

**CUNDALL FARMS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR YEAR ENDING DECEMBER 31, 2022**

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

1/11/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 1,337,828	\$ 1,829,118	\$ 716,964
<b>REVENUES</b>			
Interest Income	8,804	1,400	1,400
Operations Fees	204,168	204,168	204,168
Other Revenue	271,633	10,000	5,500
Property Taxes	910,542	907,374	856,925
Specific Ownership Taxes	66,982	63,876	59,985
Working Capital	11,000	18,000	18,000
Loan Issuance	-	13,980,000	-
Total revenues	<u>1,473,129</u>	<u>15,184,818</u>	<u>1,145,978</u>
Total funds available	<u>2,810,957</u>	<u>17,013,936</u>	<u>1,862,942</u>
<b>EXPENDITURES</b>			
General Fund	139,908	91,000	105,000
Operations Fund	265,974	600,000	287,000
Debt Service Fund	575,957	15,605,972	680,000
Total expenditures	<u>981,839</u>	<u>16,296,972</u>	<u>1,072,000</u>
Total expenditures and transfers out requiring appropriation	<u>981,839</u>	<u>16,296,972</u>	<u>1,072,000</u>
ENDING FUND BALANCES	<u>\$ 1,829,118</u>	<u>\$ 716,964</u>	<u>\$ 790,942</u>
Emergency Reserve	\$ 4,900	\$ 4,900	\$ 7,300
25% Reserve Amount (per 2021 Reserve Study)	-	-	24,250
Debt Service Reserve Fund	743,000	437,333	437,333
Surplus Fund	516,756	-	-
Operations Fee Fund Reserve	15,000	7,000	6,900
Available for Operations	549,462	260,907	311,460
TOTAL RESERVE	<u>\$ 1,829,118</u>	<u>\$ 710,140</u>	<u>\$ 787,243</u>

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

1/11/22

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

**ASSESSED VALUATION**

Residential	\$ 13,500,670	\$ 13,465,430	\$ 13,848,700
State assessed	2,940	4,560	1,810
Vacant land	29,230	29,220	210
Personal property	131,170	161,780	112,300
Oil & gas	40	50	-
Certified Assessed Value	\$ 13,664,050	\$ 13,661,040	\$ 13,963,020

**MILL LEVY**

General	11.133	11.133	16.133
Debt Service	55.664	55.664	45.238
Total mill levy	66.797	66.797	61.371

**PROPERTY TAXES**

General	\$ 152,122	\$ 152,088	\$ 225,266
Debt Service	760,596	760,428	631,659
Levied property taxes	912,718	912,516	856,925
Refunds and abatements	(2,176)	(5,142)	-
Budgeted property taxes	\$ 910,542	\$ 907,374	\$ 856,925

**BUDGETED PROPERTY TAXES**

General	\$ 151,759	\$ 151,231	\$ 225,266
Debt Service	758,783	756,143	631,659
	\$ 910,542	\$ 907,374	\$ 856,925

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

1/11/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 19,008	\$ 44,458	\$ 115,435
REVENUES			
Interest Income	262	100	100
Property Taxes	151,759	151,231	225,266
Specific Ownership Taxes	11,164	10,646	15,769
Other Revenue	2,173	-	-
Total revenues	<u>165,358</u>	<u>161,977</u>	<u>241,135</u>
Total funds available	<u>184,366</u>	<u>206,435</u>	<u>356,570</u>
EXPENDITURES			
Accounting	29,447	30,000	30,000
Audit	6,700	4,850	5,000
County Treasurer's Fees	2,278	2,268	3,379
Dues	638	580	700
Election Expense	5,660	-	20,000
Insurance	5,599	7,694	8,200
Legal	46,184	35,000	35,000
Legal - Special Counsel	-	7,979	-
Miscellaneous	2,338	1,629	1,721
Repay Developer Advance	40,000	-	-
Website	1,064	1,000	1,000
Total expenditures	<u>139,908</u>	<u>91,000</u>	<u>105,000</u>
Total expenditures and transfers out requiring appropriation	<u>139,908</u>	<u>91,000</u>	<u>105,000</u>
ENDING FUND BALANCE	<u>\$ 44,458</u>	<u>\$ 115,435</u>	<u>\$ 251,570</u>
Emergency Reserve	\$ 4,900	\$ 4,900	\$ 7,300
Available for Operations	39,558	110,535	244,270
TOTAL RESERVE	<u>\$ 44,458</u>	<u>\$ 115,435</u>	<u>\$ 251,570</u>

**CUNDALL FARMS METROPOLITAN DISTRICT  
OPERATIONS FEE FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

1/11/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 304,708	\$ 524,904	\$ 157,372
<b>REVENUES</b>			
Interest Income	1,542	300	300
Operations Fees	204,168	204,168	204,168
Other Revenue	269,460	10,000	5,500
Working Capital	11,000	18,000	18,000
Total revenues	<u>486,170</u>	<u>232,468</u>	<u>227,968</u>
Total funds available	<u>790,878</u>	<u>757,372</u>	<u>385,340</u>
<b>EXPENDITURES</b>			
General and Administrative			
Community Activities	1,310	12,000	15,000
District Management - Contract	12,360	18,000	18,720
District Management - Costs	2,935	6,500	6,500
Insurance	14,561	15,463	17,000
Legal	11,376	12,000	12,000
Miscellaneous / Contingency	-	4,264	9,780
Holiday Lighting	-	5,000	5,000
Landscape Maintenance			
Landscape Maintenance - Contract	63,000	70,734	73,500
Landscape Replacements	-	35,000	-
Tree Replacements	-	236,359	-
Grounds and Park Maintenance			
Basketball Court	-	58,100	-
Irrigation Repairs & Improvements	15,133	25,000	25,000
Grounds Maintenance	19,875	15,000	15,000
Reserve Study	-	2,080	-
Playground Inspection & Repair	3,000	-	-
Snow Removal	17,233	20,000	25,000
Utilities			
Electricity	3,350	4,500	4,500
Water	101,841	60,000	60,000
Total expenditures	<u>265,974</u>	<u>600,000</u>	<u>287,000</u>
Total expenditures and transfers out requiring appropriation	<u>265,974</u>	<u>600,000</u>	<u>287,000</u>
ENDING FUND BALANCE	<u>\$ 524,904</u>	<u>\$ 157,372</u>	<u>\$ 98,340</u>
Operations Fee Fund Reserve	\$ 15,000	\$ 7,000	\$ 6,900
25% Reserve Amount (per 2021 Reserve Study)	-	-	24,250
Available for Operations	509,904	150,372	67,190
TOTAL RESERVE	<u>\$ 524,904</u>	<u>\$ 157,372</u>	<u>\$ 98,340</u>

No assurance is provided. See summary of significant assumptions.

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

1/11/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 1,014,112	\$ 1,259,756	\$ 444,157
<b>REVENUES</b>			
Property Taxes	758,783	756,143	631,659
Specific Ownership Taxes	55,818	53,230	44,216
Interest Income	7,000	1,000	1,000
Loan Issuance	-	13,980,000	-
Total revenues	821,601	14,790,373	676,875
Total funds available	1,835,713	16,050,129	1,121,032
<b>EXPENDITURES</b>			
General and Administrative			
County Treasurer's Fees	11,389	11,342	9,475
Repay Developer Advance	-	350,000	-
Paying Agent Fees	8,000	8,000	7,000
Contingency	-	-	3,698
Debt Service			
Series 2017 Bonds:			
Bond Refunding Payment	-	14,461,187	-
Bond Interest	477,881	-	-
Bond Principal	75,000	-	-
2021 Loan:			
Loan Issue Costs	3,687	219,373	-
Loan Principal 2021A-1	-	290,000	175,000
Loan Interest 2021A-1	-	249,560	467,126
Loan Principal 2021A-2	-	11,000	7,000
Loan Interest 2021A-2	-	5,510	10,701
Total expenditures	575,957	15,605,972	680,000
Total expenditures and transfers out requiring appropriation	575,957	15,605,972	680,000
ENDING FUND BALANCE	\$ 1,259,756	\$ 444,157	\$ 441,032
Debt Service Reserve Fund	\$ 743,000	\$ 437,333	\$ 437,333
Surplus Fund	516,756	-	-
TOTAL RESERVE	\$ 1,259,756	\$ 437,333	\$ 437,333

No assurance is provided. See summary of significant assumptions.

**CUNDALL FARMS 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 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.

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.

**CUNDALL FARMS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**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.

**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.

**Debt and Leases**

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

The Series 2021A-1 Loan (\$13,600,000) bears an interest rate of 3.67%, 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 issuing the loan.

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 issuing the loan.

The District and 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 2021A-1 Loan and 2021A-2 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.



**CUNDALL FARMS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

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 3.67%**

**Payable June 1 and December 1**

**Principal due December 1**

<b>Year Ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 175,000	\$ 467,126	\$ 642,126
2023	280,000	380,915	660,915
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	326,175	726,175
2037	345,000	372,600	717,600
2038	375,000	357,075	732,075
2039	390,000	340,200	730,200
2040	425,000	322,650	747,650
2041	445,000	303,525	748,525
2042	480,000	283,500	763,500
2043	500,000	261,900	761,900
2044	545,000	239,400	784,400
2045	565,000	214,875	779,875
2046	610,000	189,450	799,450
2047	635,000	162,000	797,000
2048	680,000	133,425	813,425
2049	710,000	102,825	812,825
2050	760,000	70,875	830,875
2051	815,000	36,675	851,675
	<u>\$ 13,310,000</u>	<u>\$ 8,441,331</u>	<u>\$ 21,751,331</u>

No assurance is provided. See summary of significant assumptions.

**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**

<b>Year Ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 7,000	\$ 10,701	\$ 17,701
2023	7,000	10,498	17,498
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	9,019	20,019
2037	10,000	10,305	20,305
2038	10,000	9,855	19,855
2039	11,000	9,405	20,405
2040	12,000	8,910	20,910
2041	12,000	8,370	20,370
2042	13,000	7,830	20,830
2043	14,000	7,245	21,245
2044	15,000	6,615	21,615
2045	16,000	5,940	21,940
2046	17,000	5,220	22,220
2047	17,000	4,455	21,455
2048	19,000	3,690	22,690
2049	20,000	2,835	22,835
2050	21,000	1,935	22,935
2051	22,000	990	22,990
	<u>\$ 369,000</u>	<u>\$ 230,915</u>	<u>\$ 599,915</u>

No assurance is provided. See summary of significant assumptions.