

THE CANYONS METROPOLITAN DISTRICT NO. 7
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**THE CANYONS METROPOLITAN DISTRICT NO. 7
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ (1,260,840)	\$ (484,536)	\$ 206,701
REVENUES			
Property taxes	165,686	348,865	582,458
Specific ownership taxes	14,292	32,000	46,600
Interest income	-	150	75
Operations and maintenance fee	12,605	95,520	189,540
Developer advance	19,933	12,868	15,426
Developer contribution	26,184,151	19,300,773	19,544,980
Penalties and fees	485	2,000	-
Total revenues	<u>26,397,152</u>	<u>19,792,176</u>	<u>20,379,079</u>
TRANSFERS IN	<u>17,955</u>	<u>142,112</u>	<u>656,934</u>
Total funds available	<u>25,154,267</u>	<u>19,449,752</u>	<u>21,242,714</u>
EXPENDITURES			
General Fund	89,154	124,691	160,000
Special Revenue Fund	31,045	252,500	861,900
Capital Projects Fund	25,500,649	18,723,748	19,544,980
Total expenditures	<u>25,620,848</u>	<u>19,100,939</u>	<u>20,566,880</u>
TRANSFERS OUT	<u>17,955</u>	<u>142,112</u>	<u>656,934</u>
Total expenditures and transfers out requiring appropriation	<u>25,638,803</u>	<u>19,243,051</u>	<u>21,223,814</u>
ENDING FUND BALANCES	<u>\$ (484,536)</u>	<u>\$ 206,701</u>	<u>\$ 18,900</u>
EMERGENCY RESERVE	<u>\$ 5,400</u>	<u>\$ 11,500</u>	<u>\$ 18,900</u>
TOTAL RESERVE	<u>\$ 5,400</u>	<u>\$ 11,500</u>	<u>\$ 18,900</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

ASSESSED VALUATION

Residential	\$ -	\$ 1,784,290	\$ 10,892,130
Commercial	-	183,810	-
Agricultural	7,910	8,090	7,450
State assessed	-	700	700
Vacant land	8,725,250	16,101,460	19,102,940
Natural Resources	1,600	2,250	2,250
Personal property	20,100	353,480	771,690
Certified Assessed Value	\$ 8,754,860	\$ 18,434,080	\$ 30,777,160

MILL LEVY

General	18.925	18.925	18.925
Total mill levy	18.925	18.925	18.925

PROPERTY TAXES

General	\$ 165,686	\$ 348,865	\$ 582,458
Budgeted property taxes	\$ 165,686	\$ 348,865	\$ 582,458

BUDGETED PROPERTY TAXES

General	\$ 165,686	\$ 348,865	\$ 582,458
	\$ 165,686	\$ 348,865	\$ 582,458

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (313)	\$ 92,489	\$ 206,701
REVENUES			
Property taxes	165,686	348,865	582,458
Specific ownership taxes	14,292	32,000	46,600
Interest income	-	150	75
Developer advance	19,933	-	-
Total revenues	<u>199,911</u>	<u>381,015</u>	<u>629,133</u>
Total funds available	<u>199,598</u>	<u>473,504</u>	<u>835,834</u>
EXPENDITURES			
General and administrative			
Accounting	35,632	45,000	48,000
Auditing	4,800	5,000	5,000
County Treasurer's fee	2,485	5,235	8,737
Dues and licenses	766	744	1,000
Insurance and bonds	4,531	6,212	7,000
District management	20,208	36,000	44,000
Legal services	18,944	25,000	30,000
Website	-	1,500	800
Miscellaneous	574	-	2,000
Election expense	1,214	-	7,500
Contingency	-	-	5,963
Total expenditures	<u>89,154</u>	<u>124,691</u>	<u>160,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>17,955</u>	<u>142,112</u>	<u>656,934</u>
Total expenditures and transfers out requiring appropriation	<u>107,109</u>	<u>266,803</u>	<u>816,934</u>
ENDING FUND BALANCE	<u>\$ 92,489</u>	<u>\$ 206,701</u>	<u>\$ 18,900</u>
EMERGENCY RESERVE	<u>\$ 5,400</u>	<u>\$ 11,500</u>	<u>\$ 18,900</u>
TOTAL RESERVE	<u>\$ 5,400</u>	<u>\$ 11,500</u>	<u>\$ 18,900</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
SPECIAL REVENUE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Operations and Maintenance Fee	12,605	95,520	189,540
Penalties and Fees	485	2,000	-
Developer Advance	-	12,868	15,426
Total revenues	<u>13,090</u>	<u>110,388</u>	<u>204,966</u>
TRANSFERS IN			
Transfers from other funds	<u>17,955</u>	<u>142,112</u>	<u>656,934</u>
Total funds available	<u>31,045</u>	<u>252,500</u>	<u>861,900</u>
EXPENDITURES			
Operations and maintenance			
Landscaping	31,045	50,000	419,602
Trails	-	2,500	24,000
Parks - Playground Equipment	-	-	1,500
Irrigation Maintenance	-	-	50,000
Water	-	150,000	300,000
Snow Removal	-	48,000	57,400
Monumentation	-	1,000	1,000
Bridge Cover	-	-	4,000
Contingency	-	-	2,898
Repairs and Maintenance	-	1,000	1,500
Total expenditures	<u>31,045</u>	<u>252,500</u>	<u>861,900</u>
Total expenditures and transfers out requiring appropriation	<u>31,045</u>	<u>252,500</u>	<u>861,900</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (1,260,527)	\$ (577,025)	\$ -
REVENUES			
Developer Contribution	26,184,151	19,300,773	19,544,980
Total revenues	<u>26,184,151</u>	<u>19,300,773</u>	<u>19,544,980</u>
Total funds available	<u>24,923,624</u>	<u>18,723,748</u>	<u>19,544,980</u>
EXPENDITURES			
General and Administrative			
Accounting	9,968	15,000	16,500
Legal Services	13,598	20,000	22,000
Capital Projects			
Landscaping	1,501,151	2,401,996	-
Engineering	431,347	1,186,875	750,000
Water	1,132,226	2,415,397	-
Sewer	908,145	2,712,261	-
Drainage/Storm	4,712,226	2,319,333	-
Street Improvements	16,789,828	7,528,553	-
Superblock infrastructure	-	-	3,100,000
Grading	-	-	1,661,550
Filing 1	-	-	180,000
Filing 1 1st Amendment	-	-	51,450
Filing 1 2nd Amendment	2,160	-	175,000
Filing 1 3rd Amendment	-	-	75,000
Filing 1 6th Amendment	-	-	150,000
Filing 2	-	-	381,000
Filing 2 1st Amendment LDA	-	-	8,000,000
Superblock Phase 2 Infrastructure	-	-	4,600,000
Warranty Reserves	-	-	-
Parks and Recreation	-	124,333	-
Contingency	-	-	382,480
Total expenditures	<u>25,500,649</u>	<u>18,723,748</u>	<u>19,544,980</u>
Total expenditures and transfers out requiring appropriation	<u>25,500,649</u>	<u>18,723,748</u>	<u>19,544,980</u>
ENDING FUND BALANCE	<u>\$ (577,025)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide financing for the design, acquisition, installation and construction of storm and sanitary sewers, water systems, streets, parks and recreation facilities, transportation systems, television relay and translator facilities, security, mosquito control and fire protection and operation and maintenance of the District. The District's service area is located in the City of Castle Pines in Douglas County, Colorado and the District operates in connection with Districts Nos. 1 - 6 and 8 - 11.

The District was formed by District Court Order on June 4, 2010, and held its organizational meeting on December 6, 2010. The relationship between District No. 5, District No. 6, and District No. 7, including the means for approving, financing, constructing and operating the public services and improvements needed to serve the property are outlined in the Master Reimbursement Agreement executed December 29, 2015 by the District and District Nos. 5 and 6.

On May 4, 2010, District voters approved authorization to increase property taxes up to \$100,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$100,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$1,300,000,000 for the above listed facilities and \$100,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

On November 4, 2014, District voters approved authorization to increase property taxes up to \$226,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$226,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$2,260,000,000 for the above listed facilities and \$226,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

Pursuant to the Consolidated Service Plan, as amended, the maximum mill levy for general obligation debt and operations and maintenance is 69.000 mills of which the District imposes 18.925 mills for operations. This limit is to be adjusted for increases or decreases in the residential assessment ratio so that the actual tax revenues derived from the mill levy, as adjusted, are neither diminished nor enhanced as a result.

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.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures are to be partially funded by the Developer. Advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse from available revenue.

Developer Contributions

The District is in the development stage. As such, the capital expenditures are to be funded by the Developer. The District will receive contributions to fund such costs with no obligation for repayment.

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 page of the Budget and is pursuant to the Master Reimbursement Agreement. Collectively, Districts Nos. 5, 6, and 7 are permitted to levy 69.000 mills, subject to being adjusted for changes in the assessment ration which brings the total mill levy for all three districts to 76.812 mills. The total adopted mill levy is shown on the Property Tax Summary page of the budget.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing with 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 8% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.10%.

Operations and Maintenance Fees

The District will collect a fee of \$30 per month from homeowners of the District to pay for the District's costs of operations.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Administrative and Operating Expenditures

Administrative and operating expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as accounting, legal, insurance, and other administrative expenditures.

Capital Outlay

The District anticipates capital expenditures as noted on the Capital Projects Fund page of the budget. The District will own, operate and maintain all District eligible public improvements within its boundaries that are not dedicated to any other public entity. District Nos. 5 and 6 will finance the cost of such improvements.

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Below is the schedule of long-term obligations of the District:

	Balance at December 31, 2020	Additions	Repayments	Balance at December 31, 2021	Additions*	Repayments*	Balance at December 31, 2022*
Developer Advances - O&M	\$ 187,433	\$ 12,868	\$ -	\$ 200,301	\$ 15,426	\$ -	\$ 215,727
	<u>187,433</u>	<u>12,868</u>	<u>-</u>	<u>200,301</u>	<u>15,426</u>	<u>-</u>	<u>215,727</u>
Accrued Interest - Developer Advances - O&M	32,887	15,811	-	48,698	17,549	-	66,247
	<u>32,887</u>	<u>15,811</u>	<u>-</u>	<u>48,698</u>	<u>17,549</u>	<u>-</u>	<u>66,247</u>
	<u>\$ 220,320</u>	<u>\$ 28,679</u>	<u>\$ -</u>	<u>\$ 248,999</u>	<u>\$ 32,975</u>	<u>\$ -</u>	<u>\$ 281,974</u>

* Estimate

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.