

BELFORD SOUTH METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

**BELFORD SOUTH METROPOLITAN DISTRICT  
SUMMARY  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 64	\$ 2,125	\$ -
REVENUES			
Property taxes	4,450	5,634	8,853
Specific ownership tax	446	505	708
Interest income	43	120	5,037
Development fees	-	-	1,600,000
Developer advance - CLC	38,500	93,032	-
Developer advance - Westside	-	13,324	-
Other revenue	205	-	-
Total revenues	<u>43,644</u>	<u>112,615</u>	<u>1,614,598</u>
Total funds available	<u>43,708</u>	<u>114,740</u>	<u>1,614,598</u>
EXPENDITURES			
General Fund	29,206	68,000	1,900
Debt Service Fund	-	5,740	1,612,698
Capital Projects Fund	12,379	41,000	-
Total expenditures	<u>41,585</u>	<u>114,740</u>	<u>1,614,598</u>
Total expenditures and transfers out requiring appropriation	<u>41,585</u>	<u>114,740</u>	<u>1,614,598</u>
ENDING FUND BALANCES	<u>\$ 2,125</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BELFORD SOUTH METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
<b>ASSESSED VALUATION - Douglas #4580</b>			
Residential	\$ 93,000	\$ 113,820	\$ 113,820
Agricultural	1,100	1,150	1,150
Certified Assessed Value	<u>\$ 94,100</u>	<u>\$ 114,970</u>	<u>\$ 114,970</u>
<b>MILL LEVY</b>			
General	47.295	4.000	10.000
General - Town Capital & Maintenance	0.000	0.000	5.000
Debt Service	0.000	45.000	57.000
Debt Service - Infrastructure Capital	0.000	0.000	5.000
Total mill levy	<u>47.295</u>	<u>49.000</u>	<u>77.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 4,450	\$ 460	\$ 1,150
General - Town Capital & Maintenance	-	-	575
Debt Service	-	5,174	6,553
Debt Service - Infrastructure Capital	-	-	575
Levied property taxes	<u>4,450</u>	<u>5,634</u>	<u>8,853</u>
Budgeted property taxes	<u>\$ 4,450</u>	<u>\$ 5,634</u>	<u>\$ 8,853</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 4,450	\$ 460	\$ 1,150
General - Town	-	-	575
Debt Service	-	5,174	6,554
Debt Service - Infrastructure Capital	-	-	575
	<u>\$ 4,450</u>	<u>\$ 5,634</u>	<u>\$ 8,853</u>

No assurance provided. See summary of significant assumptions.

**BELFORD SOUTH METROPOLITAN DISTRICT  
GENERAL FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 861	\$ 2,125	\$ -
<b>REVENUES</b>			
Property taxes	4,450	460	1,725
Specific ownership tax	446	39	138
Interest income	43	20	37
Developer advance - CLC	25,324	52,032	-
Developer advance - Westside	-	13,324	-
Other revenue	205	-	-
Total revenues	30,468	65,875	1,900
Total funds available	31,329	68,000	1,900
<b>EXPENDITURES</b>			
General and administrative			
Accounting	7,796	10,000	-
County Treasurer's fee	67	7	26
Dues and licenses	314	324	-
Insurance and bonds	3,108	2,910	-
District management	10,372	10,000	-
Legal services	6,687	40,000	-
Miscellaneous	862	-	-
Election expense	-	1,646	-
Contingency	-	-	17
Remit to Town of Parker (IGA)	-	-	612
Remit to Belford North	-	3,113	1,245
Total expenditures	29,206	68,000	1,900
Total expenditures and transfers out requiring appropriation	29,206	68,000	1,900
ENDING FUND BALANCE	\$ 2,125	\$ -	\$ -
EMERGENCY RESERVE	\$ 200	\$ 100	\$ -
TOTAL RESERVE	\$ 200	\$ 100	\$ -

No assurance provided. See summary of significant assumptions.

**BELFORD SOUTH METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Property taxes	-	5,174	7,128
Specific ownership tax	-	466	570
Interest income	-	100	5,000
Development fees	-	-	1,600,000
Total revenue	<u>-</u>	<u>5,740</u>	<u>1,612,698</u>
Total funds available	<u>-</u>	<u>5,740</u>	<u>1,612,698</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	-	78	107
Remit to Belford North	-	5,662	1,612,591
Total expenditures	<u>-</u>	<u>5,740</u>	<u>1,612,698</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>5,740</u>	<u>1,612,698</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BELFORD SOUTH METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (797)	\$ -	\$ -
REVENUES			
Developer advance - CLC	13,176	41,000	-
Total revenues	<u>13,176</u>	<u>41,000</u>	<u>-</u>
Total funds available	<u>12,379</u>	<u>41,000</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Accounting	531	1,000	-
District management	464	10,000	-
Legal services	7,623	20,000	-
Bond issue costs	1,699	-	-
Capital Projects			
Engineering	2,062	10,000	-
Total expenditures	<u>12,379</u>	<u>41,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>12,379</u>	<u>41,000</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BELFORD SOUTH METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on June 24, 2016 in Douglas County, Colorado, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the Second Amended and Restated Service Plan approved by the Town Council of the Town of Parker, Colorado on October 5, 2020. The District's service area is located in the Town of Parker, Douglas County, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water and sanitation service, street construction, installation of safety control devices, construction and maintenance of parks and recreation facilities, public transportation, fire protection, television relay and translation system, security services and mosquito control. All public infrastructure is to be owned and maintained by the Town of Parker or adjacent governmental entities.

On May 3, 2016, the District's voters authorized total indebtedness of \$162,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$16,200,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$16,200,000 without limitation of rate, to pay the District's operation and maintenance costs.

The Maximum Debt Mill Levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be determined as follows: For the portion of any aggregate District Debt which exceeds 50% of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be 57.000 mills less the number of mills necessary to pay unlimited mill levy Debt, subject to the Mill Levy Adjustment. As of October 5, 2020, the Mill Levy Adjustment allows for the Maximum Debt Mill Levy of 57.398 mills.

If, on or after, October 5, 2020 there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy may be increased to decreased to reflect such changes.

On October 16, 2020, the District entered into the Master Intergovernmental Agreement (MIGA) with Belford North Metropolitan District (North) in which the districts agree they may undertake on behalf of both districts the construction, acquisition, installation, financing, operations and maintenance of public improvements, and administrative costs necessary to serve the property within both District's service areas.

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.

**BELFORD SOUTH METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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 Information page of the budget.

The change in assessment ratio from 7.20% to 7.15% allows the District to adjust its mill levy to offset the decrease in revenues. The District has elected not to impose an adjusted mill levy for operations.

**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 8% of the property taxes collected by the General Fund and Debt Service Fund.

**Development Fees**

The District established a development fee of \$25,000 per SFE. The fees are payable by homebuilders. The revenue from the fees is pledged for payment of the Series 2020 Bonds issued by Belford North or any other indebtedness of the District. The District anticipates receiving \$1,600,000 of development fees in 2021.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on historical interest earnings.

**Expenditures**

**Administrative and Operating Expenditures**

Pursuant to the MIGA, North, as the operating district, will pay all administrative and operating expenditures. These costs include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and meeting expense.



**BELFORD SOUTH METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Remittance to Town of Parker**

On October 5, 2020, the District entered into the First Amended and Restated Intergovernmental Agreement with the Town of Parker in which the District agrees to impose a property tax of 5 mills to be used for the planning, design and construction of the Regional infrastructure and 5 mills for the planning, design, construction and/or maintenance of the Town infrastructure. The collection of these taxes will be remitted to the Town of Parker.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Debt Service**

The District has no debt service.

**Capital Outlay**

The District anticipates infrastructure improvements as noted on the Capital Projects fund page of the budget.

**Debt and Leases**

**Developer Advance**

The following is the analysis of the anticipated changes in developer advances for the year ending December 31, 2021.

	Balance January 1, 2020	Estimated		Balance December 31, 2020
		Additions	Deletions	
Developer Advances:				
Operations				
Principal	\$ 104,584	\$ 64,665	\$ 169,249	\$ -
Interest	12,938	10,492	23,430	-
Capital Improvements				
Principal	553,948	41,173	595,121	-
Interest	117,782	46,042	163,824	-
	<u>\$ 789,252</u>	<u>\$ 162,372</u>	<u>\$ 951,624</u>	<u>\$ -</u>

The District has no capital or operating leases.

**BELFORD SOUTH METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending, as defined under TABOR. Since substantially all funds received by the District are transferred to Belford North Metropolitan District, which pays for all Districts' administrative, operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

**This information is an integral part of the accompanying budget.**