**STC METROPOLITAN DISTRICT NO. 2**
**2026**
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2026 budget for the STC Metropolitan District No 2.

STC Metropolitan District No. 2 has adopted a budget for two separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

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 2026 will be SURA property tax increments, transfers from STC Metropolitan District Nos. 1 and 3, and property taxes from the imposition of a 49.421 mill levy on the property within the district in 2026, of which 10.982 mills will be dedicated to the General Fund and the balance of 38.439 mills will be allocated to the Debt Service Fund.

**STC Metropolitan District No. 2**
**Adopted Budget**
**General Fund**
**For the Year Ended December 31, 2026**

| | Actual 2024 | Adopted Budget 2025 | Actual 6/30/2025 | Estimate 2025 | Adopted Budget 2026 |
|---|---|---|---|---|---|
| Beginning balance | $ (252,655) | $ 86 | $ (161,820) | $ (189,035) | $ (68,372) |
| Revenues: | | | | | |
| Property taxes | 1,780 | 13,006 | 1,683 | 13,000 | 122 |
| SURA Property Tax Increment | 101,962 | 103,510 | 83,366 | 103,510 | 114,261 |
| Specific ownership taxes | 5,323 | 14,410 | 2,567 | 5,000 | 500 |
| Developer Advance | 220,677 | - | - | - | - |
| Transfer from STCMD No. 1 | 270,201 | 330,625 | 396,536 | 396,536 | 393,035 |
| Transfer from STCMD No. 3 | 24,055 | 99,712 | 75,533 | 99,712 | 122,475 |
| Parking Garage Cost Share/MOB | 41,343 | 14,948 | 19,659 | 25,000 | 17,905 |
| Miscellaneous/Interest Income | 33,524 | 22,000 | 3,463 | 8,000 | 20,000 |
| Total Revenue | 698,865 | 598,211 | 582,807 | 650,758 | 668,298 |
| Total Funds Available | 446,210 | 598,297 | 420,987 | 461,723 | 599,926 |
| Expenditures: | | | | | |
| Accounting | 40,232 | 12,000 | 10,031 | 13,000 | 15,000 |
| Accounting AP SDMS | - | 22,500 | 13,300 | 20,000 | 23,000 |
| Audit | 16,000 | 17,500 | - | 17,500 | 18,000 |
| Director's Fees | 1,300 | 2,400 | 900 | 2,400 | 2,400 |
| Insurance/SDA Dues | 16,341 | 28,000 | 12,737 | 28,000 | 18,000 |
| Election | 202 | 7,000 | 2,892 | 2,892 | 7,000 |
| Legal | 52,907 | 40,000 | 27,806 | 40,000 | 40,000 |
| Legal Special | 48,635 | - | - | - | - |
| Management | 55,036 | 47,250 | 19,826 | 40,000 | 45,000 |
| Miscellaneous | 20,733 | 3,000 | 5,010 | 6,000 | 3,000 |
| O&M - Covenant Control/Comm Mgm | 51,973 | 36,750 | 22,359 | 35,000 | 36,750 |
| O&M - Landscaping | 110,635 | 80,000 | 31,828 | 70,000 | 80,000 |
| O&M - Maintenance | - | 10,000 | - | 5,000 | 10,000 |
| O&M - Utilities | 37,691 | 30,000 | 15,163 | 30,000 | 30,000 |
| O&M - Plaza | 25,880 | 10,000 | 9,580 | 10,000 | - |
| O&M - Roads & Sidewalks/snow rem | 125,365 | 200,000 | 139,134 | 200,000 | 125,000 |
| O&M - Parking Garage | 32,309 | 20,000 | 4,885 | 10,000 | 20,000 |
| Lot 6 Parking Garage | - | - | - | - | 93,600 |
| O&M - Reserve | - | 7,500 | - | - | - |
| Treasurer's Fees | 6 | 3 | 3 | 3 | 3 |
| Payroll Taxes | - | 300 | - | 300 | 300 |
| Contingency | - | 6,868 | - | - | 15,861 |
| | 635,245 | 581,071 | 315,454 | 530,095 | 582,914 |
| Transfers and Reserves | | | | | |
| Emergency Reserve | - | 17,226 | - | - | 17,012 |
| Total expenditures | - | 17,226 | - | - | 17,012 |
| Ending balance | $ (189,035) | $ - | $ 105,533 | $ (68,372) | $ - |
| Assessed Valuation Gross | | $ 11,022,941 | | | $ 10,573,966 |
| Assessed Valuation Increment | | $ 9,783,544 | | | $ 10,562,848 |
| Assessed Valuation | | $ 1,239,397 | | | $ 11,118 |
| Mill Levy | | 10.494 | | | 10.982 |

**STC Metropolitan District No. 2**
**Adopted Budget**
**Capital Projects Fund**
**For the Year Ended December 31, 2026**

| | Actual 2024 | Adopted Budget 2025 | Actual 6/30/2025 | Estimate 2025 | Adopted Budget 2026 |
|---|---|---|---|---|---|
| Beginning balance | $ 28,696 | $ 12,197 | $ - | $ - | $ - |
| Revenues: | | | | | |
| Developer Advance | 12,329,681 | 15,674,000 | 4,725 | 4,725 | - |
| Bond Proceeds | | | | - | |
| Interest Income | 1,235 | 400,000 | - | - | - |
| Total Revenue | 12,330,916 | 16,074,000 | 4,725 | 4,725 | - |
| Total Funds Available | 12,359,612 | 16,086,197 | 4,725 | 4,725 | - |
| Expenditures: | | | | | |
| Legal | - | 3,500 | - | - | - |
| Construction Expenses | 12,344,797 | 16,040,500 | - | - | - |
| Developer Reimbursement | - | - | - | - | - |
| Developer Reimbursement - Interest | - | - | - | - | - |
| Engineering | 14,815 | 30,000 | 4,725 | 4,725 | - |
| Total expenditures | 12,359,612 | 16,074,000 | 4,725 | 4,725 | - |
| Ending balance | $ - | $ 12,197 | $ - | $ - | $ - |

**STC Metropolitan District No. 2**
**Adopted Budget**
**Debt Service Fund**
**For the Year Ended December 31, 2026**

| | Actual 2024 | Adopted Budget 2025 | Actual 6/30/2025 | Estimate 2025 | Adopted Budget 2026 |
|---|---|---|---|---|---|
| Beginning balance | $ 10,243,092 | $ 12,045,048 | $ 10,560,117 | $ 10,560,117 | $ 14,645,392 |
| Revenues: | | | | | |
| Property taxes | 559 | 45,552 | 443 | 38,735 | 427 |
| SURA Property Tax District Incremen | 3,633,492 | 3,633,492 | 4,054,010 | 4,100,000 | 973,486 |
| SURA Property Tax Increment | - | 368,044 | - | - | 406,025 |
| Specific Ownership Taxes | 18,642 | 19,064 | 7,416 | 19,064 | 200 |
| Bond Proceeds | - | - | 147,120,000 | 147,120,000 | - |
| Bond Premium | - | - | 1,201,735 | 1,201,735 | - |
| Transfer from STCMD No. 1 | 1,448,722 | 1,638,515 | 1,553,497 | 1,637,956 | 1,995,534 |
| Other TIF D2 | | | | | 2,327,009 |
| Transfer from STCMD No. 3 | 51,079 | 201,618 | 162,706 | 176,203 | 247,575 |
| Other TIF D3 | | | | | 1,018,585 |
| Interest income | 611,970 | 90,000 | 226,391 | 500,000 | 90,000 |
| Total Revenue | 5,764,464 | 5,996,285 | 154,326,198 | 154,793,693 | 7,058,841 |
| Total Funds Available | 16,007,556 | 18,041,333 | 164,886,315 | 165,353,810 | 21,704,233 |
| Expenditures: | | | | | |
| Bond Interest - 2015A | - | - | - | - | - |
| Bond Principal- 2025A | 1,105,000 | - | - | 1,230,000 | 2,185,000 |
| Bond payment 2025B | | - | - | | 2,810,625 |
| Bond Interest - 2019A | 4,339,250 | 4,339,250 | - | - | - |
| Bond Interest - 2019B | - | - | - | - | - |
| Bond Interest - 2025A | - | - | 482,762 | 2,358,155 | 4,079,650 |
| Underwriters Discount | | | - | | |
| Bond Insurance | - | - | 2,695,857 | 2,695,857 | - |
| Paying agent fees | 3,167 | 8,000 | 1,667 | 8,000 | 8,000 |
| Payment to Escrow | | | 142,015,023 | 142,015,023 | |
| Cost of Issuance | - | 500 | 2,400,700 | 2,400,700 | - |
| Treasurer's Fees | 22 | 683 | 11 | 683 | 6 |
| Total expenditures | 5,447,439 | 4,348,433 | 147,596,020 | 150,708,418 | 9,083,281 |
| Ending balance | $ 10,560,117 | $ 13,692,900 | $ 17,290,295 | $ 14,645,392 | $ 12,620,952 |
| Assessed Valuation Gross | | $ 11,022,941 | | | $ 10,573,966 |
| Assessed Valuation Increment | | $ 9,783,544 | | | $ 10,562,848 |
| Assessed Valuation | | $ 1,239,397 | | | $ 11,118 |
| Mill Levy | | 36.753 | | | 38.439 |
| Total Mill Levy | | 47.247 | | | 49.421 |