PARK MEADOWS METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

PARK MEADOWS METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 7,838,844	$ 10,239,225	$ 12,215,512
REVENUES			
Property taxes	2,928,052	2,950,119	3,012,774
Specific ownership taxes	220,369	221,259	225,958
HRMD - Quebec Median Landscape Maintenance	-	3,641	2,100
Interest Income	509,332	474,315	400,000
Other Revenue	82,042	-	-
Total revenues	3,739,795	3,649,334	3,640,832
TRANSFERS IN	-	2,000,000	4,000,000
Total funds available	11,578,639	15,888,559	19,856,344
EXPENDITURES			
General Fund	894,054	766,272	1,343,208
Capital Projects Fund	445,360	906,774	1,160,000
Total expenditures	1,339,414	1,673,046	2,503,208
TRANSFERS OUT	-	2,000,000	4,000,000
Total expenditures and transfers out requiring appropriation	1,339,414	3,673,046	6,503,208
ENDING FUND BALANCES	$ 10,239,225	$ 12,215,512	$ 13,353,137
EMERGENCY RESERVE	$ 101,300	$ 100,800	$ 101,700
AVAILABLE FOR OPERATIONS	3,046,890	3,469,707	1,449,827
DESIGNATED WORKING RESERVE - OPERATIONS	430,000	605,000	671,604
DESIGNATED BRICKWALL RESERVE	3,500,000	4,500,000	5,500,000
CAPITAL PROJECTS RESERVE	3,161,035	3,540,006	5,630,006
TOTAL RESERVE	$ 10,239,225	$ 12,215,512	$ 13,353,137

See summary of significant assumptions.

PARK MEADOWS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential - single family	$ 147,169,520	$ 140,327,960	$ 130,465,320
Residential - multifamily	17,082,880	23,883,640	21,809,330
Commercial	261,527,820	260,642,610	277,855,020
State assessed	171,500	199,300	203,200
Vacant land	6,881,520	6,881,520	9,330,130
Personal property	27,796,370	29,983,670	32,064,930
Other	70	70	60
	460,629,680	461,918,770	471,727,990
Adjustments	-	(24,511)	(23,926)
Certified Assessed Value	$ 460,629,680	$ 461,894,259	$ 471,704,064
MILL LEVY			
General	6.387	6.387	6.387
Total mill levy	6.387	6.387	6.387
PROPERTY TAXES			
General	$ 2,942,042	$ 2,950,119	$ 3,012,774
Levied property taxes	2,942,042	2,950,119	3,012,774
Adjustments to actual/rounding	(13,990)	-	-
Budgeted property taxes	$ 2,928,052	$ 2,950,119	$ 3,012,774
BUDGETED PROPERTY TAXES			
General	**$ 2,928,052**	**$ 2,950,119**	**$ 3,012,774**
	$ 2,928,052	**$ 2,950,119**	**$ 3,012,774**

See summary of significant assumptions.

PARK MEADOWS METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 1,097,071	$ 3,578,190	$ 4,175,507
REVENUES			
Property taxes	2,928,052	2,950,119	3,012,774
Specific ownership taxes	220,369	221,259	225,958
Interest Income	144,710	188,570	150,000
HRMD - Quebec Median Landscape Maintenance	-	3,641	2,100
Other Revenue	82,042	-	-
Total revenues	3,375,173	3,363,589	3,390,832
Total funds available	4,472,244	6,941,779	7,566,339
EXPENDITURES			
General and administrative			
Accounting	42,758	55,544	58,200
Auditing	6,000	7,000	7,350
County Treasurer's Fee	45,144	44,252	45,192
Directors' fees	5,984	5,600	7,000
Dues and Membership	-	1,089	1,500
Insurance	22,897	23,919	25,875
District management	83,584	84,000	84,000
Legal	47,626	56,290	62,800
Miscellaneous	3,298	-	7,500
Engineering	10,738	25,934	10,000
Payroll taxes	153	428	536
Election	168	15,902	-
Website	-	2,500	3,000
Contingency	-	-	29,983
Operations and maintenance			
Landscape maintenance - PMBID	18,539	18,538	18,538
Landscape maintenance - Utilities	38,386	29,716	46,305
Landscape maintenance & repairs	138,751	250,000	49,600
Landscape irrigation maintenance & repairs	57,798	60,000	64,000
Landscape maintenance - Tree Care	73,310	85,560	197,350
Landscape maintenance - Median Redesign	-	-	300,000
Landscape maintenance - Contract	-	-	313,980
GIS Mapping	-	-	10,500
Landscaping	298,920	-	-
Total expenditures	894,054	766,272	1,343,208
TRANSFERS OUT			
Transfers to other fund	-	2,000,000	4,000,000
Total expenditures and transfers out requiring appropriation	894,054	2,766,272	5,343,208
ENDING FUND BALANCES	$ 3,578,190	$ 4,175,507	$ 2,223,131
EMERGENCY RESERVE	$ 101,300	$ 100,800	$ 101,700
DESIGNATED WORKING RESERVE - OPERATIONS	430,000	605,000	671,604
AVAILABLE FOR OPERATIONS	3,046,890	3,469,707	1,449,827
TOTAL RESERVE	$ 3,578,190	$ 4,175,507	$ 2,223,131

See summary of significant assumptions.

PARK MEADOWS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/4/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 6,741,773	$ 6,661,035	$ 8,040,006
REVENUES			
Interest Income	364,622	285,745	250,000
Total revenues	364,622	285,745	250,000
TRANSFERS IN			
Transfers from other funds	-	2,000,000	4,000,000
Total funds available	7,106,395	8,946,780	12,290,006
EXPENDITURES			
General and Administrative			
Accounting	-	-	5,000
Engineering	20,333	39,146	45,000
District management	443	650	15,000
Legal	1,663	-	15,000
Contingency	-	-	15,000
Capital Projects			
Landscape project - Tuckpoint repairs	347,921	366,978	315,000
Joint Projects - Lone Tree Brick Wall Analysis	-	150,000	500,000
Joint Projects - Lone Tree	75,000	-	-
C470 Trail Connector	-	50,000	-
Concrete Replacement Project	-	150,000	-
Signal Projects	-	150,000	250,000
Total expenditures	445,360	906,774	1,160,000
Total expenditures and transfers out requiring appropriation	445,360	906,774	1,160,000
ENDING FUND BALANCES	$ 6,661,035	$ 8,040,006	$ 11,130,006
DESIGNATED BRICKWALL RESERVE	$ 3,500,000	$ 4,500,000	$ 5,500,000
CAPITAL PROJECTS RESERVE	3,161,035	3,540,006	5,630,006
TOTAL RESERVE	$ 6,661,035	$ 8,040,006	$ 11,130,006

See summary of significant assumptions.

PARK MEADOWS METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by District Court Order on August 12, 1982, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in northern Douglas County (County). A substantial portion of the District is located within the City of Lone Tree (City). The District was established to provide financing for construction of streets, drainage and safety improvements.

During March 2002, the District's Board of Directors, concurrently with Douglas County, amended the District's Service Plan to allow for greater flexibility to the District to meet its service needs. The District's original Service Plan was approved in 1981. Under the modified Service Plan, the District is authorized to participate in planning, constructing and maintaining street and landscape improvements, primarily in cooperation with other governmental entities. Additionally, the District is authorized to participate with other governmental entities to finance the design of transportation improvements relating to extension of a light rail system.

On September 30, 1982, the District's electors authorized the issuance of $35,000,000 in debt for infrastructure improvements at a rate not to exceed 18%. On May 5, 1998, the electors authorized an additional $2,800,000 in principal for street improvements at a rate not to exceed 6%. On May 7, 2002, the District's electors authorized an additional $6,000,000 for infrastructure improvements at a rate not to exceed 7.5%. Assuming all of the District's voter authorizations remain valid, at December 31, 2006, the District had authorized but unissued indebtedness in the amount of $18,760,000 from the 1982 election. The Board has been advised by bond counsel that because of the length of time that has passed since the 1982 authorization, and because of the subsequent amendment of Article X, Section 20 of the Colorado Constitution (TABOR), that the Board should not rely upon the validity of the 1982 authorization. The Board has adopted this position and does not consider the 1982 authorization to be valid.

The budget is in accordance with the TABOR Amendment limitations, which were modified by the voters in an election held on May 2, 2000. District voters approved authorization for the District to retain and spend District revenues, from any lawful source, in excess of the spending, revenue raising, or other limitations in Article X, Section 20 of the Colorado constitution. Emergency reserves, required under TABOR have been provided.

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

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.

PARK MEADOWS METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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 page of the budget using the adopted mill levy imposed by the District.

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

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	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 7.5% of the property taxes collected by the General Fund.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.25%.

Property Taxes - (continued)

Highlands Ranch Metropolitan District IGA

In 2009, the District and Highlands Ranch Metropolitan District (HRMD), entered into an agreement to share the costs of the maintenance of certain landscaped areas which benefit both HRMD and the District. Pursuant to the agreement, the District will pay for the landscaping of the common area and HRMD will pay for the irrigation of the common area during the year. Annually, reconciliation is done at year end. For 2026, it is anticipated that HRMD will pay the District approximately $2,100 for their share of the landscaping of the common area less the District's share of irrigation costs.

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, meeting expense, and landscape maintenance.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Fund.

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Reserves

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.

Additionally, the District has reserved 50% of total operating expenditures as a working reserve for unanticipated maintenance expenditures.

Furthermore, the District has reserved $5.5 million for a brick wall reserve and approximately $5.6 million as a capital reserve for future unanticipated capital needs and requests.

This information is an integral part of the accompanying budget.