

CONCORD METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**CONCORD METROPOLITAN DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 2,018,091 | \$ 688,872 | \$ 779,463 |
| REVENUE | | | |
| Property taxes | 529,948 | 383,901 | 369,709 |
| Specific ownership taxes | 53,280 | 32,229 | 29,576 |
| Bond issuance | 3,365,000 | - | - |
| Interest income | 48,255 | 7,773 | 1,950 |
| Miscellaneous income | - | 116 | - |
| SEMSWA reimbursements | 149,009 | 43,279 | - |
| Total revenue | <u>4,145,492</u> | <u>467,298</u> | <u>401,235</u> |
| TRANSFERS IN | <u>503,926</u> | <u>-</u> | <u>-</u> |
| Total funds available | <u>6,667,509</u> | <u>1,156,170</u> | <u>1,180,698</u> |
| EXPENDITURES | | | |
| General Fund | 93,611 | 100,367 | 114,975 |
| Debt Service Fund | 5,380,810 | 276,340 | 279,939 |
| Capital Projects Fund | 290 | - | 541,195 |
| Total expenditures | <u>5,474,711</u> | <u>376,707</u> | <u>936,109</u> |
| TRANSFERS OUT | <u>503,926</u> | <u>-</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>5,978,637</u> | <u>376,707</u> | <u>936,109</u> |
| ENDING FUND BALANCES | <u>\$ 688,872</u> | <u>\$ 779,463</u> | <u>\$ 244,589</u> |
| EMERGENCY RESERVE | <u>\$ 3,400</u> | <u>\$ 3,600</u> | <u>\$ 3,400</u> |
| TOTAL RESERVE | <u>\$ 3,400</u> | <u>\$ 3,600</u> | <u>\$ 3,400</u> |

**CONCORD METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|--------------------------------|--------------------------|--------------------------|--------------------------|
| ASSESSED VALUATION | | | |
| Industrial | \$ 27,845,000 | \$ 35,115,350 | \$ 32,161,780 |
| State assessed | 100 | - | 100 |
| Vacant land | 240,980 | 210 | 210 |
| Personal property | 20,205,760 | 19,746,750 | 20,653,570 |
| Certified Assessed Value | <u>\$ 48,291,840</u> | <u>\$ 54,862,310</u> | <u>\$ 52,815,660</u> |
| MILL LEVY | | | |
| General | 2.000 | 2.000 | 2.000 |
| Debt Service | 9.000 | 5.000 | 5.000 |
| Total mill levy | <u>11.000</u> | <u>7.000</u> | <u>7.000</u> |
| PROPERTY TAXES | | | |
| General | \$ 96,584 | \$ 109,725 | \$ 105,631 |
| Debt Service | 434,627 | 274,312 | 264,078 |
| Levied property taxes | 531,210 | 384,037 | 369,709 |
| Adjustments to actual/rounding | (1,860) | - | - |
| Refunds and abatements | 598 | (136) | - |
| Budgeted property taxes | <u>\$ 529,948</u> | <u>\$ 383,901</u> | <u>\$ 369,709</u> |
| BUDGETED PROPERTY TAXES | | | |
| General | \$ 96,354 | \$ 109,686 | \$ 105,631 |
| Debt Service | 433,594 | 274,215 | 264,078 |
| | <u>\$ 529,948</u> | <u>\$ 383,901</u> | <u>\$ 369,709</u> |

**CONCORD METROPOLITAN DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCE | \$ 355,973 | \$ 177,929 | \$ 198,997 |
| REVENUE | | | |
| Property taxes | 96,354 | 109,686 | 105,631 |
| Specific ownership taxes | 9,687 | 9,875 | 8,450 |
| Interest income | 8,452 | 1,758 | 496 |
| Miscellaneous income | - | 116 | - |
| Total revenue | <u>114,493</u> | <u>121,435</u> | <u>114,577</u> |
| Total funds available | <u>470,466</u> | <u>299,364</u> | <u>313,574</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 24,931 | 28,000 | 28,000 |
| Audit | 4,200 | 4,800 | 5,000 |
| Insurance | 3,131 | 3,740 | 4,000 |
| District management | 26,311 | 25,000 | 25,000 |
| Legal | 21,441 | 15,000 | 20,000 |
| Director's fees | 2,000 | 2,000 | 2,000 |
| Dues and subscriptions | 376 | 377 | 500 |
| Election expense | - | 1,354 | - |
| Miscellaneous expenses | 993 | 250 | 1,500 |
| Website | 510 | 1,000 | 1,000 |
| Contingency | - | - | 5,641 |
| Treasurer's fees | 1,447 | 1,646 | 1,584 |
| Operations and maintenance | | | |
| Landscape | 4,813 | 3,000 | 6,500 |
| Architectural - landscape review | 563 | 450 | 500 |
| Street maintenance | - | 5,000 | 5,000 |
| Snow removal | - | 5,000 | 5,000 |
| Water-irrigation | 2,827 | 3,500 | 3,500 |
| Utilities - irrigation | 68 | 250 | 250 |
| Total expenditures | <u>93,611</u> | <u>100,367</u> | <u>114,975</u> |
| Total expenditures and transfers out requiring appropriation | <u>292,537</u> | <u>100,367</u> | <u>114,975</u> |
| ENDING FUND BALANCE | <u>\$ 177,929</u> | <u>\$ 198,997</u> | <u>\$ 198,599</u> |
| EMERGENCY RESERVE | \$ 3,400 | \$ 3,600 | \$ 3,400 |
| AVAILABLE FOR OPERATIONS | 174,529 | 195,397 | 195,199 |
| TOTAL RESERVE | <u>\$ 177,929</u> | <u>\$ 198,997</u> | <u>\$ 198,599</u> |

No assurance is provided. See summary of significant assumptions.

**CONCORD METROPOLITAN DISTRICT
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|------------------|-------------------|------------------|
| BEGINNING FUND BALANCE | \$ 1,030,085 | \$ 20,088 | \$ 40,617 |
| REVENUE | | | |
| Property taxes | 433,594 | 274,215 | 264,078 |
| Specific ownership taxes | 43,593 | 22,354 | 21,126 |
| Bond issuance | 3,365,000 | - | - |
| Interest income | 24,700 | 300 | 108 |
| Total revenue | <u>3,866,887</u> | <u>296,869</u> | <u>285,312</u> |
| TRANSFERS IN | | | |
| Transfer from other funds | <u>503,926</u> | <u>-</u> | <u>-</u> |
| Total funds available | <u>5,400,898</u> | <u>316,957</u> | <u>325,929</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Debt Service | | | |
| Bond interest - Series 2010 | 121,791 | - | - |
| Bond interest - Series 2019 | - | 102,225 | 72,846 |
| Bond principal - Series 2019 | - | 170,000 | 195,000 |
| Payment to refunded bond escrow | 5,146,135 | - | - |
| Bond issuance costs | 106,171 | - | - |
| Contingency | - | - | 8,132 |
| Treasurer's fees | 6,513 | 4,115 | 3,961 |
| Paying agent fees | 200 | - | - |
| Total expenditures | <u>5,380,810</u> | <u>276,340</u> | <u>279,939</u> |
| Total expenditures and transfers out requiring appropriation | <u>5,380,810</u> | <u>276,340</u> | <u>279,939</u> |
| ENDING FUND BALANCE | <u>\$ 20,088</u> | <u>\$ 40,617</u> | <u>\$ 45,990</u> |

**CONCORD METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/21

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|-------------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ 632,033 | \$ 490,855 | \$ 539,849 |
| REVENUE | | | |
| SEMSWA reimbursements | 149,009 | 43,279 | - |
| Interest income | 15,103 | 5,715 | 1,346 |
| Total revenue | <u>164,112</u> | <u>48,994</u> | <u>1,346</u> |
| Total funds available | <u>796,145</u> | <u>539,849</u> | <u>541,195</u> |
| EXPENDITURES | | | |
| Capital Projects | | | |
| Accounting | - | - | 5,000 |
| Capital outlay | - | - | 271,195 |
| District management | 290 | - | 5,000 |
| Consulting and engineering | - | - | 5,000 |
| Legal | - | - | 5,000 |
| Traffic signal | - | - | 250,000 |
| Total expenditures | <u>290</u> | <u>-</u> | <u>541,195</u> |
| TRANSFERS OUT | | | |
| Transfer to other funds | <u>305,000</u> | <u>-</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>305,290</u> | <u>-</u> | <u>541,195</u> |
| ENDING FUND BALANCE | <u>\$ 490,855</u> | <u>\$ 539,849</u> | <u>\$ -</u> |

**CONCORD METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Concord Metropolitan District, a quasi-municipal corporation was organized on November 17, 1999, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado. The District was established to provide public streets, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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 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.

The primary source of revenue is property taxes. The calculation of the taxes levied is displayed on the property tax summary information page.

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% of the property taxes collected by both the General Fund and the Debt Service Fund.

**CONCORD METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

System Development Fees and SEMSWA Payments

System Development Fees are collected at a rate of \$3,500 per Tap Equivalent. Also included as a System Development Fee are Impervious Acre Fees charged by SEMSWA at a rate of \$13,466 per acre, of which 100% for Phase II and 5% for Phase III improvements are reimbursed to the District per the Stormwater Facility Construction and Reimbursement Agreement entered into on June 28, 2000. Both types of System Development Fees are recorded in the capital projects fund when received, but are not pledged for any particular use.

| SYSTEM DEVELOPMENT FEE (SDF) SCHEDULE | | |
|---------------------------------------|----------------|---------|
| METER SIZE | TAP EQUIVALENT | FEE |
| 3/4 | 1 | \$3,500 |
| 1 | 2 | 7,000 |
| 1 1/2 | 4 | 14,000 |
| 2 | 8 | 28,000 |
| 3 | 18 | 63,000 |
| 4 | 38 | 133,000 |
| 6 | 72 | 252,000 |

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .25%.

SEMSWA Agreement

The Developer assigned to the District its interest in a stormwater facility construction and reimbursement agreement that it entered into on June 28, 2000, with the Arapahoe County Water and Wastewater Authority (ACWWA), Phase I. Under the terms of this agreement, the Developer agreed to construct certain stormwater facilities and ACWWA agreed to reimburse the Developer 84.6% of the system development fees collected from upstream property. Obligations under this agreement are paid in full.

On August 23, 2001, the District entered into a stormwater facility construction and reimbursement agreement with ACWWA, Phase II. Pursuant to this agreement, ACWWA will reimburse the District 100% of the stormwater surcharge amount of \$669,689 to the extent that ACWWA collects it.

Additionally, the Developer assigned to the District its interest in a stormwater facility construction and reimbursement agreement that it entered into on January 10, 2007, with ACWWA, Phase III. Under the terms of this agreement, the Developer agreed to construct certain stormwater facilities and ACWWA agreed to reimburse the Developer an initial installment of \$24,900, with the balance of the obligation, \$96,000 to be paid semiannually on April 1 and October 1 in an amount equal to 5% of all stormwater system development fees collected by ACWWA within its entire stormwater service area during each such semiannual period.

**CONCORD METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

SEMSWA Agreement - (continued)

In 2011, the ACWWA reimbursement agreement, Phase II and Phase III, were transferred to Southeast Metro Stormwater Authority (SEMSWA).

In 2015 SEMSWA satisfied its obligation as it relates to payments to the District pursuant to the SEMSWA reimbursement agreement, Phase III.

Though the District anticipates receiving revenues related to Phase II of this agreement during 2021, nothing has been budgeted due to the uncertainty of timing of payments.

Expenditures

Administrative and Operating Expenses

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, management, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

Loan principal and interest payments are estimated based on the loan financing documents.

Capital Outlay

Anticipated expenditures for capital projects for 2021 are outlined in capital project fund of the Budget

Debt and Leases

On September 29, 2010, the District refunded the Series 2004 Bonds and issued \$5,820,000 of General Obligation Fixed Rate Refunding Bonds (Series 2010 Bonds), with interest rates ranging from 2.000% to 5.375%, consisting of serial bonds issued in the amount of \$1,205,000 due annually through 2020, term bonds issued in the amount of \$720,000 due December 1, 2025, term bonds in the amount of \$900,000 due December 1, 2030, and term bonds in the amount of \$2,995,000 due December 1, 2040. Such term bonds are subject to mandatory sinking fund redemption beginning on December 1, 2021. In addition, the bonds maturing on and after December 1, 2025, are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2020, and on any date thereafter, upon payment of par and accrued interest, without redemption premium.

**CONCORD METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

On October 24, 2019 the District issued the Series 2019 General Obligation Refunding Loan in order to pay off the Series 2010 bonds.

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, as defined under TABOR.

This information is an integral part of the accompanying budget.

CONCORD METROPOLITAN DISTRICT
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019

\$3,365,000 Taxable Refunding
Loan Issue
Series 2019, Dated October 24, 2019
Principal Due December 1
Interest Rate Fixed 2.89%

| <u>Year Ended</u> <u>December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Annual Debt</u> <u>Service</u> |
|--|---------------------|-------------------|--------------------------------------|
| 2021 | 195,000 | 72,846 | 267,846 |
| 2022 | 200,000 | 68,400 | 268,400 |
| 2023 | 205,000 | 63,840 | 268,840 |
| 2024 | 210,000 | 59,166 | 269,166 |
| 2025 | 215,000 | 54,378 | 269,378 |
| 2026 | 220,000 | 49,476 | 269,476 |
| 2027 | 225,000 | 44,460 | 269,460 |
| 2028 | 230,000 | 39,330 | 269,330 |
| 2029 | 235,000 | 34,086 | 269,086 |
| 2030 | 240,000 | 28,728 | 268,728 |
| 2031 | 245,000 | 23,256 | 268,256 |
| 2032 | 250,000 | 17,670 | 267,670 |
| 2033 | 260,000 | 11,970 | 271,970 |
| 2034 | 265,000 | 6,042 | 271,042 |
| | <u>\$ 3,195,000</u> | <u>\$ 573,648</u> | <u>\$ 3,768,648</u> |