

COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2021

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

1/15/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 6,932,014	\$ 5,677,074	\$ 5,199,274
REVENUES			
Property taxes	2,049,666	2,282,729	2,327,302
Specific ownership tax	212,768	187,565	186,183
Interest income	138,212	37,500	25,750
In-lieu fees (ECS)	217,216	112,636	112,500
Tap fees	238,620	-	295,275
Reimbursed expenditures	-	528,000	23,500
System development fees	160,000	-	200,000
System operations fee	171,921	175,000	175,000
Loan proceeds	17,387,000	-	-
Other income	282	-	-
Total revenues	<u>20,575,685</u>	<u>3,323,430</u>	<u>3,345,510</u>
TRANSFERS IN	<u>500,000</u>	<u>85,704</u>	<u>-</u>
Total funds available	<u>28,007,699</u>	<u>9,086,208</u>	<u>8,544,784</u>
EXPENDITURES			
General Fund	273,682	280,431	304,125
Debt Service Fund	20,528,323	2,094,299	2,241,649
Capital Projects Fund	1,028,620	1,426,500	1,066,700
Total expenditures	<u>21,830,625</u>	<u>3,801,230</u>	<u>3,612,474</u>
TRANSFERS OUT	<u>500,000</u>	<u>85,704</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>22,330,625</u>	<u>3,886,934</u>	<u>3,612,474</u>
ENDING FUND BALANCES	<u>\$ 5,677,074</u>	<u>\$ 5,199,274</u>	<u>\$ 4,932,310</u>
EMERGENCY RESERVE	\$ 10,900	\$ 11,000	\$ 12,000
DEBT SERVICE RESERVE - SERIES 2017	1,492,915	1,492,915	1,492,915
SYSTEM OPERATIONS FEES - WATER	799,341	886,841	974,341
SYSTEM OPERATIONS FEES - SEWER	514,859	-	87,500
SYSTEM DEVELOPMENT FEES - WATER	470,000	470,000	445,000
SYSTEM DEVELOPMENT FEES - SEWER	470,000	470,000	445,000
TOTAL RESERVE	<u>\$ 3,758,015</u>	<u>\$ 3,330,756</u>	<u>\$ 3,456,756</u>

No assurance provided. See summary of significant assumptions.

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

1/15/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION - 4399			
Residential	\$ 1,192,680	\$ 1,337,950	\$ 1,337,950
Commercial	16,481,190	17,600,210	18,192,660
Industrial	19,350,030	23,296,330	22,202,760
Agricultural	920	1,120	1,120
State assessed	12,000	89,800	109,200
Vacant land	1,988,270	1,671,670	1,670,420
Personal property	8,605,040	8,765,480	8,677,160
Natural Resources	20	20	60
Certified Assessed Value	<u>\$ 47,630,150</u>	<u>\$ 52,762,580</u>	<u>\$ 52,191,330</u>
MILL LEVY			
General	7.018	6.114	7.020
Debt Service	35.090	33.650	35.102
Refund and abatements	0.167	1.218	0.000
Total mill levy	<u>42.275</u>	<u>40.982</u>	<u>42.122</u>
PROPERTY TAXES			
General	\$ 334,268	\$ 322,590	\$ 366,383
Debt Service	1,671,342	1,775,461	1,832,020
Refund and abatements	7,954	64,265	-
Levied property taxes	2,013,564	2,162,316	2,198,403
Adjustments to actual/rounding	(36,227)	-	-
Refunds and abatements	(35,420)	10,413	-
Budgeted property taxes	<u>\$ 1,941,917</u>	<u>\$ 2,172,729</u>	<u>\$ 2,198,403</u>
ASSESSED VALUATION - DEBT ONLY (4454)			
Residential	\$ 4,074,920	\$ 4,892,760	\$ 4,892,760
State assessed	37,000	11,700	40,600
Vacant land	590	590	590
Certified Assessed Value	<u>\$ 4,112,510</u>	<u>\$ 4,905,050</u>	<u>\$ 4,933,950</u>
MILL LEVY			
Debt Service	20.778	18.070	20.923
Total mill levy	<u>20.778</u>	<u>18.070</u>	<u>20.923</u>
PROPERTY TAXES			
Debt Service	\$ 85,450	\$ 88,634	\$ 103,233
Refund and abatements	-	-	-
Levied property taxes	85,450	88,634	103,233
Adjustments to actual/rounding	-	(1,273)	-
Refunds and abatements	-	517	-
Budgeted property taxes	<u>\$ 85,450</u>	<u>\$ 87,878</u>	<u>\$ 103,233</u>
ASSESSED VALUATION - DEBT ONLY (4509)			
Residential	\$ 1,240,480	\$ 1,418,000	\$ 1,417,990
State assessed	5,900	1,900	6,700
Certified Assessed Value	<u>\$ 1,246,380</u>	<u>\$ 1,419,900</u>	<u>\$ 1,424,690</u>
MILL LEVY			
Debt Service	17.891	15.580	18.015
Total mill levy	<u>17.891</u>	<u>15.580</u>	<u>18.015</u>
PROPERTY TAXES			
Debt Service	\$ 22,299	\$ 22,122	\$ 25,666
Budgeted property taxes	<u>\$ 22,299</u>	<u>\$ 22,122</u>	<u>\$ 25,666</u>
BUDGETED PROPERTY TAXES			
General	\$ 323,653	\$ 334,140	\$ 366,383
Debt Service	1,726,013	1,948,589	1,960,919
Total	<u>\$ 2,049,666</u>	<u>\$ 2,282,729</u>	<u>\$ 2,327,302</u>

No assurance provided. See summary of significant assumptions.

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

1/15/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 94,753	\$ 218,713	\$ 233,971
REVENUES			
Property taxes	323,653	334,140	366,383
Specific ownership tax	33,660	27,434	29,310
Interest income	3,844	2,500	1,750
In-lieu fees (ECS)	36,203	17,319	18,800
Other income	282	-	-
Total revenues	397,642	381,393	416,243
Total funds available	492,395	600,106	650,214
EXPENDITURES			
General and administrative			
Accounting	29,586	32,000	33,600
Audit	11,198	6,962	10,000
County Treasurer's fee	4,858	5,015	5,495
District management	28,695	30,000	35,000
Dues and membership	923	530	750
Election expense	-	893	-
Insurance	7,183	6,931	7,400
Legal	19,036	20,000	25,000
Miscellaneous	2,667	2,500	2,500
Operations and maintenance			
Landscape maintenance	153,138	140,000	147,000
Repairs and maintenance	3,235	15,000	15,750
ROW/drainage maintenance	-	5,000	5,250
Snow removal	8,750	10,000	10,500
Utilities - entrance sign	244	300	315
Utilities - irrigation	3,318	4,000	4,200
Utilities - security light	851	1,300	1,365
Total expenditures	273,682	280,431	304,125
TRANSFERS OUT			
Transfers to other funds	-	85,704	-
Total expenditures and transfers out requiring appropriation	273,682	366,135	304,125
ENDING FUND BALANCE	\$ 218,713	\$ 233,971	\$ 346,089
EMERGENCY RESERVE	\$ 10,900	\$ 11,000	\$ 12,000
TOTAL RESERVE	\$ 10,900	\$ 11,000	\$ 12,000

No assurance provided. See summary of significant assumptions.

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

1/15/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 3,606,754	\$ 2,122,363	\$ 2,252,101
REVENUES			
Property taxes	1,726,013	1,948,589	1,960,919
Specific ownership tax	179,108	160,131	156,873
Interest income	70,798	20,000	11,000
In-lieu fees (ECS)	181,013	95,317	93,700
Loan proceeds	17,387,000	-	-
Total revenues	<u>19,543,932</u>	<u>2,224,037</u>	<u>2,222,492</u>
Total funds available	<u>23,150,686</u>	<u>4,346,400</u>	<u>4,474,593</u>
EXPENDITURES			
Debt Service			
Bond interest - Series 2012A	334,631	-	-
Bond interest - Series 2012B	239,638	-	-
County Treasurer's fee	25,907	-	29,413
Loan issue costs	371,062	-	-
Loan interest - Series 2017	988,403	981,095	969,910
Loan principal - Series 2017	245,000	375,000	505,000
Loan interest - Series 2019	290,363	632,704	627,326
Loan principal - Series 2019	100,000	100,000	100,000
Payment to refunding escrow	17,925,998	-	-
Trust / paying agent fees	7,321	5,500	10,000
Total expenditures	<u>20,528,323</u>	<u>2,094,299</u>	<u>2,241,649</u>
TRANSFERS OUT			
Transfers to other funds	<u>500,000</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>21,028,323</u>	<u>2,094,299</u>	<u>2,241,649</u>
ENDING FUND BALANCE	<u>\$ 2,122,363</u>	<u>\$ 2,252,101</u>	<u>\$ 2,232,944</u>
DEBT SERVICE RESERVE - SERIES 2019	\$ 407,850	\$ 407,850	\$ 407,850
DEBT SERVICE RESERVE - SERIES 2017	1,492,915	1,492,915	1,492,915
TOTAL RESERVE	<u>\$ 1,900,765</u>	<u>\$ 1,900,765</u>	<u>\$ 1,900,765</u>

No assurance provided. See summary of significant assumptions.

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

1/15/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 3,230,507	\$ 3,335,998	\$ 2,713,202
REVENUES			
Interest income	63,570	15,000	13,000
Reimbursed expenditures	-	528,000	23,500
System development fees	160,000	-	200,000
System operations fee	171,921	175,000	175,000
Tap fees	238,620	-	295,275
Total revenues	<u>634,111</u>	<u>718,000</u>	<u>706,775</u>
TRANSFERS IN			
Transfers from other funds	<u>500,000</u>	<u>85,704</u>	<u>-</u>
Total funds available	<u>4,364,618</u>	<u>4,139,702</u>	<u>3,419,977</u>
EXPENDITURES			
Capital Projects			
Accounting	1,084	4,000	4,200
Contingency	-	10,000	40,000
Detention - AFW restoration	-	-	150,000
Detention - Filing 4	1,800	-	-
Detention - Filing 5	11,138	3,000	3,000
Detention - Filing 7	2,163	3,500	3,500
Detention - Filing 8	5,117	600,000	-
Detention - Filing 11	2,458	1,000	30,000
District management	11,883	25,000	35,000
Engineering	10,705	10,000	21,000
Legal	20,248	10,000	25,000
Capital cost share - SVMD	-	-	250,000
Sanitary sewer improvements - CV8	469,552	700,000	-
Green Acres tributary improvements (IGA)	480,627	20,000	20,000
Compark Village South - water bore	11,845	40,000	485,000
Total expenditures	<u>1,028,620</u>	<u>1,426,500</u>	<u>1,066,700</u>
Total expenditures and transfers out requiring appropriation	<u>1,028,620</u>	<u>1,426,500</u>	<u>1,066,700</u>
ENDING FUND BALANCE	<u>\$ 3,335,998</u>	<u>\$ 2,713,202</u>	<u>\$ 2,353,277</u>
SYSTEM OPERATIONS FEES - WATER	\$ 799,341	\$ 886,841	\$ 974,341
SYSTEM OPERATIONS FEES - SEWER	514,859	-	87,500
SYSTEM DEVELOPMENT FEES - WATER	470,000	470,000	445,000
SYSTEM DEVELOPMENT FEES - SEWER	470,000	470,000	445,000
TOTAL RESERVE	<u>\$ 2,254,200</u>	<u>\$ 1,826,841</u>	<u>\$ 1,951,841</u>

No assurance provided. See summary of significant assumptions.

**COMPARK BUSINESS CAMPUS 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 May 5, 1998 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado.

The District was established as part of a master-planned commercial development known as Compark and will provide water and wastewater service, street construction, installation of safety control devices, construction and maintenance of parks and recreation facilities and public transportation. All infrastructure is to be owned and maintained by Douglas County or adjacent governmental entities except certain drainage 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.

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 method of calculating the assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the changed assessed value calculation.

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.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
2021 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 8% of the property taxes collected by the General Fund and Debt Service Fund.

System Development Fees

The District anticipates collecting approximately \$200,000 in system development fees. The system development fee (SDF) is \$10,000 per Single Family Equivalent (SFE). The fee is payable at the time of payment of the water and sewer tap fee and prior to issuance of a water or sewer tap for a structure on a lot in the District.

System Operations Fees

The District anticipates collecting approximately \$175,000 in system operations fees from all property owners that are served water and/or sewer by the District. The system operations fee (SOF) is \$15 per month for water and \$15 per month for sewer.

Net Investment Income

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

Tap Fees

During 2021, the District anticipates collecting approximately \$295,275 in total tap fees (net of fees payable to Stonegate). For 2021, the District's tap fee is \$17,889, of which \$2,976 is reimbursed to Stonegate Village Metropolitan District for their portion of the tap.

In-lieu Fees

The District anticipates collecting approximately \$112,500 for in-lieu fees in 2021. In-lieu fees are collected from properties that have tax-exempt status but are still obligated to provide funding support for the District. The amount is calculated based on the properties assessed valuation and the District mill levy.

Reimbursed Expenditures

The District anticipates receiving reimbursement from property owners in connection with specific drainage improvement projects.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and meeting expense. Estimated expenditures related to repairs and maintenance, street lights, landscaping, utilities and snow removal were also included the General Fund budget.

County Treasurer's Fees

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

Capital Outlay

The budget anticipates construction activity during 2021, primarily for infrastructure improvements within the development. These expenditures are detailed on the Capital Project Fund page of the budget.

Debt Service

Principal and interest payments in 2021 are provided based on the debt amortization schedule from the \$29,935,000 Series 2017 General Obligation Refunding Bonds and the \$17,387,000 Series 2019 Loan Agreement (discussed under Debt and Leases).

Debt and Leases

Series 2017

On December 21, 2017, the District issued \$33,512,000 in Series 2017 General Obligation Refunding Loan, which bears interest of 2.950%, maturing on December 1, 2022. The Series 2017 Loan refunded the Series 2007 Bonds.

The bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the Refunded Bonds Mill Levy Revenue, (3) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and (4) any other legally available monies which the District determines to be treated as Pledged Revenue. The bonds are also secured by amounts held by the Trustee in the Reserve Fund. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the bonds as the same become due and payable and to make up any deficiencies in the Reserve Fund. The District is required to levy an ad valorem tax to pay the principal of, and interest on, the bonds without limitation as to rate and in an amount sufficient to pay the bonds when due. The adopted mill levies imposed the District, are displayed on the Property Tax Summary Information page of the budget.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Series 2019

On June 18, 2019, the District issued \$17,387,000 of debt under the Series 2019 Loan Agreement, which bears interest of 3.600%, maturing on December 1, 2022. The Series 2019 Loan advance refunded the Series 2012 Bonds and provided \$500,000 for the purpose of sewer improvements.

The bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and (3) any other legally available monies which the District determines to be treated as Pledged Revenue. The bonds are also secured by amounts held by the Trustee in the Reserve Fund. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the bonds as the same become due and payable and to make up any deficiencies in the Reserve Fund. The District is required to levy an ad valorem tax to pay the principal of, and interest on, the bonds without limitation as to rate and in an amount sufficient to pay the bonds when due. The adopted mill levies imposed the District, are displayed on the Property Tax Summary Information page of the budget.

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 the fiscal year spending as defined under TABOR.

Debt Service Reserve

The Debt Service Reserve Fund Requirement for the Series 2017 loan of \$1,492,915 has been provided by the District for 2021. The Debt Service Reserve Fund Requirement for the Series 2019 loan is \$407,850, which has been provided by the District for 2021.

System Operations Fees Reserve

The District has imposed a System Operations Fee of \$15 per SFE for water and \$15 per SFE for sewer. These fees can only be used for water and sewer improvements. The District reserves the net of fees collected versus fees spent for water and sewer improvements. The reserve balances at December 31, 2021, are noted on the budget.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves (continued)

System Development Fees Reserve

The District has imposed a System Development Fee of \$10,000 per SFE. These fees can only be used for water and sewer improvements. The District reserves the net of fees collected versus fees spent for water and sewer improvements. The reserve balances at December 31, 2021, are noted on the budget.

This information is an integral part of the accompanying budget.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$33,512,000 General Obligation Refunding Loan - Series 2017 Dated: December 21, 2017 Interest Rate: 2.950% Interest Payable June 1 and December 1 Principal Payable December 1			\$17,387,000 General Obligation Refunding Refunding Loan - Series 2019 Dated: June 18, 2019 Interest Rate: 3.600% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total	Principal	Interest	Total
	2021	\$ 505,000	\$ 969,910	\$ 1,474,910	\$ 100,000	\$ 627,326
2022	32,012,000	954,847	32,966,847	17,087,000	623,676	17,710,676
	<u>\$ 32,517,000</u>	<u>\$ 1,924,757</u>	<u>\$ 34,441,757</u>	<u>\$ 17,187,000</u>	<u>\$ 1,251,001</u>	<u>\$ 18,438,001</u>

No assurance provided. See summary of significant assumptions.

**COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Totals Interest	Total
	2021	\$ 605,000	\$ 1,597,236
2022	49,099,000	1,578,523	50,677,523
	<u>\$ 49,704,000</u>	<u>\$ 3,175,758</u>	<u>\$ 52,879,758</u>

No assurance provided. See summary of significant assumptions.