

CUNDALL FARMS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**CUNDALL FARMS METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 772,280	\$ 835,991	\$ 888,232
REVENUES			
Property taxes	856,924	865,352	796,101
Specific ownership taxes	63,370	60,310	55,727
Interest income	13,851	41,500	39,000
Operations Fees	204,168	204,168	204,168
Other revenue	21,848	6,000	10,000
Transfer Fees	9,500	10,000	10,000
Insurance Proceeds	-	1,000	-
Total revenues	<u>1,169,661</u>	<u>1,188,330</u>	<u>1,114,996</u>
TRANSFERS IN	<u>-</u>	<u>47,000</u>	<u>120,000</u>
Total funds available	<u>1,941,941</u>	<u>2,071,321</u>	<u>2,123,228</u>
EXPENDITURES			
General Fund	90,924	95,000	98,000
Operations Fund	344,299	353,000	346,000
Debt Service Fund	670,727	688,089	667,000
Total expenditures	<u>1,105,950</u>	<u>1,136,089</u>	<u>1,111,000</u>
TRANSFERS OUT	<u>-</u>	<u>47,000</u>	<u>120,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,105,950</u>	<u>1,183,089</u>	<u>1,231,000</u>
ENDING FUND BALANCES	<u>\$ 835,991</u>	<u>\$ 888,232</u>	<u>\$ 892,228</u>
Emergency Reserve	\$ 7,400	\$ 7,600	\$ 7,100
Operations Fee Fund Reserve	7,200	6,800	6,800
25% Reserve Amount (per 2021 Reserve Study)	24,250	24,250	24,250
Debt Service Reserve Fund	437,333	437,333	437,333
Available for Operations	347,755	376,272	394,210
TOTAL RESERVE	<u>\$ 823,938</u>	<u>\$ 852,255</u>	<u>\$ 869,693</u>

**CUNDALL FARMS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential - Single Family	\$ 13,848,700	\$ 13,458,780	\$ 16,612,610
State assessed	1,810	5,110	4,430
Vacant land	210	210	1,820
Personal property	112,300	191,230	184,320
Certified Assessed Value	\$ 13,963,020	\$ 13,655,330	\$ 16,803,180

MILL LEVY

General	16.133	16.133	12.140
Debt Service	45.238	47.238	35.238
Total mill levy	61.371	63.371	47.378

PROPERTY TAXES

General	\$ 225,265	\$ 220,302	\$ 203,991
Debt Service	631,659	645,050	592,110
Budgeted property taxes	\$ 856,924	\$ 865,352	\$ 796,101

BUDGETED PROPERTY TAXES

General	\$ 225,265	\$ 220,302	\$ 203,991
Debt Service	631,659	645,050	592,110
	\$ 856,924	\$ 865,352	\$ 796,101

**CUNDALL FARMS METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 118,728	\$ 273,730	\$ 383,379
REVENUES			
Property taxes	225,265	220,302	203,991
Specific ownership taxes	16,659	15,347	14,279
Interest income	4,002	16,000	17,000
Total revenues	<u>245,926</u>	<u>251,649</u>	<u>235,270</u>
Total funds available	<u>364,654</u>	<u>525,379</u>	<u>618,649</u>
EXPENDITURES			
General and administrative			
Accounting	30,000	30,000	31,500
Auditing	5,100	5,400	6,000
County Treasurer's fees	3,380	3,305	3,060
Dues and membership	352	356	450
Insurance	7,745	9,930	12,000
Legal	41,587	40,000	40,000
Miscellaneous	-	2,843	2,990
Election	1,210	1,666	-
Website	1,550	1,500	2,000
Total expenditures	<u>90,924</u>	<u>95,000</u>	<u>98,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>47,000</u>	<u>120,000</u>
Total expenditures and transfers out requiring appropriation	<u>90,924</u>	<u>142,000</u>	<u>218,000</u>
ENDING FUND BALANCES	<u>\$ 273,730</u>	<u>\$ 383,379</u>	<u>\$ 400,649</u>
Emergency Reserve	\$ 7,400	\$ 7,600	\$ 7,100
Available for Operations	266,330	375,779	393,549
TOTAL RESERVE	<u>\$ 273,730</u>	<u>\$ 383,379</u>	<u>\$ 400,649</u>

**CUNDALL FARMS METROPOLITAN DISTRICT
OPERATIONS FEE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 219,250	\$ 112,875	\$ 31,543
REVENUES			
Operations Fees	204,168	204,168	204,168
Other Revenue	21,848	6,000	10,000
Transfer Fees	9,500	10,000	10,000
Interest Income	2,408	3,500	2,000
Insurance Proceeds	-	1,000	-
Total revenues	<u>237,924</u>	<u>224,668</u>	<u>226,168</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>47,000</u>	<u>120,000</u>
Total funds available	<u>457,174</u>	<u>384,543</u>	<u>377,711</u>
EXPENDITURES			
General and Administrative			
Community Activities	13,239	15,000	20,000
District Management - Contract	18,660	19,656	20,352
District Management - Costs	3,149	4,000	5,000
Insurance	17,853	24,093	29,000
Legal	9,148	2,500	10,000
Miscellaneous	5	786	8,748
Holiday Lighting	2,870	4,770	5,000
Landscape Maintenance			
Landscape Maintenance - Contract	73,500	75,370	83,400
Landscape Replacements	12,540	18,189	-
Grounds and Park Maintenance			
Basketball Court Maintenance	-	58,136	-
Irrigation Repairs & Improvements	23,348	18,000	25,000
Grounds Maintenance	24,683	21,000	25,000
Underdrain Cleaning	-	-	20,000
Playground Inspection & Repair	2,029	2,000	2,000
Snow removal	9,075	15,000	25,000
Utilities			
Electricity	4,010	4,500	4,500
Water	130,190	70,000	63,000
Total expenditures	<u>344,299</u>	<u>353,000</u>	<u>346,000</u>
Total expenditures and transfers out requiring appropriation	<u>344,299</u>	<u>353,000</u>	<u>346,000</u>
ENDING FUND BALANCES	<u>\$ 112,875</u>	<u>\$ 31,543</u>	<u>\$ 31,711</u>
Operations Fee Fund Reserve	\$ 7,200	\$ 6,800	\$ 6,800
25% Reserve Amount (per 2021 Reserve Study)	24,250	24,250	24,250
Available for Operations	81,425	493	661
TOTAL RESERVE	<u>\$ 112,875</u>	<u>\$ 31,543</u>	<u>\$ 31,711</u>

No assurance provided. See summary of significant assumptions.

**CUNDALL FARMS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 434,302	\$ 449,386	\$ 473,310
REVENUES			
Property taxes	631,659	645,050	592,110
Specific ownership taxes	46,711	44,963	41,448
Interest income	7,441	22,000	20,000
Total revenues	685,811	712,013	653,558
Total funds available	1,120,113	1,161,399	1,126,868
EXPENDITURES			
General and Administrative			
County Treasurer's fees	9,477	9,676	8,882
Contingency	-	-	3,028
Debt Service - 2021 Loan			
Loan Principal 2021A-1	175,000	280,000	265,000
Loan Interest 2021 A-1	468,549	380,915	372,795
Loan Principal 2021 A-2	7,000	7,000	7,000
Loan Interest 2021 A-2	10,701	10,498	10,295
Total expenditures	670,727	688,089	667,000
Total expenditures and transfers out requiring appropriation	670,727	688,089	667,000
ENDING FUND BALANCES	\$ 449,386	\$ 473,310	\$ 459,868
Debt Service Reserve Fund	\$ 437,333	\$ 437,333	\$ 437,333

**CUNDALL FARMS METROPOLITAN DISTRICT
2024 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.

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
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

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 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 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.

Transfer Fee

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

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 contract separately for trash removal.

**CUNDALL FARMS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On May 18, 2021, the District entered into a Loan Agreement with BBVA Mortgage Corporation in connection with the issuance of Taxable (Convertible to Tax-Exempt) General Obligation (Limited Tax Convertible To Unlimited Tax) Refunding Loan, Series 2021A-1 (Series 2021A-1 Loan) and General Obligation (Limited Tax Convertible To Unlimited Tax) Improvement Loan, Series 2021A-2 (Series 2021A-2 Loan).

The Series 2021A-1 Loan (\$13,600,000) bears taxable interest rate of 3.67% (through September 21, 2022) and tax-exempt interest rate of 2.90% (after September 21, 2022), with interest payments calculated based on a 360-day year and the actual days elapsed in each period made on June 1 and December 1 of each year, and principal payments on December 1 of each year. Proceeds were used for the purposes of cancelling the District's Series 2017 Bonds, providing an initial deposit to the Reserve Fund, and paying the costs of issuance.

The Series 2021A-2 Loan (\$380,000) bears an interest rate of 2.90%, with interest payments calculated based on a 360-day year and the actual days elapsed in each period made on June 1 and December 1 of each year, and principal payments on December 1 of each year. Proceeds were used for the purposes of repaying the Developer (see below), providing an initial deposit to the Reserve Fund, and paying the costs of issuance.

The District and Cundall Farms, LLC (the Developer) entered into an Agreement In the Nature of An Accord Concerning Developer Advance and Infrastructure Agreements. Pursuant to this agreement, the District will pay the Developer, and the Developer accepts, the sum of \$350,000 upon closing of the Series 2021A-1 Loan and Series 2021A-2 Loan as full satisfaction of the District's obligations under certain funding agreements. In May 2021, at loan closing and upon payment of the \$350,000 to the Developer, all outstanding Developer Advances, principal and accrued interest, have been cancelled and funding agreements were terminated and no longer in effect.

Debt service schedules for the Series 2021A-1 Loan and Series 2021A-2 are attached.

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 fiscal year spending, as defined under the TABOR Amendment. Such Emergency Reserve is an integral part of Ending Fund Balance of the District's operations.

Debt Service Reserve

The Debt Service Reserve Requirement on the 2021A-1 Bonds is \$425,838 and the Debt Service Reserve Requirement on the 2021A-2 Loan is \$11,495.

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**

\$13,600,000

Taxable (Convertible to Tax-Exempt)

General Obligation (Limited Tax Convertible To Unlimited Tax) Refunding Loan

Series 2021A-1

Dated May 18, 2021

Interest Rate of 2.90%

Payable June 1 and December 1

Principal due December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 265,000	\$ 372,795	\$ 637,795
2025	270,000	365,110	635,110
2026	295,000	357,280	652,280
2027	300,000	348,725	648,725
2028	325,000	340,025	665,025
2029	335,000	330,600	665,600
2030	355,000	320,885	675,885
2031	365,000	310,590	675,590
2032	390,000	300,005	690,005
2033	405,000	288,695	693,695
2034	430,000	276,950	706,950
2035	440,000	264,480	704,480
2036	400,000	251,720	651,720
2037	345,000	240,120	585,120
2038	375,000	230,115	605,115
2039	390,000	219,240	609,240
2040	425,000	207,930	632,930
2041	445,000	195,605	640,605
2042	480,000	182,700	662,700
2043	500,000	168,780	668,780
2044	545,000	154,280	699,280
2045	565,000	138,475	703,475
2046	610,000	122,090	732,090
2047	635,000	104,400	739,400
2048	680,000	85,985	765,985
2049	710,000	66,265	776,265
2050	760,000	45,675	805,675
2051	815,000	23,635	838,635
	<u>\$ 12,855,000</u>	<u>\$ 6,313,155</u>	<u>\$ 19,168,155</u>

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

\$380,000

General Obligation (Limited Tax Convertible To Unlimited Tax) Improvement Loan

Series 2021A-2

Dated May 18, 2021

Interest Rate of 2.90%

Payable June 1 and December 1

Principal due December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 7,000	\$ 10,295	\$ 17,295
2025	8,000	10,092	18,092
2026	8,000	9,860	17,860
2027	8,000	9,628	17,628
2028	9,000	9,396	18,396
2029	9,000	9,135	18,135
2030	10,000	8,874	18,874
2031	10,000	8,584	18,584
2032	11,000	8,294	19,294
2033	11,000	7,975	18,975
2034	12,000	7,656	19,656
2035	12,000	7,308	19,308
2036	11,000	6,960	17,960
2037	10,000	6,641	16,641
2038	10,000	6,351	16,351
2039	11,000	6,061	17,061
2040	12,000	5,742	17,742
2041	12,000	5,394	17,394
2042	13,000	5,046	18,046
2043	14,000	4,669	18,669
2044	15,000	4,263	19,263
2045	16,000	3,828	19,828
2046	17,000	3,364	20,364
2047	17,000	2,871	19,871
2048	19,000	2,378	21,378
2049	20,000	1,827	21,827
2050	21,000	1,247	22,247
2051	22,000	638	22,638
	<u>\$ 355,000</u>	<u>\$ 174,377</u>	<u>\$ 529,377</u>

No assurance provided. See summary of significant assumptions.