

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 9,473	\$ 9,023	\$ 30,020
REVENUES			
Property taxes	596	494	108
Property taxes - Infrastructure Capital	-	-	19
Property taxes - Town Capital and Maintenance	-	-	19
Property taxes - Debt Service only	-	-	302
Specific ownership taxes	60	44	9
Specific ownership taxes - Infrastructure Capital	-	-	1
Specific ownership taxes - Town Capital and Maintenance	-	-	1
Specific ownership taxes - Debt Service only	-	-	24
Interest income	57	250	35
Advance for Tract N drainage maintenance	30,000	-	-
Developer advance	62,957	193,880	128,932
Total revenues	<u>93,670</u>	<u>194,668</u>	<u>129,450</u>
Total funds available	<u>103,143</u>	<u>203,691</u>	<u>159,470</u>
EXPENDITURES			
General Fund	52,336	117,000	159,040
Debt Service Fund	444	446	420
Capital Projects Fund	41,340	56,225	-
Total expenditures	<u>94,120</u>	<u>173,671</u>	<u>159,460</u>
Total expenditures and transfers out requiring appropriation	<u>94,120</u>	<u>173,671</u>	<u>159,460</u>
ENDING FUND BALANCES	<u>\$ 9,023</u>	<u>\$ 30,020</u>	<u>\$ 10</u>
EMERGENCY RESERVE	\$ 10	\$ 20	\$ 10
RESERVE FOR TRACT N	30,000	30,000	-
TOTAL RESERVE	<u>\$ 30,010</u>	<u>\$ 30,020</u>	<u>\$ 10</u>

No assurance provided. See summary of significant assumptions.

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/20/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION - 4469			
Agricultural	\$ 13,150	\$ 13,770	\$ -
Vacant land	3,880	3,880	3,880
Certified Assessed Value	<u>\$ 17,030</u>	<u>\$ 17,650</u>	<u>\$ 3,880</u>
MILL LEVY			
General	12.500	5.500	5.500
Contractual Obligation - Infrastructure Capital	-	-	5.000
Contractual Obligation - Town Capital and Maintenance	-	-	5.000
Debt Service	22.500	22.500	22.500
Total mill levy	<u>35.000</u>	<u>28.000</u>	<u>38.000</u>
PROPERTY TAXES			
General	\$ 213	\$ 97	\$ 21
Contractual Obligation - Infrastructure Capital	-	-	19
Contractual Obligation - Town Capital and Maintenance	-	-	19
Debt Service	383	397	87
Budgeted property taxes	<u>\$ 596</u>	<u>\$ 494</u>	<u>\$ 146</u>
ASSESSED VALUATION - 4613			
Agricultural	\$ -	\$ -	\$ 13,440
Certified Assessed Value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,440</u>
MILL LEVY			
Debt Service	-	-	22.500
Total mill levy	<u>-</u>	<u>-</u>	<u>22.500</u>
PROPERTY TAXES			
Debt Service only	\$ -	\$ -	\$ 302
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 302</u>
BUDGETED PROPERTY TAXES			
General	\$ 213	\$ 97	\$ 21
Contractual Obligation - Infrastructure Capital	-	-	19
Contractual Obligation - Town Capital and Maintenance	-	-	19
Debt Service	383	397	87
Debt Service only	-	-	302
Budgeted property taxes	<u>\$ 596</u>	<u>\$ 494</u>	<u>\$ 448</u>

No assurance provided. See summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 7,360	\$ 17,612	\$ 30,020
REVENUES			
Property taxes	213	97	21
Property taxes - Infrastructure Capital	-	-	19
Property taxes - Town Capital and Maintenance	-	-	19
Specific ownership taxes	21	9	2
Specific ownership taxes - Infrastructure Capital	-	-	1
Specific ownership taxes - Town Capital and Maintenance	-	-	1
Interest income	34	250	35
Developer advance	32,320	129,052	128,932
Advance for Tract N drainage maintenance	30,000	-	-
Total revenues	62,588	129,408	129,030
Total funds available	69,948	147,020	159,050
EXPENDITURES			
General and administrative			
Accounting	15,578	25,000	25,000
County Treasurer's fee	9	1	1
Directors' fees	800	600	1,200
Dues and licenses	-	1,594	3,000
Insurance	10,196	15,674	25,000
District management	-	-	2,500
Legal	25,153	70,000	70,000
Miscellaneous	-	3,531	1,699
Tract N drainage maintenance	-	-	30,000
Paying agent fees	600	600	600
Transfers to Town of Parker	-	-	40
Total expenditures	52,336	117,000	159,040
Total expenditures and transfers out requiring appropriation	52,336	117,000	159,040
ENDING FUND BALANCES	\$ 17,612	\$ 30,020	\$ 10
EMERGENCY RESERVE	\$ 10	\$ 20	\$ 10
RESERVE FOR TRACT N	30,000	30,000	-
TOTAL RESERVE	\$ 30,010	\$ 30,020	\$ 10

No assurance provided. See summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 13	\$ 14	\$ -
REVENUES			
Property taxes	383	397	87
Property taxes - Debt Service only	-	-	302
Specific ownership taxes	39	35	7
Specific ownership taxes - Debt Service only	-	-	24
Interest income	23	-	-
Total revenues	<u>445</u>	<u>432</u>	<u>420</u>
Total funds available	<u>458</u>	<u>446</u>	<u>420</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	6	1
County Treasurer's fee - Debt Service only	-	-	5
Debt Service			
Bonds interest	444	440	414
Total expenditures	<u>444</u>	<u>446</u>	<u>420</u>
Total expenditures and transfers out requiring appropriation	<u>444</u>	<u>446</u>	<u>420</u>
ENDING FUND BALANCES	<u>\$ 14</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
 CAPITAL PROJECTS FUND
 2021 BUDGET
 WITH 2019 ACTUAL AND 2020 ESTIMATED
 For the Years Ended and Ending December 31,**

1/20/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 2,100	\$ (8,603)	\$ -
REVENUES			
Developer advance	30,637	64,828	-
Total revenues	<u>30,637</u>	<u>64,828</u>	<u>-</u>
Total funds available	<u>32,737</u>	<u>56,225</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Accounting	1,026	-	-
Legal	40,314	42,000	-
Miscellaneous	-	8,000	-
Engineering	-	6,225	-
Total expenditures	<u>41,340</u>	<u>56,225</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>41,340</u>	<u>56,225</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ (8,603)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Order and Decree of the District Court of Douglas County, Colorado on November 18, 2004, to provide financing for design, acquisition, construction and installation, relocation and redevelopment of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, sewer and drainage facilities, public transportation, and the operation and maintenance of the District. The District's service area is located entirely within the boundaries of the Town of Parker, Douglas County, Colorado.

At its organization election held on November 2, 2004, the voters approved general obligation indebtedness of \$37,560,000 for street improvements, \$37,560,000 for traffic safety, \$59,280,000 for parks and recreational facilities, \$14,280,000 for sanitary sewer system, \$8,880,000 for a complete potable and non-potable water system, \$130,000,000 for refunding District debt and \$10,000,000 for general operation and maintenance. District voters approved authorization to increase property tax up to \$1,000,000 annually to pay for the operations and maintenance expenditures of the District. Per the District's Service Plan, the Districts are limited to issuing a total of \$213,500,000, in the aggregate. Additionally, the election allows the District to collect, spend and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

The District has no employees and all administrative function 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.

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 mill levy adopted by the District.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

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 8.0% of the property taxes collected

Interest income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.25%.

Developer Advances

The District is in the development stage. As such, operating and administrative costs will be mainly funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

General and Administrative

General and administrative expenditures include services necessary to maintain the District's administrative viability such as legal, accounting, dues and insurance.

Transfers to Town of Parker

On May 18, 2020, the District entered into an intergovernmental agreement with the Town of Parker to impose 5 mills to be used for the planning, design and construction of certain regional infrastructure and 5 mills for the planning, design, construction and/or maintenance of the Town infrastructure.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Debts and Leases

On December 11, 2015, the District issued \$500,000 in General Obligation Limited Tax Bonds, Series 2015 at an interest rate of 4% - 6%. The Bonds are general obligations of the District, secured and payable from Pledged Revenue which include property tax revenue, net of costs of collection, and any other legally available amounts. To the extent of available Pledged Revenue, principal of the Bond shall be redeemed prior to maturity, in whole or in part, with no redemption premium. The Bonds are due December 15, 2044. The Bond was issued to pay the costs of providing certain public improvements.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 11
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debts and Leases (continued)

The following is an estimated analysis of changes in the District's long-term obligations for the year ending December 31, 2020:

	Balance - December 31, 2019	Additions	Retirements	Balance - December 31, 2020
General Obligation Bonds, Series 2015	\$ 500,000	\$ -	\$ -	\$ 500,000
Developer Advance - Operating	105,797	129,052	-	234,849
Developer Advance - Capital	247,161	64,828	-	311,989
Interest - Developer Advance Operating	9,672	13,876	-	23,548
Interest - Developer Advance Capital	64,976	22,654	-	87,630
Total	<u>\$ 927,606</u>	<u>\$ 230,410</u>	<u>\$ -</u>	<u>\$ 1,158,016</u>

The District has no operating or capital leases.

Reserve Funds

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending as defined under TABOR).

This information is an integral part of the accompanying budget.