

**MIDCITIES METROPOLITAN DISTRICT NO. 2**  
**2019**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2019 budget for the MidCities Metropolitan District No. 2.

The MidCities Metropolitan District No. 2 has adopted three funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District; and a Debt Service Fund to provide for payments on the general obligation debt.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2019 will be property taxes, specific ownership taxes and sales tax revenues. The District intends to impose a 42.318 mill levy on the property within the District in 2019, of which 3.417 mills will be dedicated to the General Fund and the balance of 38.901 mills will be allocated to the Debt Service Fund.

**MidCities Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2019**

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>7/31/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 784,742	\$ 1,158,695	\$ 1,173,701	\$ 1,173,701	\$ 1,297,651
Revenues:					
Property Taxes	110,432	116,123	114,641	116,123	144,008
Specific Ownership Taxes	133,248	125,000	62,407	125,000	132,500
PILOT Revenues	130,536	143,600	89,884	143,600	150,000
Interest Income	10,426	9,000	12,002	9,000	10,000
Transfer from District No. 1	183,120	-	-	-	-
Miscellaneous Income	<u>2,086</u>	<u>-</u>	<u>1,733</u>	<u>3,000</u>	<u>3,000</u>
Total revenues	<u>569,848</u>	<u>393,723</u>	<u>280,667</u>	<u>396,723</u>	<u>439,508</u>
Total funds available	<u>1,354,590</u>	<u>1,552,418</u>	<u>1,454,368</u>	<u>1,570,424</u>	<u>1,737,159</u>
Expenditures:					
Accounting	16,278	20,000	6,329	20,000	20,000
District Management	29,404	35,000	17,651	35,000	45,000
Audit	6,079	4,750	178	4,750	5,000
Director's Fees	1,200	3,600	600	3,600	3,600
Election Expense	-	2,000	822	2,000	-
Insurance/SDA	3,516	20,000	29,906	29,906	33,000
Legal	33,508	25,000	12,261	25,000	40,000
Miscellaneous Expense	265	500	228	500	1,000
Payroll Taxes	92	275	46	275	300
Treasurer's Fees	1,663	1,742	1,720	1,742	2,160
Property Management/FOA	63,034	100,000	53,547	100,000	100,000
Repairs and Maintenance	25,850	50,000	3,872	50,000	50,000
Contingency	-	10,000	-	-	1,428,097
Emergency Reserve (3%)	<u>-</u>	<u>11,812</u>	<u>-</u>	<u>-</u>	<u>9,002</u>
Total expenditures	<u>180,889</u>	<u>284,679</u>	<u>127,160</u>	<u>272,773</u>	<u>1,737,159</u>
Ending fund balance	<u>\$ 1,173,701</u>	<u>\$ 1,267,739</u>	<u>\$ 1,327,208</u>	<u>\$ 1,297,651</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 38,707,580</u>			<u>\$ 42,144,398</u>
Mill Levy					3.000
Abatement Mill Levy					<u>0.417</u>
Total Mill Levy		<u>3.000</u>			<u>3.417</u>

**MidCities Metropolitan District No. 2**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2018**

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2018</u>
Beginning fund balance	\$ 1,672,523	\$ 1,684,898	\$ 1,668,440	\$ 1,668,440	\$ 1,556,842
Revenues:					
Developer advances	-	-	-	-	-
Transfer from Debt Service	-	-	-	-	-
Interest income	<u>16,854</u>	<u>1,700</u>	<u>17,432</u>	<u>30,000</u>	<u>30,000</u>
Total revenues	<u>16,854</u>	<u>1,700</u>	<u>17,432</u>	<u>30,000</u>	<u>30,000</u>
Total funds available	<u>1,689,377</u>	<u>1,686,598</u>	<u>1,685,872</u>	<u>1,698,440</u>	<u>1,586,842</u>
Expenditures:					
Trails	-	285,000	-	-	350,000
Engineering	-	60,000	2,215	60,000	75,000
Parking Garage Structure	-	1,200,000	-	-	900,000
Retaining Wall	1,640	60,000	-	-	-
Graystar	-	-	-	-	60,000
505 Zang Street	-	-	-	-	175,000
Drainage Improvements	-	30,000	-	30,000	-
Miscellaneous Improvements	19,297	51,598	9,118	51,598	26,842
Other	<u>-</u>	<u>-</u>	<u>1,661</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>20,937</u>	<u>1,686,598</u>	<u>12,994</u>	<u>141,598</u>	<u>1,586,842</u>
Ending fund balance	<u>\$ 1,668,440</u>	<u>\$ -</u>	<u>\$ 1,672,878</u>	<u>\$ 1,556,842</u>	<u>\$ -</u>

**MidCities Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2019**

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>7/31/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 3,235,694	\$ 3,281,600	\$ 3,725,538	\$ 3,725,538	\$ 3,616,595
Revenues:					
Property Taxes	1,478,039	1,505,764	1,486,653	1,505,764	1,639,459
Property Taxes - Greystar	216,563	235,650	232,315	235,650	235,140
Property Taxes - Pathfinder Exclusion	20,732	18,058	18,058	18,058	18,058
Property Taxes - Filing 15	91,130	84,245	84,245	84,245	93,504
Property Taxes - CPIII Exclusion	106,737	131,340	131,340	131,340	131,697
Transfer from District No. 1	3,242	-	-	-	-
Sales Tax Revenue	2,260,654	1,856,000	928,082	1,856,000	1,925,396
Interest income	47,605	40,000	44,525	60,000	70,000
Total revenues	<u>4,224,702</u>	<u>3,871,057</u>	<u>2,925,218</u>	<u>3,891,057</u>	<u>4,113,254</u>
Total funds available	<u>7,460,396</u>	<u>7,152,657</u>	<u>6,650,756</u>	<u>7,616,595</u>	<u>7,729,849</u>
Expenditures:					
2016A Loan and Swap Interest	1,787,292	1,762,403	1,018,426	1,762,403	1,720,945
2016A Loan Principal	1,075,000	1,175,000	-	1,175,000	1,275,000
2016B Bond Interest	830,604	-	-	1,000,000	900,000
2016B Bond Principal	-	-	-	-	-
Investment Advisor	10,000	5,000	-	5,000	5,000
Trustee /Paying Agent Fees	3,175	10,500	7,875	10,500	10,500
Miscellaneous	-	100	4,053	17,471	8,281
Treasurer's fees	28,787	29,626	29,295	29,626	31,768
Payment to escrow agent	-	-	-	-	-
Total expenditures	<u>3,734,858</u>	<u>2,982,629</u>	<u>1,059,649</u>	<u>4,000,000</u>	<u>3,951,494</u>
Ending fund balance	<u>\$ 3,725,538</u>	<u>\$ 4,170,028</u>	<u>\$ 5,591,107</u>	<u>\$ 3,616,595</u>	<u>\$ 3,778,355</u>
Assessed valuation		<u>38,707,580</u>		Debt Service	<u>42,144,398</u>
		<u>7,632,380</u>		DSF-Greystar Excl	<u>7,615,883</u>
		<u>475,220</u>		Pathfinder Exclusion	<u>475,220</u>
		<u>2,216,980</u>		DSF - Filing 15 Exclusion	<u>2,460,644</u>
		<u>3,456,320</u>		CPIII Exclusion	<u>3,465,718</u>
Total Debt Mill Levy		<u>38.901</u>		Debt Service	<u>38.901</u>
		<u>30.875</u>		DSF-Greystar Excl	<u>30.875</u>
		<u>38.000</u>		DSF - Filing 15 Exclusion	<u>38.000</u>
		<u>38.000</u>		Pathfinder Exclusion	<u>38.000</u>
		<u>38.000</u>		CPIII Exclusion	<u>38.000</u>
Total Mill Levy		<u>41.901</u>			<u>42.318</u>