

**CUNDALL FARMS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR YEAR ENDING DECEMBER 31, 2021**

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

1/27/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 1,233,159	\$ 1,337,828	\$ 1,603,465
<b>REVENUES</b>			
Interest income	28,946	11,400	8,605
Operations Fees	206,103	210,000	204,168
Property Taxes	714,149	911,734	912,516
Specific Ownership Taxes	57,203	73,018	63,876
Working Capital	-	-	18,000
Total revenues	<u>1,006,401</u>	<u>1,206,152</u>	<u>1,207,165</u>
Total funds available	<u>2,239,560</u>	<u>2,543,980</u>	<u>2,810,630</u>
<b>EXPENDITURES</b>			
General Fund	133,294	135,176	78,000
Operations Fund	273,627	263,061	303,000
Debt Service Fund	494,811	542,278	598,000
Total expenditures	<u>901,732</u>	<u>940,515</u>	<u>979,000</u>
Total expenditures and transfers out requiring appropriation	<u>901,732</u>	<u>940,515</u>	<u>979,000</u>
ENDING FUND BALANCES	<u>\$ 1,337,828</u>	<u>\$ 1,603,465</u>	<u>\$ 1,831,630</u>
Emergency Reserve	\$ 3,900	\$ 5,000	\$ 4,900
Debt Service Reserve Fund	743,000	743,000	743,000
Surplus Fund	271,112	558,458	781,171
Operations Fee Fund Reserve	6,400	6,400	6,700
Available for Operations	313,416	290,607	295,859
TOTAL RESERVE	<u>\$ 1,337,828</u>	<u>\$ 1,603,465</u>	<u>\$ 1,831,630</u>

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

1/27/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
<b>ASSESSED VALUATION</b>			
Residential	\$ 9,001,440	\$ 13,500,670	\$ 13,465,430
State assessed	210	2,940	4,560
Vacant land	1,683,260	29,230	29,220
Personal property	81,360	131,170	161,780
Oil & gas	20	40	50
Certified Assessed Value	<u>\$ 10,766,290</u>	<u>\$ 13,664,050</u>	<u>\$ 13,661,040</u>
<b>MILL LEVY</b>			
General	11.055	11.133	11.133
Debt Service	55.277	55.664	55.664
Total mill levy	<u>66.332</u>	<u>66.797</u>	<u>66.797</u>
<b>PROPERTY TAXES</b>			
General	\$ 119,021	\$ 152,122	\$ 152,088
Debt Service	595,128	760,596	760,428
Levied property taxes	714,149	912,718	912,516
Refunds and abatements	-	(984)	-
Budgeted property taxes	<u>\$ 714,149</u>	<u>\$ 911,734</u>	<u>\$ 912,516</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 119,021</b>	<b>\$ 151,958</b>	<b>\$ 152,088</b>
Debt Service	<b>595,128</b>	<b>759,776</b>	<b>760,428</b>
	<u><b>\$ 714,149</b></u>	<u><b>\$ 911,734</b></u>	<u><b>\$ 912,516</b></u>

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

1/27/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 23,242	\$ 19,008	\$ 48,260
REVENUES			
Interest Income	506	300	450
Property Taxes	119,021	151,958	152,088
Specific Ownership Taxes	9,533	12,170	10,646
Total revenues	<u>129,060</u>	<u>164,428</u>	<u>163,184</u>
Total funds available	<u>152,302</u>	<u>183,436</u>	<u>211,444</u>
EXPENDITURES			
Accounting	34,323	30,000	30,000
Audit	4,700	4,700	4,900
County Treasurer's Fees	1,786	2,279	2,281
Dues	543	638	750
Election Expense	-	5,660	-
Insurance	4,040	5,599	7,000
Legal	47,155	45,000	30,000
Miscellaneous	747	600	1,069
Repay Developer Advance	40,000	40,000	-
Website	-	700	2,000
Total expenditures	<u>133,294</u>	<u>135,176</u>	<u>78,000</u>
Total expenditures and transfers out requiring appropriation	<u>133,294</u>	<u>135,176</u>	<u>78,000</u>
ENDING FUND BALANCE	<u>\$ 19,008</u>	<u>\$ 48,260</u>	<u>\$ 133,444</u>
Emergency Reserve	\$ 3,900	\$ 5,000	\$ 4,900
Available for Operations	15,108	43,260	128,544
TOTAL RESERVE	<u>\$ 19,008</u>	<u>\$ 48,260</u>	<u>\$ 133,444</u>

**CUNDALL FARMS METROPOLITAN DISTRICT  
OPERATIONS FEE FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/27/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 365,426	\$ 304,708	\$ 253,747
<b>REVENUES</b>			
Interest Income	6,806	2,100	1,100
Operations Fees	206,103	210,000	204,168
Working Capital	-	-	18,000
Total revenues	212,909	212,100	223,268
Total funds available	578,335	516,808	477,015
<b>EXPENDITURES</b>			
General and Administrative			
Community Activities	8,607	5,000	12,000
District Management - Contract	22,436	20,000	18,000
District Management - Costs	-	5,000	5,000
Insurance	18,643	14,561	20,000
Legal	9,050	10,000	6,000
Miscellaneous	-	-	2,000
Postage and Delivery	3,917	-	-
Transfer Fees	2,400	-	-
Website	2,257	-	-
Holiday Lighting	499	-	5,000
Landscape Maintenance			
Sprinkler Repair	18,151	-	-
Landscape Maintenance - Contract	69,240	80,000	84,000
Landscape Replacements	20,080	25,000	35,000
Tree Replacements	-	-	-
Grounds and Park Maintenance			
Basketball Court Maintenance	-	2,500	4,000
Grounds Cleanup	892	-	-
Irrigation Repairs & Improvements	-	8,000	12,500
Grounds Maintenance	-	5,000	2,000
Lighting	688	2,500	4,000
Playground Inspection & Repair	-	2,500	4,000
Snow Removal	18,615	20,000	25,000
Utilities			
Electricity	2,496	3,000	4,500
Water	75,656	60,000	60,000
Total expenditures	273,627	263,061	303,000
Total expenditures and transfers out requiring appropriation	273,627	263,061	303,000
ENDING FUND BALANCE	\$ 304,708	\$ 253,747	\$ 174,015
Operations Fee Fund Reserve	\$ 6,400	\$ 6,400	\$ 6,700
Available for Operations	298,308	247,347	167,315
TOTAL RESERVE	\$ 304,708	\$ 253,747	\$ 174,015

No assurance provided. See summary of significant assumptions.

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

1/27/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 844,491	\$ 1,014,112	\$ 1,301,458
<b>REVENUES</b>			
Property Taxes	595,128	759,776	760,428
Specific Ownership Taxes	47,670	60,848	53,230
Interest Income	21,634	9,000	7,055
Total revenues	664,432	829,624	820,713
Total funds available	1,508,923	1,843,736	2,122,171
<b>EXPENDITURES</b>			
General and Administrative			
County Treasurer's Fees	8,930	11,397	11,406
Paying Agent Fees	8,000	8,000	8,000
Contingency	-	-	4,181
Debt Service			
Bond Interest	477,881	447,881	474,413
Bond Principal	-	75,000	100,000
Total expenditures	494,811	542,278	598,000
Total expenditures and transfers out requiring appropriation	494,811	542,278	598,000
ENDING FUND BALANCE	\$ 1,014,112	\$ 1,301,458	\$ 1,524,171
Debt Service Reserve Fund	\$ 743,000	\$ 743,000	\$ 743,000
Surplus Fund	271,112	558,458	781,171
TOTAL RESERVE	\$ 1,014,112	\$ 1,301,458	\$ 1,524,171

**CUNDALL FARMS METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court of Adams County, Colorado on December 1, 2009, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

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

The District is not authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City of Thornton. The District is not authorized to plan for, design acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the City of Thornton.

On November 3, 2009, the District's voters authorized total indebtedness of \$130,000,000 for each of the above listed facilities, \$20,000,000 for both intergovernmental and private agreements and \$20,000,000 for refunding of debt. Pursuant to the service plan, the total debt that the District shall be permitted to issue shall not exceed \$20,000,000. Additionally, the maximum debt mill levy is 50.000 mills, which shall not be imposed for longer than 40 years from the first year the debt service mill levy is imposed unless a refunding of the debt has been voted upon. The election also approved an annual increase in property taxes of \$5,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

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, 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.

**CUNDALL FARMS METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

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

**Specific Ownership**

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 7.0% of the property taxes collected.

**Operations Fee**

The District collects a fee of \$47.00 per month from homeowners and a transfer fee of \$500 from each new homeowner at closing. The fees are used to cover the landscaping and maintenance costs of the District. The District has 362 homes.

**Working Capital**

The District collects a \$500 working capital fee upon the transfer of each residential unit.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .5%.

**Expenditures**

**Administrative Expenditures**

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

**Maintenance Expenditures**

Anticipated maintenance expenditures are shown on the Operations Fee Fund page of the budget. Homeowners will contract separately with the City for trash removal.

**Debt and Leases**

On December 14, 2017, the District issued its \$9,720,000 General Obligation Refunding Bonds, Series 2017A (2017A Bonds), its \$1,500,000 Subordinate Limited Tax General Obligation Improvement Bonds, Series 2017B (2017B Bonds) and its \$792,000 Limited Tax Junior Lien Subordinate General Obligation Bonds (2017C Bonds). The proceeds from the sale of the 2017A Bonds were applied to refunding the 2014 and 2016 Bonds of the District, paying the costs of issuing the 2017 Bonds and establishing a Reserve Fund in the amount of \$743,000. The proceeds from the sale of the 2017B Bonds were used to pay for the construction or reimbursement of public improvements and paying the costs of issuing the 2017B Bonds. The proceeds from the sale of the 2017C Bonds were used to pay for the construction or reimbursement of public improvements and paying certain costs of issuing the 2017C Bonds.



**CUNDALL FARMS METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

The 2017A Bonds bear interest at 4.625% to 5.000%, payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2020. The 2017A Bonds mature on December 1, 2032 and December 1, 2047. The maximum amount of the Senior Surplus Fund is \$972,000.

The 2017B Bonds bear interest at 7.375% per annum, are payable annually from Subordinate Pledged Revenue, if any, on December 15, beginning on December 15, 2018, and mature on December 15, 2047. The 2017B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the 2017B Bonds compounds annually on each December 15. The 2017B Bonds mature on December 15, 2047 and discharged on December 16, 2055, regardless of the amount of principal and interest paid on the 2017B Bonds prior to such Subordinate Termination Date.

The 2017C Bonds bear interest at the rate of 12.00% per annum, and are payable annually from Junior Subordinate Pledged Revenue, if any available, on each December 15, commencing on the first December 15 occurring after the 2017B Bonds have been paid in full or are no longer outstanding, and mature on December 15, 2049. The 2017C Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the 2017C Bonds compounds annually on each December 15. All of the 2017C Bonds and interest thereon will be deemed to be paid, satisfied and discharged on December 16, 2055, regardless of the amount of principal and interest paid on the 2017C Bonds prior to such Termination Date.

A debt service schedule for the 2017A Bonds is attached.

The District has no operating or capital leases.

**Developer Advance**

The District has outstanding Developer advances. The anticipated Developer advances are as follows:

	Balance - December 31, 2019	Additions	Retirement of Long-Term Obligations	Balance - December 31, 2020 *	Additions	Retirement of Long-Term Obligations	Balance - December 31, 2021 *
Developer Advances - Operations	164,941	-	15,650	149,291	-	-	149,291
Developer Advances - Capital	4,408,618	-	-	4,408,618	-	-	4,408,618
Accrued Interest - Developer Advances - Operations	17,697	12,608	24,350	5,955	11,943	-	17,898
Accrued Interest - Developer Advances - Capital	1,597,419	352,690	-	1,950,109	352,689	-	2,302,798
Total	<u>\$ 6,188,675</u>	<u>\$ 365,298</u>	<u>\$ 40,000</u>	<u>\$ 6,513,973</u>	<u>\$ 364,632</u>	<u>\$ -</u>	<u>\$ 6,878,605</u>

\*Estimated balances

**CUNDALL FARMS METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under the TABOR Amendment. Such Emergency Reserve is an integral part of Ending Fund Balance for the District's operations.

**Debt Service Reserve**

The Senior Debt Service Reserve Requirement on the 2017 Bonds is \$743,000.

**Operations Fee Fund Reserve**

The District has provided a reserve for operating contingencies. This reserve is included as part of the District's Operations Fee Fund Balance.

**This information is an integral part of the budget.**

**CUNDALL FARMS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$9,720,000</b>		
	<b>General Obligation Bonds (Limited Tax Convertible to Unlimited Tax)</b>		
	<b>Series 2017A, Dated December 14, 2017</b>		
	<b>\$2,165,000 4.625% Term Bonds Due December 1, 2032</b>		
	<b>\$7,555,000 5.000% Term Bonds Due December 1, 2047</b>		
	<b>Interest Due June 1 and December 1</b>		
	<b>Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 100,000	\$ 474,413	\$ 574,413
2022	120,000	469,788	589,788
2023	125,000	464,238	589,238
2024	140,000	458,456	598,456
2025	145,000	451,981	596,981
2026	165,000	445,275	610,275
2027	175,000	437,644	612,644
2028	195,000	429,550	624,550
2029	205,000	420,531	625,531
2030	225,000	411,050	636,050
2031	235,000	400,644	635,644
2032	260,000	389,775	649,775
2033	270,000	377,750	647,750
2034	300,000	364,250	664,250
2035	310,000	349,250	659,250
2036	340,000	333,750	673,750
2037	360,000	316,750	676,750
2038	390,000	298,750	688,750
2039	410,000	279,250	689,250
2040	445,000	258,750	703,750
2041	465,000	236,500	701,500
2042	505,000	213,250	718,250
2043	530,000	188,000	718,000
2044	570,000	161,500	731,500
2045	600,000	133,000	733,000
2046	640,000	103,000	743,000
2047	1,420,000	71,000	1,491,000
	<b>\$ 9,645,000</b>	<b>\$ 8,938,095</b>	<b>\$ 18,583,095</b>

No assurance provided. See summary of significant assumptions.