

EASTPARK 70 METROPOLITAN DISTRICT

2022 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 2022 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2022 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 2021 assessed value is \$35,535,180, an increase from \$30,932,630 in 2020. The District's certified mill levy will be 30.000 mills for taxes to be collected in fiscal year 2022, with 1.500 mills certified in the General Fund, 27.500 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

East Park 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
2022	192,525	651,200	87,475	931,200
2023-2027	1,289,231	2,874,000	585,769	4,749,000
2028-2032	2,079,960	1,952,800	945,040	4,977,800
2033-2034	1,127,648	411,200	512,352	2,051,200
Total	<u>4,689,364</u>	<u>5,889,200</u>	<u>2,130,636</u>	<u>12,709,200</u>

*As of 12/31/2021, Unpaid Interest equals \$9,058,927.03. Due to compounding, actual interest due is subject to review by Bond Counsel. Unpaid Principal is \$8,140,000 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

	2020 Actual	2021 Adopted Budget	2022 Adopted Budget
Assessed Valuation	\$ 12,845,690	\$ 30,932,630	\$ 35,535,180
Mill Levy			
General Fund	2.000	2.000	1.500
Debt Service Fund	35.000	35.000	27.500
Aurora Regional Transportation	1.000	1.000	1.000
Total Mill Levy	<u>38.000</u>	<u>38.000</u>	<u>30.000</u>
Property Taxes			
General Fund	\$ 25,691	\$ 61,865	\$ 53,303
Debt Service Fund	449,599	1,082,642	977,217
Aurora Regional Transportation	12,846	30,933	35,535
Actual/Budgeted Property Taxes	<u>\$ 488,136</u>	<u>\$ 1,175,440</u>	<u>\$ 1,066,055</u>

EASTPARK 70 METROPOLITAN DISTRICT

**GENERAL FUND
2022 Adopted Budget
with 2020 Actual and 2021 Estimated**

	2020 Actual	01/21-09/21 YTD Actual	2021 Adopted Budget	2021 Estimated	2022 Adopted Budget
BEGINNING FUND BALANCE	\$ 28,005	\$ 19,767	\$ 85,932	\$ 19,767	\$ 62,869
REVENUE					
Property Tax Revenue	25,691	61,846	61,865	61,865	53,303
Developer Advance	-	-	-	-	-
Interest Income	116	5	10	10	10
Total Revenue	25,807	61,851	61,875	61,875	53,313
Total Funds Available	53,812	81,618	147,807	81,642	116,182
EXPENDITURES					
Accounting	7,882	2,772	8,000	6,000	8,000
Audit	-	294	500	294	500
Election	370	-	-	-	3,000
Insurance/SDA Dues	3,175	3,295	3,500	3,295	3,700
Legal	10,873	949	8,000	3,000	6,000
Management	11,130	2,408	8,000	3,200	8,000
Miscellaneous	228	100	500	200	500
Treasurer's Fees	385	928	928	928	800
Total Expenditures	34,045	10,746	29,428	16,917	30,500
Transfers and Other Uses					
Emergency Reserve	-	-	1,856	1,856	1,599
Transfer to Debt Service	-	-	50,000	-	80,000
Total Expenditures Requiring Appropriation	34,045	10,746	81,284	18,773	112,099
ENDING FUND BALANCE	\$ 19,767	\$ 70,873	\$ 66,523	\$ 62,869	\$ 4,083

NOTES TO GENERAL FUND

EASTPARK 70 METROPOLITAN DISTRICT

**DEBT SERVICE FUND
2022 Adopted Budget
with 2020 Actual and 2021 Estimated**

	2020 Actual	01/21-09/21 YTD Actual	2021 Adopted Budget	2021 Estimated	2022 Adopted Budget
BEGINNING FUND BALANCE	\$ 25,031	\$ 15,721	\$ 26,703	\$ 15,721	\$ 204,177
REVENUE					
Property Tax Revenue	449,599	1,082,301	1,082,642	1,082,642	977,217
Property Tax Revenue-ARTA	12,846	30,923	30,933	30,933	35,535
Specific Ownership Tax	35,823	26,865	14,067	32,500	30,000
Interest Income	513	91	600	100	600
Transfer from General Fund	-	-	50,000	-	80,000
Total Revenue	498,781	1,140,180	1,178,242	1,146,175	1,123,352
Total Funds Available	523,812	1,155,901	1,204,945	1,161,896	1,327,529
EXPENDITURES					
Bond Principal	-	-	-	240,000	280,000
Bond Interest	477,272	335,200	1,130,000	670,400	995,000
Paying Agent Fees	300	-	150	150	150
Treasurer's Fees	6,937	16,698	16,240	16,700	14,658
ARTA Expense	23,582	-	30,469	30,469	35,002
Contingency	-	-	-	-	-
Total Expenditures	508,090	351,898	1,176,859	957,719	1,324,810
Total Expenditures Requiring Appropriation	508,090	351,898	1,176,859	957,719	1,324,810
ENDING FUND BALANCE	\$ 15,721	\$ 804,003	\$ 28,087	\$ 204,177	\$ 2,719