

KENT PLACE METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

KENT PLACE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

9/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 7/31/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 355	\$ 1,473	\$ (4,026)	\$ (4,026)	\$ 8,498
REVENUES					
Interest income	1	10	-	5	-
Developer advance	-	9,000	12,000	12,000	-
Intergovernmental revenues	45,363	43,142	40,770	43,444	43,519
Total revenues	<u>45,364</u>	<u>52,152</u>	<u>52,770</u>	<u>55,449</u>	<u>43,519</u>
Total funds available	<u>45,719</u>	<u>53,625</u>	<u>48,744</u>	<u>51,423</u>	<u>52,017</u>
EXPENDITURES					
General and administrative					
Accounting	18,567	23,500	10,617	20,000	12,000
Auditing	3,850	3,850	4,000	4,000	4,250
Dues and licenses	600	650	594	594	650
Insurance and bonds	6,210	6,500	6,331	6,331	7,000
Legal services	19,435	15,000	6,876	12,000	15,000
Election expense	1,083	-	-	-	1,500
Contingency	-	2,500	-	-	2,600
Total expenditures	<u>49,745</u>	<u>52,000</u>	<u>28,418</u>	<u>42,925</u>	<u>43,000</u>
Total expenditures and transfers out requiring appropriation	<u>49,745</u>	<u>52,000</u>	<u>28,418</u>	<u>42,925</u>	<u>43,000</u>
ENDING FUND BALANCE	<u>\$ (4,026)</u>	<u>\$ 1,625</u>	<u>\$ 20,326</u>	<u>\$ 8,498</u>	<u>\$ 9,017</u>
EMERGENCY RESERVE	\$ 1,400	\$ 1,300	\$ 1,300	\$ 1,400	\$ 1,400
AVAILABLE FOR OPERATIONS	(5,426)	325	19,026	7,098	7,617
TOTAL RESERVE	<u>\$ (4,026)</u>	<u>\$ 1,625</u>	<u>\$ 20,326</u>	<u>\$ 8,498</u>	<u>\$ 9,017</u>

No assurance provided. See summary of significant assumptions.

**Kent Place Metropolitan District No. 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

9/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 7/31/2021	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION					
Vacant land	\$ 145	\$ 145	\$ 145	\$ 145	\$ 145
Certified Assessed Value	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 145</u>
MILL LEVY					
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
PROPERTY TAXES					
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**KENT PLACE METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Kent Place Metropolitan District No.1 (“District”) was organized by Court Order on January 14, 2008, to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of public improvements, including street improvements, park and recreation facilities, sewer and drainage improvements, traffic and safety controls, water, television relay and translators, public transportation, fire protection, security services, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with Kent Place Metropolitan District No. 2. District No. 1 is anticipated to be the Operating District and District No. 2 is anticipated to be the Financing District. The Operating District will construct all, and may own and operate some of the public facilities. The Financing District will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The functions of the Districts will be clarified in an intergovernmental agreement between the Districts. The District’s service area is located entirely within the City of Englewood (“City”), Arapahoe County, Colorado.

On November 6, 2007, District electors approved revenue indebtedness of \$30,000,000 for street improvements, \$30,000,000 for parks and recreation, \$30,000,000 for water improvements, \$30,000,000 for sanitary sewer system, \$30,000,000 for public transportation system, \$30,000,00 for mosquito control, \$30,000,000 for traffic and safety, \$30,000,000 for fire protection, \$30,000,000 for television relay system, \$30,000,000 security services, \$30,000,000 for debt associated with intergovernmental contracts, \$30,000,000 for refinancing of District debt, \$30,000,000 for debt associated with private party contracts, and \$30,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$5,000,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

Pursuant to the Consolidated Service Plan, the Districts shall not issue debt in excess of \$30,000,000 without the permission of the City. The Districts are also limited to a maximum debt mill levy of 50.000 mills as adjusted for changes in the ratio of actual value to assessed value, for debt which exceeds fifty percent of the District’s assessed valuation.

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 Section 29-1-105, C.R.S., 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

Developer Advance

In prior years, a portion of the operating and administrative costs were funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer. The District anticipates that no advances will be required in 2022.

**KENT PLACE METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Transfer from District No. 2

District No. 2 levies a general fund mill levy of 10.250 mills. The net property taxes are transferred to the District to help fund administrative expenditures.

Expenditures

Administrative Expenditures

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting, and other administrative expenses.

Debt and Leases

The only debt of the District is Developer advances, which are not general obligation debt. Repayment is subject to annual appropriation if and when eligible funds become available. As of December 31, 2020, the District's outstanding obligation to the Developer was \$278,739 in principal and accrued interest at 8%. See below for the estimated developer advance activity.

	Balance at 12/31/20	Additions	Reductions	Balance at 12/31/21*
Developer Advance	\$ 278,739	\$ 12,000	\$ -	\$ 290,739
Developer Advance - Interest	111,495	22,888	-	134,383
Total	\$ 390,234	\$ 34,888	\$ -	\$ 425,122

	Balance at 12/31/21*	Additions	Reductions	Balance at 12/31/22*
Developer Advance	\$ 290,739	\$ -	\$ -	\$ 290,739
Developer Advance - Interest	134,383	23,259	-	157,642
Total	\$ 425,122	\$ 23,259	\$ -	\$ 448,381

*Based on Estimates

The District has no capital or operating leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

This information is an integral part of the accompanying budget.