

# EASTPARK 70 METROPOLITAN DISTRICT

## 2021 Budget Message

### Introduction

The District was formed in November 2004 for the primary purpose of financing the construction of certain infrastructure including street and drainage improvements, safety protection, water, sanitary sewer and landscaping improvements. These improvements have been dedicated to the City of Aurora, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

The 2021 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2021 fiscal year based on available revenues. This budget provides for the general operation of the District, debt service and participation in regional improvements as a member of the Aurora Regional Transportation Authority.

The District's 2020 assessed value is \$30,932,630, an increase from \$12,845,690 in 2019. The District's certified mill levy was increased to 38.000 mills for taxes to be collected in fiscal year 2021, with 2.000 mills certified in the General Fund, 35.000 mills certified in the Debt Service Fund and an additional 1.000 mills certified in the Debt Service Fund designated to the Aurora Regional Transportation Authority ("ARTA").

### Budgetary Basis of Accounting

The District uses Fund accounting to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

### Fund Summaries

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government. The General Fund's primary source of revenue is from property tax collections.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt obligations. The Debt Service Fund's primary source of revenue is from property and specific ownership tax collections. The

District satisfies its annual ARTA obligation through the Debt Service Fund. Starting in 2010, the District has been unable to make full principal and interest payments on the Series 2005 Bonds. Below is a consolidated summary of the District's long-term debt.

**Summary of Debt Outstanding**

**EastPark 70 Metropolitan District**

Bonds Principal and Interest Maturing in the Year Ending December 31,	\$5,762,004 Series 2005 General Obligation Bonds (Limited Tax Convertible to Unlimited Tax) Capital Appreciation Bonds converting 12/1/09 to \$8,380,000			
	Principal	Interest	Accretion	Total
2021	165,022	622,400	74,978	862,400
2022	192,525	603,200	87,475	883,200
2023-2027	1,289,231	2,634,000	585,769	4,509,000
2028-2032	2,079,960	1,712,800	945,040	4,737,800
2033-2034	1,127,648	315,200	512,352	1,955,200
Total	9,351,224	10,549,600	-	4,248,776

\*As of 12/31/2020, Unpaid Interest equals \$8,698,572. Due to compounding, actual interest due is subject to review by Bond Counsel. Unpaid Principal is \$8,380,000 as per Bond Schedule.

**Emergency Reserve**

As required under Article X, Section 20 of the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

**EASTPARK 70 METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2021 Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 11,095,160	\$ 12,845,690	\$ 30,932,630
<b>Mill Levy</b>			
General Fund	2.000	2.000	2.000
Debt Service Fund	30.000	35.000	35.000
Aurora Regional Transportation	1.000	1.000	1.000
<b>Total Mill Levy</b>	<u>33.000</u>	<u>38.000</u>	<u>38.000</u>
<b>Property Taxes</b>			
General Fund	\$ 22,190	\$ 25,691	\$ 61,865
Debt Service Fund	332,855	449,599	1,082,642
Aurora Regional Transportation	11,095	12,846	30,933
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 366,140</u>	<u>\$ 488,136</u>	<u>\$ 1,175,440</u>

**EASTPARK 70 METROPOLITAN DISTRICT**

**GENERAL FUND  
2021 Adopted Budget  
with 2019 Actual, 2020 Adopted & Estimated Budgets**

	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Estimated</b>	<b>2021 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 28,136	\$ 9,292	\$ 36,071	\$ 32,512
<b>REVENUE</b>				
Property Tax Revenue	22,190	25,691	25,691	61,865
Developer Advance	-	-	-	-
Interest Income	427	10	110	10
<b>Total Revenue</b>	<b>22,617</b>	<b>25,701</b>	<b>25,801</b>	<b>61,875</b>
<b>Total Funds Available</b>	<b>50,753</b>	<b>34,993</b>	<b>61,872</b>	<b>94,387</b>
<b>EXPENDITURES</b>				
Accounting	6,605	8,000	8,000	8,000
Audit	-	500	300	500
Election	-	1,000	1,200	-
Insurance/SDA Dues	3,369	3,500	3,175	3,500
Legal	3,677	6,000	8,000	8,000
Management	538	6,000	8,000	8,000
Miscellaneous	160	3,844	300	500
Treasurer's Fees	333	385	385	928
<b>Total Expenditures</b>	<b>14,682</b>	<b>29,229</b>	<b>29,360</b>	<b>29,428</b>
<b>Transfers and Other Uses</b>				
Emergency Reserve	-	771	-	1,856
Transfer to Debt Service	-	-	-	50,000
<b>Total Expenditures Requiring Appropriation</b>	<b>14,682</b>	<b>30,000</b>	<b>29,360</b>	<b>81,284</b>
<b>ENDING FUND BALANCE</b>	\$ <b>36,071</b>	\$ <b>4,993</b>	\$ <b>32,512</b>	\$ <b>13,103</b>

**NOTES TO GENERAL FUND**

**EASTPARK 70 METROPOLITAN DISTRICT**

**DEBT SERVICE FUND  
2021 Adopted Budget  
with 2019 Actual, 2020 Adopted & Estimated Budgets**

	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Estimated</b>	<b>2021 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 9,385	\$ 10,433	\$ 14,089	\$ 20,087
<b>REVENUE</b>				
Property Tax Revenue	332,855	449,599	449,599	1,082,642
Property Tax Revenue-ARTA	11,095	12,846	12,846	30,933
Specific Ownership Tax	29,038	23,000	22,500	22,500
Interest Income	1,709	600	600	600
Transfer from General Fund	-	-	-	50,000
<b>Total Revenue</b>	<b>374,697</b>	<b>486,045</b>	<b>485,545</b>	<b>1,186,675</b>
<b>Total Funds Available</b>	<b>384,082</b>	<b>496,478</b>	<b>499,634</b>	<b>1,206,762</b>
<b>EXPENDITURES</b>				
Bond Principal	-	-	-	-
Bond Interest	353,905	460,000	460,000	1,130,000
Paying Agent Fees	-	150	150	150
Treasurer's Fees	5,159	6,744	6,744	16,240
ARTA Expense	10,929	12,653	12,653	30,469
Contingency		12,654		
<b>Total Expenditures</b>	<b>369,993</b>	<b>492,201</b>	<b>479,547</b>	<b>1,176,859</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>369,993</b>	<b>492,201</b>	<b>479,547</b>	<b>1,176,859</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 14,089</b>	<b>\$ 4,278</b>	<b>\$ 20,087</b>	<b>\$ 29,903</b>