

**HORIZON METROPOLITAN DISTRICT NO. 1**  
**ANNUAL BUDGET**  
**FOR YEAR ENDING DECEMBER 31, 2023**

**HORIZON METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 86,603	\$ 333,014	\$ 395,997
REVENUES			
Developer Advance	27,196,420	165,000	330,000
Service Fees	5,659	18,000	30,000
Facilities Fees	75,600	247,200	60,000
Covenants and Fines	-	5,000	8,000
Interest Income	-	50	100
Transfer from HMD No. 2	24,737,923	62,789	94,958
Transfer from HMD No. 3	2,393	1,017	13,206
Total revenues	<u>52,017,995</u>	<u>499,056</u>	<u>536,264</u>
Total funds available	<u>52,104,598</u>	<u>832,070</u>	<u>932,261</u>
EXPENDITURES			
General and administrative	189,107	207,073	234,000
Operations and maintenance	107,310	179,000	296,000
Design Review	-	5,000	8,000
Capital projects	51,475,167	45,000	389,483
Total expenditures	<u>51,771,584</u>	<u>436,073</u>	<u>927,483</u>
Total expenditures and transfers out requiring appropriation	<u>51,771,584</u>	<u>436,073</u>	<u>927,483</u>
ENDING FUND BALANCES	<u>\$ 333,014</u>	<u>\$ 395,997</u>	<u>\$ 4,778</u>
EMERGENCY RESERVE	<u>\$ 170</u>	<u>\$ 2,500</u>	<u>\$ 4,100</u>
TOTAL RESERVE	<u>\$ 170</u>	<u>\$ 2,500</u>	<u>\$ 4,100</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

**ASSESSED VALUATION**

Vacant land	\$ 9,788	\$ 10,440	\$ 10,435
	9,788	10,440	10,435
Adjustments	(9,749)	(10,392)	(10,412)
Certified Assessed Value	\$ 39	\$ 48	\$ 23

**MILL LEVY**

General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000

**BUDGETED PROPERTY TAXES**

General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (11,797)	\$ 205,731	\$ 66,464
<b>REVENUES</b>			
Developer Advance	150,000	165,000	330,000
Service fees	5,659	18,000	30,000
Transfer from HMD No. 2	355,893	62,789	94,958
Transfer from HMD No. 3	2,393	1,017	13,206
Other income	-	-	-
Total revenues	<u>513,945</u>	<u>246,806</u>	<u>468,164</u>
Total funds available	<u>502,148</u>	<u>452,537</u>	<u>534,628</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	38,842	45,000	50,000
Billing	13,179	15,000	17,000
District management	36,218	55,000	60,000
Dues and licenses	948	2,167	2,500
Election expense	-	4,755	5,000
Insurance and bonds	9,263	24,151	25,000
Legal services	90,570	60,000	69,000
Miscellaneous	87	1,000	500
Website	-	-	5,000
Operations and maintenance			
Detention Pond Maintenance	-	-	28,000
Events	-	10,000	15,000
Landscaping	105,323	145,000	155,000
Miscellaneous Repairs & Maintenance	-	-	35,000
Snow Removal	-	12,000	18,000
Utilities	-	-	10,000
Waste Services	1,987	12,000	15,000
Water	-	-	20,000
Total expenditures	<u>296,417</u>	<u>386,073</u>	<u>530,000</u>
Total expenditures and transfers out requiring appropriation	<u>296,417</u>	<u>386,073</u>	<u>530,000</u>
ENDING FUND BALANCE	<u>\$ 205,731</u>	<u>\$ 66,464</u>	<u>\$ 4,628</u>
EMERGENCY RESERVE	\$ 170	\$ 2,500	\$ 4,100
TOTAL RESERVE	<u>\$ 170</u>	<u>\$ 2,500</u>	<u>\$ 4,100</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1  
DESIGN REVIEW FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 50
REVENUES			
Covenant and fines	-	5,000	8,000
Interest income	-	50	100
Total revenues	<u>-</u>	<u>5,050</u>	<u>8,100</u>
Total funds available	<u>-</u>	<u>5,050</u>	<u>8,150</u>
EXPENDITURES			
District management	-	5,000	8,000
Total expenditures	<u>-</u>	<u>5,000</u>	<u>8,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>5,000</u>	<u>8,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 150</u>

**HORIZON METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 98,400	\$ 127,283	\$ 329,483
REVENUES			
Developer Advance	27,046,420	-	-
Facilities fees	75,600	247,200	60,000
Transfer from HMD No. 2	24,382,030	-	-
Total revenues	<u>51,504,050</u>	<u>247,200</u>	<u>60,000</u>
Total funds available	<u>51,602,450</u>	<u>374,483</u>	<u>389,483</u>
EXPENDITURES			
Capital Projects			
Capital outlay	27,046,420	-	-
Repay developer advance - Interest	2,339,846	-	-
Repay developer advance	22,042,184	-	354,483
Engineering	46,717	45,000	35,000
Total expenditures	<u>51,475,167</u>	<u>45,000</u>	<u>389,483</u>
Total expenditures and transfers out requiring appropriation	<u>51,475,167</u>	<u>45,000</u>	<u>389,483</u>
ENDING FUND BALANCE	<u>\$ 127,283</u>	<u>\$ 329,483</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1  
2023 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 for Arapahoe County on March 6, 2006, to provide financing for the acquisition and installation of streets and traffic signals, water, sewer, storm drainage and park and recreation facilities. The District's service area is located entirely within the City of Aurora (the "City"), in Arapahoe County, Colorado. The District was organized in conjunction with other related districts, Horizon Metropolitan District Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10. The Districts, collectively, will undertake the financing and construction of the public improvements. The Districts shall enter into one or more Intergovernmental Agreements which shall govern the relationships between and among the Districts with respect to the financing, construction and operation of the public improvements. The District will establish a mechanism whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the improvements.

On November 1, 2005, District electors approved revenue indebtedness of \$150,000,000 for street improvements, \$150,000,000 for traffic safety, \$150,000,000 for water supply system, \$150,000,000 for sanitary sewer and transmission system, \$150,000,000 for parks and recreation, \$150,000,000 for mosquito control, \$150,000,000 for fire protection system, \$150,000,000 for television relay and translation system, \$150,000,000 for public transportation system and \$5,000,000 for general operations and maintenance. The District electors also approved \$150,000,000 for refinancing of District debt, \$150,000,000 for debt associated with intergovernmental contracts and \$150,000,000 for debt associated with intergovernmental contracts associated with capital projects.

On November 4, 2008, District electors approved revenue indebtedness of \$750,000,000 for street improvements, \$750,000,000 for traffic safety, \$750,000,000 for water supply system, \$750,000,000 for sanitary sewer and transmission system, \$750,000,000 for parks and recreation, \$750,000,000 for mosquito control, \$750,000,000 for fire protection system, \$750,000,000 for television relay and translation system, \$750,000,000 for public transportation system, \$750,000,000 for solid waste disposal facilities, and \$150,000,000 for general operations and maintenance. The District electors also approved \$750,000,000 for refinancing of District debt and \$750,000,000 for debt associated with intergovernmental contracts. The election also approved an annual increase in taxes of \$150,000,000 for general operations and maintenance and \$750,000,000 for regional improvements.

The Districts' service plan limits the total debt issuance of the project to \$750,000,000. The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any aggregate District's Debt which exceeds fifty percent of the District's assessed valuation. The Maximum Debt Mill Levy will be adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2020, the adjusted Maximum Debt Mill Levy is 55.664 mills. For the portion of any aggregate District's Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation or rate.

The District has no employees and all administrative functions are contracted.

**HORIZON METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided (continued)**

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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**

**Facilities Fees**

Facilities fees are imposed and collected by the District on the Property for payment as provided by the Facilities Funding, Construction and Operations Agreement.

**Service Fees**

Service fees are imposed and collected by the District for trash and recycling. Service fees are \$20 per unit and billed on a quarterly basis.

**Covenant and Enforcement Fees**

Covenant and enforcement fees that the District expects to receive for enforcement of residential guidelines are displayed on the Design Review Fund page of the budget.

**Intergovernmental Revenues – Transfers from Other Districts**

The intergovernmental revenues are transferred from Horizon Metropolitan District No. 2 and 3. The District will coordinate the payment of administrative expenditures for these Districts as well as the District's own administrative expenditures.

**Developer Advances**

A portion of the operating and administrative costs are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.



**HORIZON METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Developer Advances (continued)**

Estimated Developer advances for operations for December 31, 2022 and 2023 are as follows:

	Balance December 31, 2021	Additions	Deletions	Est. Balance December 31, 2022
Developer Advance O&M				
Principal	\$ 1,169,321	\$ 165,000	\$ -	\$ 1,334,321
Interest	675,218	81,925	-	757,143
Developer Advance Capital				
Principal	\$ 5,227,657	\$ -	\$ -	\$ 5,227,657
Interest	2,163,328	418,213	-	2,581,541
Total	<u>\$ 9,235,524</u>	<u>\$ 665,138</u>	<u>\$ -</u>	<u>\$ 9,900,662</u>

	Balance December 31, 2022	Additions	Deletions	Est. Balance December 31, 2023
Developer Advance O&M				
Principal	\$ 1,334,321	\$ 330,000	\$ -	\$ 1,664,321
Interest	757,143	99,266	-	856,409
Developer Advance Capital				
Principal	\$ 5,227,657	\$ -	\$ 123,791	\$ 5,103,866
Interest	2,581,541	408,635	241,209	2,748,966
Total	<u>\$ 9,900,662</u>	<u>\$ 837,901</u>	<u>\$ 365,000</u>	<u>\$ 10,373,563</u>

**Expenditures**

**General and Administrative Expenditures**

General and administrative 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 management, legal, accounting, engineering, insurance and other administrative expenses.

**Reserves**

**Emergency Reserve**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending.

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