

THE VILLAGE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**THE VILLAGE METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 13,496,655	\$ 13,945,855	\$ 11,658,861
REVENUES			
Property taxes	222,571	250,295	278,690
Specific ownership taxes	12,268	13,844	13,935
Interest income	1,437	32,200	21,800
Transfers from Traer Creek Metropolitan District	4,433,748	48,118	1,374,500
Total revenues	<u>4,670,024</u>	<u>344,457</u>	<u>1,688,925</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>765,260</u>
Total funds available	<u>18,166,679</u>	<u>14,290,312</u>	<u>14,113,046</u>
EXPENDITURES			
General Fund	42,792	58,000	74,500
Debt Service Fund	2,384,255	2,573,451	2,800,000
Capital Projects Fund	1,793,777	-	5,376,672
Total expenditures	<u>4,220,824</u>	<u>2,631,451</u>	<u>8,251,172</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>765,260</u>
Total expenditures and transfers out requiring appropriation	<u>4,220,824</u>	<u>2,631,451</u>	<u>9,016,432</u>
ENDING FUND BALANCES	<u>\$ 13,945,855</u>	<u>\$ 11,658,861</u>	<u>\$ 5,096,614</u>
EMERGENCY RESERVE	\$ 1,600	\$ 1,500	\$ 2,300
DEBT SERVICE RESERVE	3,081,250	3,081,250	3,081,250
SURPLUS FUND REQUIREMENT	2,000,000	2,000,000	2,000,000
TOTAL RESERVE	<u>\$ 5,082,850</u>	<u>\$ 5,082,750</u>	<u>\$ 5,083,550</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
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ASSESSED VALUATION

Residential - Multi Family	\$ 494,120	\$ 3,553,100	\$ 4,295,460
Commercial	13,004,460	11,666,890	11,983,420
Agricultural	23,450	24,530	22,310
State assessed	280,770	356,140	508,780
Vacant land	1,035,300	1,035,300	1,035,300
Certified Assessed Value	\$ 14,838,100	\$ 16,635,960	\$ 17,845,270

MILL LEVY

General	0.000	0.000	0.000
Debt Service	15.000	15.000	15.617
Total mill levy	15.000	15.000	15.617

PROPERTY TAXES

Debt Service	222,572	249,539	278,690
Levied property taxes	222,572	249,539	278,690
Adjustments to actual/rounding	(1)	756	-
Budgeted property taxes	\$ 222,571	\$ 250,295	\$ 278,690

BUDGETED PROPERTY TAXES

Debt Service	\$ 222,571	\$ 250,295	\$ 278,690
	\$ 222,571	\$ 250,295	\$ 278,690

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 15,040	\$ 24,746	\$ 15,064
REVENUES			
Interest income	15	200	300
Transfers from Traer Creek Metropolitan District	52,483	48,118	74,500
Total revenues	<u>52,498</u>	<u>48,318</u>	<u>74,800</u>
Total funds available	<u>67,538</u>	<u>73,064</u>	<u>89,864</u>
EXPENDITURES			
General and administrative			
Accounting	23,567	32,000	36,800
Auditing	4,300	4,600	5,000
Dues and membership	306	317	1,000
Insurance and bonds	4,104	4,092	5,000
District management	4,561	10,000	11,500
Legal services	5,016	5,000	10,000
Miscellaneous	938	991	1,200
Election expense	-	1,000	4,000
Total expenditures	<u>42,792</u>	<u>58,000</u>	<u>74,500</u>
Total expenditures and transfers out requiring appropriation	<u>42,792</u>	<u>58,000</u>	<u>74,500</u>
ENDING FUND BALANCE	<u>\$ 24,746</u>	<u>\$ 15,064</u>	<u>\$ 15,364</u>
EMERGENCY RESERVE	<u>\$ 1,600</u>	<u>\$ 1,500</u>	<u>\$ 2,300</u>
TOTAL RESERVE	<u>\$ 1,600</u>	<u>\$ 1,500</u>	<u>\$ 2,300</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 7,088,102	\$ 9,320,697	\$ 7,032,385
REVENUES			
Property taxes	222,571	250,295	278,690
Specific ownership taxes	12,268	13,844	13,935
Interest income	746	21,000	21,500
Transfers from Traer Creek Metropolitan District	4,381,265	-	1,300,000
Total revenues	4,616,850	285,139	1,614,125
Total funds available	11,704,952	9,605,836	8,646,510
EXPENDITURES			
General and administrative			
County Treasurer's fee	6,677	7,509	8,361
Contingency	-	-	46,674
Debt Service			
Paying agent fees	3,750	5,000	5,000
Bond interest - Series 2020	2,183,828	2,175,942	2,159,965
Bond principal - Series 2020	190,000	385,000	580,000
Total expenditures	2,384,255	2,573,451	2,800,000
TRANSFERS OUT			
Transfers to other fund	-	-	765,260
Total expenditures and transfers out requiring appropriation	2,384,255	2,573,451	3,565,260
ENDING FUND BALANCE	\$ 9,320,697	\$ 7,032,385	\$ 5,081,250
DEBT SERVICE RESERVE	\$ 3,081,250	\$ 3,081,250	\$ 3,081,250
SURPLUS FUND REQUIREMENT	2,000,000	2,000,000	2,000,000
TOTAL RESERVE	\$ 5,081,250	\$ 5,081,250	\$ 5,081,250

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 6,393,513	\$ 4,600,412	\$ 4,611,412
REVENUES			
Interest income	676	11,000	-
Total revenues	<u>676</u>	<u>11,000</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>765,260</u>
Total funds available	<u>6,394,189</u>	<u>4,611,412</u>	<u>5,376,672</u>
EXPENDITURES			
Transfers to Traer Creek Metropolitan District	<u>1,793,777</u>	<u>-</u>	<u>5,376,672</u>
Total expenditures	<u>1,793,777</u>	<u>-</u>	<u>5,376,672</u>
Total expenditures and transfers out requiring appropriation	<u>1,793,777</u>	<u>-</u>	<u>5,376,672</u>
ENDING FUND BALANCE	<u>\$ 4,600,412</u>	<u>\$ 4,611,412</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Avon, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town on August 25, 1998. The District's service area is located in Eagle County, Colorado entirely within the Town of Avon.

The District was established to provide financing for the construction of streets and safety control, water systems, sewer systems, parks and recreation facilities, safety protection, fire protection, transportation systems, television relay, mosquito control and the operation and maintenance of the District. Under the Consolidated Service Plan, the District is intended to be the Financing District related to Traer Creek Metropolitan District ("Traer Creek") as the Service District for the development of the service area, which encompasses the area of both Districts. The District and Traer Creek operate under an intergovernmental agreement (IGA) with the Town and a related Public Improvement Corporation (PIC).

The budgets are in accordance with the TABOR Amendment limitation, which were modified by the voters in elections held on November 3, 1998 and on November 7, 2001. Emergency reserves required under TABOR have been provided.

The District has no employees and all operations and 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.

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

**THE VILLAGE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

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 by the Debt Service Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

Transfers from Traer Creek Metropolitan District

Pursuant to a Facilities Funding, Construction and Operations Agreement signed on July 31, 2001, and later amended on March 4, 2002, Traer Creek Metropolitan District agreed to provide the District with funding sufficient to carry forth its operations, maintenance and administrative services. Traer Creek Metropolitan District's pledge to fund District operations, maintenance, and administrative services is subject to annual appropriation by Traer Creek Metropolitan District.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, audit, and insurance.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 3% of property taxes.

Debt Service

Principal and interest payments are provided based on the attached debt amortization schedule for the Special Revenue and Limited Property Tax Refunding and Improvement Bonds, Series 2020.

**THE VILLAGE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On September 9, 2020, the District issued Special Revenue and Limited Property Tax Refunding and Improvement Bonds, Series 2020 (2020 Bonds) in the par amounts of \$45,000,000. The 2020 Bonds bear interest at the rate of 4.15% to 5.00% per annum and are payable semiannually on June 1 and December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The 2020 Bonds mature on December 1, 2049. The 2020 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity, and in whole or partial maturities, (and if in part in such order of maturities as the District shall determine and by lot within maturities), on December 1, 2025 and on any date thereafter, upon payment of the principal amount so redeemed plus accrued interest thereon to the date of redemption, together with a redemption premium of a percentage of the principal amount so deemed. Proceeds from the sale of the 2020 Bonds were used for the purpose of: (a) paying the Project Costs; (b) refund the Series 2014 Bonds; (c) prepaying and canceling the 2015 Loan; (d) fund the Debt Service Reserve Fund in the amount of the Required Reserve; and (e) paying certain costs of issuance.

Additionally, the District has no operating or capital leases.

Reserves

Emergency Reserves

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending for 2023, defined under TABOR.

This information is an integral part of the accompanying budget.

**THE VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2022**

**\$45,000,000
Special Revenue and Limited Property Tax
Refunding and Improvement Bonds, Series 2020
Dated September 9, 2020
Principal Due December 1
4.150% to 5.000% Interest Payable June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 580,000	\$ 2,159,965	\$ 2,739,965
2024	740,000	2,135,895	2,875,895
2025	800,000	2,105,185	2,905,185
2026	875,000	2,071,985	2,946,985
2027	940,000	2,035,673	2,975,673
2028	1,015,000	1,996,662	3,011,662
2029	1,090,000	1,954,540	3,044,540
2030	1,170,000	1,909,305	3,079,305
2031	1,220,000	1,860,750	3,080,750
2032	1,280,000	1,799,750	3,079,750
2033	1,345,000	1,735,750	3,080,750
2034	1,410,000	1,668,500	3,078,500
2035	1,480,000	1,598,000	3,078,000
2036	1,555,000	1,524,000	3,079,000
2037	1,635,000	1,446,250	3,081,250
2038	1,715,000	1,364,500	3,079,500
2039	1,800,000	1,278,750	3,078,750
2040	1,890,000	1,188,750	3,078,750
2041	1,985,000	1,094,250	3,079,250
2042	2,085,000	995,000	3,080,000
2043	2,190,000	890,750	3,080,750
2044	2,300,000	781,250	3,081,250
2045	2,410,000	666,250	3,076,250
2046	2,535,000	545,750	3,080,750
2047	2,660,000	419,000	3,079,000
2048	2,790,000	286,000	3,076,000
2049	2,930,000	146,500	3,076,500
	<u>\$ 44,425,000</u>	<u>\$ 37,658,960</u>	<u>\$ 82,083,960</u>

No assurance provided. See summary of significant assumptions.