Fund transfers out	-	-	-
Total expenditures and financing uses requiring appropriation	844,816	1,263,500	1,368,200
ENDING FUND BALANCE	\$ 3,477	\$ -	\$ -
BOND FUND	\$ -	\$ -	\$ -
RESERVE FUND	-	-	-
SURPLUS FUND	-	-	-
TOTAL DEBT RESERVE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND - DIRECT AND INDIRECT
COLLECTION COST DETAILS
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED
 For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
Direct and Indirect Collection Costs			
Indirect collection cost allocation	\$ 41,300	\$ 42,800	\$ 58,000
Collection fees – County Treasurer (3% of PropTax)	23,847	35,800	38,800
Trustee fees	500	700	700
Contingency	-	-	2,000
Total Direct and Indirect Collection Costs	\$ 65,647	\$ 79,300	\$ 99,500

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECT FUND
FORECASTED 2025 BUDGET AS PROPOSED
WITH 2023 ACTUAL AND 2024 ESTIMATED
 For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	ADOPTED 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Net investment income	-	-	-
Total Revenues	-	-	-
OTHER FINANCING SOURCES			
Transfers in from operating fund	-	-	-
Total Funds Available	-	-	-
EXPENDITURES			
Capital improvement expenditures	-	-	-
Total Expenditures	-	-	-
Total expenditures requiring appropriation	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -

This financial information should be read only in connection with the summary of significant assumptions.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Buckhorn Valley Metropolitan District No. 2 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on May 15, 2000, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District operates under a consolidated service plan (which also governs Buckhorn Valley Metropolitan District No. 1) approved by the Town of Gypsum (Town) on January 11, 2000 and amended and restated with Town approval on July 14, 2009. The District's service area is located in Eagle County, Colorado entirely within the boundaries of the Town and is comprised of approximately 368 acres of land zoned for residential development. The District was established to provide financing for the design, acquisition, construction and installation of water, sanitation, street improvements, parks and recreational facilities, television relay and translation, mosquito control and other improvements (Public Improvements) within and without the District boundaries that benefit the taxpayers and inhabitants of the District. The District was created to provide certain essential public-purpose facilities for the use and benefit of all its anticipated residents and taxpayers of real property located within the boundaries of the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organizations elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organizations governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

Accounting Basis

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

Litigation

On November 01, 2022, the District filed a lawsuit in Colorado's District Court located in Eagle County against BVMD1 and 13 individuals who previously served on the District's board at various times between May 2000 and June 2021. In February 2023, BVMD1 filed in District Court counterclaims against the District claiming (1) the District breached the 2003 Agreement and (2) the District's actions are in violation of its Service Plan. In July 2023, District Court dismissed the District's claims against the 13 individuals but denied BVMD1's motion to dismiss the District's claims against BVMD1.

A jury trial was held the week of June 24th. As a result of that trial, Eagle County District Court issued a ruling on July 11, 2024 stating (1) the DFSCA is a valid agreement, (2) District 1 breached the DFSCA, (3) damages totaling \$494,507 was awarded to the District against District 1 due to District 1's breach of the DFSCA and (4) District 1's counterclaim that the District breached the DFSCA by terminating the DFSCA and not remitting funds to District 1 per the terms of the DFSCA was denied.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

On August 22, 2024, the District filed an appeal with the Colorado Court of Appeals appealing (1) District Court’s dismissal of the District’s claims against the 13 individual defendants and (2) District Court’s conclusion that the DFSCA was a valid agreement.

The District and District 1 conducted mediation in September 2024, which resulted in a tentative settlement agreement between the two districts. While the Board is hopeful a settlement agreement can be achieved between both districts, the 2025 budget has been drafted under the assumption that litigation will continue between the two districts in 2025.

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.

On November 07, 2000, District voters authorized the District to assess property taxes at no more than \$500,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses. Additionally, the District voters approved a revenue change to allow the District to retain and spend all revenue, other than ad valorem taxes, in excess of TABOR spending, revenue raising or other limitations.

The District’s Service Plan establishes a Maximum Operating Mill levy the District is permitted to impose on taxable property within the District for funding the District’s operations. The Maximum Operating Mill Levy is 5.375 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since January 1, 2000. As of January 11, 2000 the ratio was 9.74% with no exemptions to actual property values. The ratio for 2025 is 6.700% with a \$55,000 valuation exemption per residential lot, which caused the Maximum Operating Mill Levy for 2025 to be 8.184¹.

The District’s Service Plan establishes a Maximum Debt Mill levy the District is permitted to impose on taxable property within the District for the payment of debt. As long as the District’s total outstanding debt exceeds 50% of the assessed valuation of all taxable property within the District, the Maximum Debt Mill Levy is 40 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since January 1, 2000. As of January 11, 2000 the ratio was 9.74% with no exemptions to actual property values. The ratio for 2025 is 6.700% with a \$55,000 valuation exemption per residential lot, which caused the Maximum Debt Mill Levy for 2025 to be 60.902².

¹ 8.184 mills = $[(\$18,851,340 / 6.7\%) + (\$55,000 \times 458 \text{ lots})] \times 9.74\% \times (5.375 \text{ mills} / 1,000) + [(\$6,567,250 / 27.9\%) + (\$30,000 \times 0 \text{ lots})] \times 29\% \times (5.375 \text{ mills} / 1,000) / \$21,244,620$

² 60.902 mills = $[(\$18,851,340 / 6.7\%) + (\$55,000 \times 458 \text{ lots})] \times 9.74\% \times (40 \text{ mills} / 1,000) + [(\$6,567,250 / 27.9\%) + (\$30,000 \times 0 \text{ lots})] \times 29\% \times (40 \text{ mills} / 1,000) / \$21,244,620$

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

For the collection year 2025, the District adopted a mill levy of 5.465 for operations and 60.902 for debt service. The calculation is reflected on page 2 of the budget. The District’s 2025 adopted mill levy for general operations is expected to generate \$116,100 in property tax revenue, which is \$383,900 below the annual property tax assessment limit established by the voters to fund District operations.

Specific Ownership Taxes

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle’s age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the county. The 2025 budget projects the District’s share of specific ownership taxes received from the State will be equal to approximately 4.9% of total property taxes collected.

The District allocates specific ownership tax revenue proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

Storage Lot Rental Fees

The District owns certain land within the District totaling 2.4 acres and has converted this land into a recreational vehicle (RV) storage lot. The RV storage lot contains 50 separate storage spaces. For 2025, the rental rate for storage spaces is \$40/month per storage space and renters may enter into contracts to lock in the rental rate for up to 12 months.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of less than 4.0%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance, banking, and board meeting expenses.

County Treasurer’s Fees

Eagle County Treasurer’s collection fees are fixed by Colorado statute at 3.0% of property taxes collected.

Direct and Indirect Collection Costs

Collection costs incurred by the District related to the collection of property taxes includes all costs incurred by the District that enable and support the District’s ability to collect property taxes revenue. Generally, such costs include (a)

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

operating and reporting compliance costs that protect the District's right to collect property taxes (e.g. financial statement audit fees, fees paid to professionals to prepare mandatory periodic financial and operational reports to the City and State, etc), (b) professional fees related to applying and monitoring accounting controls over the collection of District revenues, (c) costs related to managing the District's annual property tax assessment process and (d) insurance protecting the District from liability exposure that potentially could arise from performing these activities.

For the 2025 year, the District will allocate indirect collection costs between its general fund (33% cost allocation) and its debt fund (67% cost allocation). Direct collection costs such as county treasurer collection fees are proportionally allocated to each fund on the basis of each property tax revenue allocable to each fund proportion to total property tax revenue assessed by the District.

Agreements

District Facilities Construction and Service Agreement

On March 3, 2003, the District entered into the First Amended and Restated District Facilities Construction and Service Agreement (DFCS Agreement) with Buckhorn Valley Metropolitan District No. 1 (BVMD1). Per the DFCS Agreement, the District agreed to fund public infrastructure constructed by BVMD1 and BVMD1 agreed to provide all management and accounting services for the District.

On July 11, 2024, District Court ruled that BVMD1 breached the DFCS Agreement and the District's actions in 2021 to terminate the DFCS Agreement was not a breach of the DFCS Agreement.

Debt and Leases

Series 2003 Bond

On March 01, 2003, the District issued \$2,500,000 General Obligation Limited Tax Bonds, Series 2003 (the 2003 Bond). The 2003 Bond bears interest at 7.000% and is payable semi-annually on June 1 and December 1, beginning on June 1, 2003. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2020. The 2003 Bond matures on December 1, 2023.

The 2003 Bond is secured by and payable solely from Pledged Revenue, net of any costs of collection, which is comprised of the following:

- a) all Property Tax Revenues generated by the imposition of the Required Mill Levy;
- b) all Specific Ownership Taxes attributable to the Required Mill Levy;
- c) all amounts on deposit in the 2010 Reserve Fund;
- d) all amounts on deposit in the 2010 Surplus Fund; and
- e) any other legally available amounts that the District determines, in its absolute discretion, to credit to the Bond Fund.

Amounts on deposit in the 2010 Reserve Fund and amounts on deposit in the 2010 Surplus Fund also secure payment of the 2003 Bond.

The District's debt service schedule for its Senior Bonds is provided on page 14.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Series 2008 Subordinate Bond

On February 13, 2008, the District issued a \$8,500,000 General Obligation Bond, Series 2008 (the 2008 Subordinate Bond) to Roark Partners LLLP (“Developer”) to reimburse the Developer for amounts advanced by the Developer to Buckhorn Valley Metropolitan District No. 1. The 2008 Subordinate Bond accrues simple interest at the rate of 6.000% per annum and is payable annually on December 15, beginning December 15, 2008, from, and to the extent of, Subordinate Pledged Revenue available, if any, and matures on December 15, 2038. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

The 2008 Subordinate Bond is secured by and payable from Subordinate Pledged Revenue, net of any costs of collection, which includes:

- a) all Subordinate Property Taxes generated by the imposition of the Subordinate Required Mill Levy;
- b) all Subordinate Specific Ownership Taxes attributable to the Subordinate Required Mill Levy; and
- c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

Series 2010 Bonds

On May 25, 2010, the District issued \$7,370,000 General Obligation Limited Tax Refunding and Improvement Bonds, Series 2010 (the 2010 Bonds). The proceeds from the sale of the Senior Bonds were used as follows: (a) paying or reimbursing a portion of the costs of acquiring, constructing, relocating, and installing certain public improvements and facilities; (b) refunding a portion of the District’s outstanding Series 2008 subordinate bonds and refunding the Original Developer Note; (c) funding the 2010 Reserve Fund and; (d) paying the costs of issuance of the Series 2010 bonds.

The Senior Bonds were issued as two term bonds that bear interest at 7.250% and 8.500%, and are payable semi-annually on June 1 and December 1, beginning on December 1, 2010. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2012. The 2010 Bonds mature on December 1, 2039.

The 2010 Bonds are secured by and payable solely from Pledged Revenue, net of any costs of collection, which is comprised of the following:

- a) all Property Tax Revenues generated by the imposition of the Required Mill Levy;
- b) all Specific Ownership Taxes attributable to the Required Mill Levy;
- c) all amounts on deposit in the 2010 Reserve Fund;
- d) all amounts on deposit in the 2010 Surplus Fund; and
- e) any other legally available amounts that the District determines, in its absolute discretion, to credit to the Bond Fund.

Amounts on deposit in the 2010 Reserve Fund and amounts on deposit in the 2010 Surplus Fund also secure payment of the 2010 Bonds.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Leases

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending, excluding spending appropriations for bonded debt service for 2025 as defined under TABOR.

Series 2010 Bonds – Reserve Fund

The 2010 Reserve Fund was established as additional security for the Series 2003 and 2010 Bonds and is used to fund any deficiencies in the amounts required to pay bond principal and interest when due. The District is required to maintain this reserve at a balance of \$300,000. Any withdrawals from this fund will be repaid in the following year from any remaining Pledged Revenue net of annual payments due that year on the 2003 and 2010 Bonds.

The District estimates the 2010 Reserve Fund balance will remain fully depleted in 2025.

Series 2010 Bonds – Surplus Fund

The 2010 Surplus Fund was established as additional security for the bonds and will be used to fund any deficiencies in the amounts required to pay bond principal and interest when due. The 2010 Surplus Fund will be funded solely from any Pledged Revenue remaining after annual payments on the 2003 and 2010 Bonds are fully satisfied and the 2010 Reserve Fund is fully funded. In accordance with the 2010 Bond Indenture, the 2010 Surplus Fund will be funded up to the Maximum Surplus Amount of \$500,000. Any amount remaining in the 2010 Surplus Fund upon termination of such fund is pledged to the payment of the 2008 Bond.

The District anticipates the 2010 Surplus Fund will remain fully depleted in 2025.

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

The District's repayment schedule for its general obligation bonds is as follows:

Year Ended Dec. 31,	General Obligation Bonds Series 2003			General Obligation Bonds Series 2010			General Obligation Bonds Series 2008			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$2,055,000	\$1,028,151	\$ 3,083,151	\$1,543,000	\$ 4,227,808	\$ 5,770,808	-	\$ 4,826,327	\$ 4,826,327	\$ 3,598,000	\$ 10,082,286	\$ 13,680,286
2026	-	-	-	185,000	484,500	669,500	-	326,930	326,930	185,000	811,430	996,430
2027	-	-	-	200,000	468,775	668,775	-	326,930	326,930	200,000	795,705	995,705
2028	-	-	-	215,000	451,775	666,775	-	326,930	326,930	215,000	778,705	993,705
2029	-	-	-	235,000	433,500	668,500	-	326,930	326,930	235,000	760,430	995,430
2030	-	-	-	315,000	413,525	728,525	-	326,930	326,930	315,000	740,455	1,055,455
2031	-	-	-	350,000	386,750	736,750	-	326,930	326,930	350,000	713,680	1,063,680
2032	-	-	-	380,000	357,000	737,000	-	326,930	326,930	380,000	683,930	1,063,930
2033	-	-	-	425,000	324,700	749,700	-	326,930	326,930	425,000	651,630	1,076,630
2034	-	-	-	460,000	288,575	748,575	-	326,930	326,930	460,000	615,505	1,075,505
2035	-	-	-	500,000	249,475	749,475	-	326,930	326,930	500,000	576,405	1,076,405
2036	-	-	-	535,000	206,975	741,975	-	326,930	326,930	535,000	533,905	1,068,905
2037	-	-	-	585,000	161,500	746,500	-	326,930	326,930	585,000	488,430	1,073,430
2038	-	-	-	630,000	111,775	741,775	-	326,930	326,930	630,000	438,705	1,068,705
2039	-	-	-	685,000	58,225	743,225	5,488,836	326,930	5,815,766	6,173,836	385,155	6,558,991
	\$2,055,000	\$1,028,151	\$ 3,083,151	\$7,243,000	\$ 8,624,858	\$15,867,858	\$5,448,836	\$ 9,403,347	\$ 14,892,183	\$ 14,892,183	\$ 19,056,356	\$ 33,843,192