

SILVER PEAKS EAST METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ (20,896)	\$ (439)	\$ 5,102,309
REVENUES			
Property taxes	157	152	347
Specific ownership tax	7	8	17
Interest income	1	-	-
Other Reveune	-	-	-
Developer advance	19,854	-	5,101,800
Developer contribution	94,650	85,000	200,000
Bond proceeds	-	5,410,000	-
Total revenues	<u>114,669</u>	<u>5,495,160</u>	<u>5,302,164</u>
TRANSFERS IN	<u>-</u>	<u>11,212</u>	<u>6,000</u>
Total funds available	<u>93,773</u>	<u>5,505,933</u>	<u>10,410,473</u>
EXPENDITURES			
General Fund	84,212	73,000	80,000
Debt Service Fund	-	-	6,000
Capital Projects Fund	10,000	319,412	10,203,600
Total expenditures	<u>94,212</u>	<u>392,412</u>	<u>10,289,600</u>
TRANSFERS OUT	<u>-</u>	<u>11,212</u>	<u>6,000</u>
Total expenditures and transfers out requiring appropriation	<u>94,212</u>	<u>403,624</u>	<u>10,295,600</u>
ENDING FUND BALANCES	<u>\$ (439)</u>	<u>\$ 5,102,309</u>	<u>\$ 114,873</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>

No assurance provided. See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
Agricultural	\$ 2,330	\$ 2,280	\$ 1,540
State assessed	-	-	3,660
	<u>2,330</u>	<u>2,280</u>	<u>5,200</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 2,330</u>	<u>\$ 2,280</u>	<u>\$ 5,200</u>
MILL LEVY			
General	66.794	66.794	11.132
Debt Service	0.000	0.000	55.664
Total mill levy	<u>66.794</u>	<u>66.794</u>	<u>66.796</u>
PROPERTY TAXES			
General	\$ 156	\$ 152	\$ 58
Debt Service	-	-	289
Levied property taxes	<u>156</u>	<u>152</u>	<u>347</u>
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 157</u>	<u>\$ 152</u>	<u>\$ 347</u>
BUDGETED PROPERTY TAXES			
General	\$ 157	\$ 152	\$ 58
Debt Service	-	-	289
	<u>\$ 157</u>	<u>\$ 152</u>	<u>\$ 347</u>

No assurance provided. See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (11,042)	\$ (439)	\$ 509
REVENUES			
Property taxes	157	152	58
Specific ownership tax	7	8	3
Interest income	1	-	-
Developer contribution	94,650	85,000	200,000
Total revenues	94,815	85,160	200,061
Total funds available	83,773	84,721	200,570
EXPENDITURES			
General and administrative			
Accounting	13,289	15,000	20,000
County Treasurer's fee	2	2	1
Dues and licenses	323	431	600
District management	9,988	20,000	20,000
Election expense	-	-	1,000
Insurance and bonds	495	3,174	3,500
Legal services	59,923	29,000	30,000
Miscellaneous	192	5,393	4,899
Total expenditures	84,212	73,000	80,000
TRANSFERS OUT			
Transfers to other fund	-	11,212	6,000
Total expenditures and transfers out requiring appropriation	84,212	84,212	86,000
ENDING FUND BALANCE	\$ (439)	\$ 509	\$ 114,570
EMERGENCY RESERVE	\$ -	\$ 100	\$ 100
TOTAL RESERVE	\$ -	\$ 100	\$ 100

No assurance provided. See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	289
Specific ownership tax	-	-	14
Total revenues	<u>-</u>	<u>-</u>	<u>304</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>6,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>6,304</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	4
Paying agent fees	-	-	4,000
Contingency	-	-	1,996
Total expenditures	<u>-</u>	<u>-</u>	<u>6,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>6,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303</u>

No assurance provided. See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/19/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (9,854)	\$ -	\$ 5,101,800
REVENUES			
Developer advance	19,854	-	5,101,800
Bond proceeds	-	5,410,000	-
Total revenues	<u>19,854</u>	<u>5,410,000</u>	<u>5,101,800</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>11,212</u>	<u>-</u>
Total funds available	<u>10,000</u>	<u>5,421,212</u>	<u>10,203,600</u>
EXPENDITURES			
Repay developer advance	-	-	5,101,800
Cost of issuance	-	308,200	-
FRICO Agreement	10,000	11,212	-
Capital outlay	-	-	5,101,800
Total expenditures	<u>10,000</u>	<u>319,412</u>	<u>10,203,600</u>
Total expenditures and transfers out requiring appropriation	<u>10,000</u>	<u>319,412</u>	<u>10,203,600</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 5,101,800</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on December 1, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Town of Lochbuie, Weld County, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, fire protection, television relay and translation, security services, incremental drilling and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions 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 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.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On August 2, 2016, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 7.96% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was increased to 66.794 mills.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

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 5% of the property taxes collected.

Developer advance

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

Expenditures

County Treasurer's Fees

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

General and administration

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative

Debt Service

No amortization schedule included due to cash flow bonds.

Debt and Leases

Series 2021(3) Bonds

On July 28th, 2021, the District issued General Obligation Limited Tax Cash Flow Bonds, Series 2021(3) ("2021 Bonds"), in the par amount of \$5,410,000, with a fixed interest rate of 5.000%, maturing on December 1, 2051. The 2021 Bonds are secured by Pledge Revenue from the required Mill Levy. Proceeds from the sale of the Bonds were used to (a) finance or reimburse a portion of the costs of acquiring, constructing, and installing certain public improvements to serve the development; and (b) pay the costs of issuing the Bonds.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Bond Details

The Bonds bear interest at the rate of 5.000% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

Bond Details (continued)

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be extinguished and no longer due and outstanding.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2026, to August 31, 2027	3.00%
September 1, 2027, to August 31, 2028	2.00
September 1, 2028, to August 31, 2029	1.00
September 1, 2029, and thereafter	0.00

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue, which means the moneys derived by the District from the following sources:

- (a) the Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Required Mill Levy; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

Required Mill Levy

The District is required to impose an ad valorem mill levy upon all taxable property of the District each year in the amount of 50.00 mills (subject to adjustment for changes occurring after January 1, 2015, in the method of calculating assessed valuation), less the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will fund the Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. The Required Mill Levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County

The District has no operating or capital leases.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2022 as defined under TABOR.

This information is an integral part of the accompanying budget.