

THE VILLAGE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**THE VILLAGE METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 10,232	\$ 13,496,655	\$ 13,538,544
REVENUES			
Property taxes	728,917	222,571	249,539
Specific ownership taxes	36,209	12,000	12,477
Interest income	7,287	915	5,000
Transfers from Traer Creek Metropolitan District	3,962,349	4,055,180	4,172,000
Bond issuance	45,000,000	-	-
Bond premium	581,098	-	-
Total revenues	<u>50,315,860</u>	<u>4,290,666</u>	<u>4,439,016</u>
TRANSFERS IN	<u>10,018,032</u>	<u>-</u>	<u>-</u>
Total funds available	<u>60,344,124</u>	<u>17,787,321</u>	<u>17,977,560</u>
EXPENDITURES			
General Fund	68,854	55,000	68,000
Debt Service Fund	33,136,265	2,400,000	2,600,000
Capital Projects Fund	3,624,318	1,793,777	4,601,136
Total expenditures	<u>36,829,437</u>	<u>4,248,777</u>	<u>7,269,136</u>
TRANSFERS OUT	<u>10,018,032</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>46,847,469</u>	<u>4,248,777</u>	<u>7,269,136</u>
ENDING FUND BALANCES	<u>\$ 13,496,655</u>	<u>\$ 13,538,544</u>	<u>\$ 10,708,424</u>
EMERGENCY RESERVE	\$ 2,300	\$ 1,700	\$ 2,100
DEBT SERVICE RESERVE	-	3,081,250	3,081,250
SURPLUS FUND REQUIREMENT	-	2,000,000	2,000,000
TOTAL RESERVE	<u>\$ 2,300</u>	<u>\$ 5,082,950</u>	<u>\$ 5,083,350</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ -	\$ 494,120	\$ 3,553,100
Commercial	13,177,370	13,004,460	11,666,890
Agricultural	23,450	23,450	24,530
State assessed	222,000	280,770	356,140
Vacant land	1,154,960	1,035,300	1,035,300
Certified Assessed Value	<u>\$ 14,577,780</u>	<u>\$ 14,838,100</u>	<u>\$ 16,635,960</u>
MILL LEVY			
General	0.000	0.000	0.000
Debt Service	50.000	15.000	15.000
Total mill levy	<u>50.000</u>	<u>15.000</u>	<u>15.000</u>
PROPERTY TAXES			
Debt Service	728,889	222,572	249,539
Levied property taxes	728,889	222,572	249,539
Adjustments to actual/rounding	28	(1)	-
Budgeted property taxes	<u>\$ 728,917</u>	<u>\$ 222,571</u>	<u>\$ 249,539</u>
BUDGETED PROPERTY TAXES			
Debt Service	<u>\$ 728,917</u>	<u>\$ 222,571</u>	<u>\$ 249,539</u>
	<u>\$ 728,917</u>	<u>\$ 222,571</u>	<u>\$ 249,539</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 10,232	\$ 15,040	\$ 15,055
REVENUES			
Interest income	20	15	-
Transfers from Traer Creek Metropolitan District	73,968	55,000	68,000
Total revenues	<u>73,988</u>	<u>55,015</u>	<u>68,000</u>
Total funds available	<u>84,220</u>	<u>70,055</u>	<u>83,055</u>
EXPENDITURES			
General and administrative			
Accounting	18,407	30,000	32,000
Auditing	4,200	4,300	4,500
Dues and membership	300	306	1,000
Insurance and bonds	4,047	4,104	5,000
District management	8,470	6,500	10,000
Legal services	29,913	7,000	10,000
Miscellaneous	3,517	2,790	1,500
Election expense	-	-	4,000
Total expenditures	<u>68,854</u>	<u>55,000</u>	<u>68,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>326</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>69,180</u>	<u>55,000</u>	<u>68,000</u>
ENDING FUND BALANCE	<u>\$ 15,040</u>	<u>\$ 15,055</u>	<u>\$ 15,055</u>
EMERGENCY RESERVE	<u>\$ 2,300</u>	<u>\$ 1,700</u>	<u>\$ 2,100</u>
TOTAL RESERVE	<u>\$ 2,300</u>	<u>\$ 1,700</u>	<u>\$ 2,100</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 7,088,102	\$ 8,923,353
REVENUES			
Property taxes	728,917	222,571	249,539
Specific ownership taxes	36,209	12,000	12,477
Interest income	7,142	500	4,000
Transfers from Traer Creek Metropolitan District	3,888,381	4,000,180	4,104,000
Bond issuance	45,000,000	-	-
Bond premium	581,098	-	-
Total revenues	50,241,747	4,235,251	4,370,016
TRANSFERS IN			
Transfers from other funds	326	-	-
Total funds available	50,242,073	11,323,353	13,293,369
EXPENDITURES			
General and administrative			
County Treasurer's fee	22,053	6,677	7,486
Contingency	-	14,495	26,572
Debt Service			
Paying agent fees	-	5,000	5,000
Bond interest - Series 2020	497,427	2,183,828	2,175,942
Bond principal - Series 2020	-	190,000	385,000
Loan principal	5,799,596	-	-
Loan interest	625,486	-	-
Transfers to Traer Creek Metropolitan District	24,989,878	-	-
Bond issue costs	526,825	-	-
Bond discount	675,000	-	-
Total expenditures	33,136,265	2,400,000	2,600,000
TRANSFERS OUT			
Transfers to other fund	10,017,706	-	-
Total expenditures and transfers out requiring appropriation	43,153,971	2,400,000	2,600,000
ENDING FUND BALANCE	\$ 7,088,102	\$ 8,923,353	\$ 10,693,369
DEBT SERVICE RESERVE	\$ -	\$ 3,081,250	\$ 3,081,250
SURPLUS FUND REQUIREMENT	-	2,000,000	2,000,000
TOTAL RESERVE	\$ -	\$ 5,081,250	\$ 5,081,250

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 6,393,513	\$ 4,600,136
REVENUES			
Interest income	125	400	1,000
Total revenues	<u>125</u>	<u>400</u>	<u>1,000</u>
TRANSFERS IN			
Transfers from other funds	<u>10,017,706</u>	<u>-</u>	<u>-</u>
Total funds available	<u>10,017,831</u>	<u>6,393,913</u>	<u>4,601,136</u>
EXPENDITURES			
Transfers to Traer Creek Metropolitan District	3,624,318	1,793,777	4,601,136
Total expenditures	<u>3,624,318</u>	<u>1,793,777</u>	<u>4,601,136</u>
TRANSFERS OUT			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>3,624,318</u>	<u>1,793,777</u>	<u>4,601,136</u>
ENDING FUND BALANCE	<u>\$ 6,393,513</u>	<u>\$ 4,600,136</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE VILLAGE METROPOLITAN DISTRICT
2022 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
2022 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 0.05%.

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
2022 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 2022, 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, 2021**

**\$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>
2022	\$ 385,000	\$ 2,175,942	\$ 2,560,942
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>\$ 44,810,000</u>	<u>\$ 39,834,902</u>	<u>\$ 84,644,902</u>

No assurance provided. See summary of significant assumptions.