

HORIZON METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

**HORIZON METROPOLITAN DISTRICT NO. 1
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 14,274	\$ 86,603	\$ 174,791
REVENUES			
Developer Advance	95,000	150,000	200,000
Service Fees	-	200	-
Facilities Fees	98,400	80,000	75,000
Other income	-	500	500
Transfer from HMD No. 2	5,724	24,524,785	77,184
Transfer from HMD No. 3	-	4,733	3,317
Total revenues	<u>199,124</u>	<u>24,760,218</u>	<u>356,001</u>
Total funds available	<u>213,398</u>	<u>24,846,821</u>	<u>530,792</u>
EXPENDITURES			
General and administrative	109,232	150,000	133,000
Operations and maintenance	17,563	90,000	181,000
Capital projects	-	24,432,030	203,400
Total expenditures	<u>126,795</u>	<u>24,672,030</u>	<u>517,400</u>
Total expenditures and transfers out requiring appropriation	<u>126,795</u>	<u>24,672,030</u>	<u>517,400</u>
ENDING FUND BALANCES	<u>\$ 86,603</u>	<u>\$ 174,791</u>	<u>\$ 13,392</u>
EMERGENCY RESERVE	\$ 200	\$ 4,400	\$ 2,400
TOTAL RESERVE	<u>\$ 100,724</u>	<u>\$ 4,400</u>	<u>\$ 2,400</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Agricultural	\$ 45	\$ -	\$ -
Vacant land	-	9,788	10,440
	45	9,788	10,440
Adjustments	(44)	(9,749)	(10,392)
Certified Assessed Value	\$ 1	\$ 39	\$ 48
 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
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 14,274	\$ (11,797)	\$ 46,391
REVENUES			
Developer advance	95,000	150,000	200,000
Other income	-	500	500
Service fees	-	200	-
Transfer from HMD No. 2	5,724	142,755	77,184
Transfer from HMD No. 3	-	4,733	3,317
Total revenues	100,724	298,188	281,001
Total funds available	114,998	286,391	327,392
EXPENDITURES			
General and administrative			
Accounting	25,786	35,000	30,000
Billing	-	3,000	5,000
District management	25,037	40,000	25,000
Dues and licenses	778	1,000	1,000
Election expense	8,975	-	10,000
Insurance and bonds	6,026	10,000	11,000
Legal services	42,276	60,000	50,000
Miscellaneous	354	1,000	1,000
Operations and maintenance			
Engineering	12,403	-	-
Landscape maintenance	5,160	54,900	145,000
Snow Removal	-	15,000	15,000
Waste Services	-	100	1,000
Water	-	20,000	20,000
Total expenditures	126,795	240,000	314,000
Total expenditures and transfers out requiring appropriation	126,795	240,000	314,000
ENDING FUND BALANCE	\$ (11,797)	\$ 46,391	\$ 13,392
EMERGENCY RESERVE	\$ 200	\$ 4,400	\$ 2,400
TOTAL RESERVE	\$ 200	\$ 4,400	\$ 2,400

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 98,400	\$ 128,400
REVENUES			
Facilities fees	98,400	80,000	75,000
Transfer from HMD No. 2	-	24,382,030	-
Total revenues	<u>98,400</u>	<u>24,462,030</u>	<u>75,000</u>
Total funds available	<u>98,400</u>	<u>24,560,430</u>	<u>203,400</u>
EXPENDITURES			
Capital Projects			
Repay developer advance	-	24,382,030	203,400
Engineering	-	50,000	-
Total expenditures	<u>-</u>	<u>24,432,030</u>	<u>203,400</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>24,432,030</u>	<u>203,400</u>
ENDING FUND BALANCE	<u>\$ 98,400</u>	<u>\$ 128,400</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**HORIZON METROPOLITAN DISTRICT NO. 1
2022 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
2022 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.

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
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Developer Advances (continued)

Estimated Developer advances for operations for December 31, 2021 and 2022 are as follows:

	Balance December 31, 2020	Additions	Deletions	Est. Balance December 31, 2021
Developer Advance O&M				
Principal	\$ 607,522	\$ 150,000	\$ -	\$ 757,522
Interest	393,542	57,866	-	451,408
Developer Advance Capital				
Principal	\$ -	\$ 26,015,022	\$ 22,042,184	\$ 3,972,838
Interest	-	2,466,493	2,339,846	126,647
Total	<u>\$ 1,001,064</u>	<u>\$ 28,689,381</u>	<u>\$ 24,382,030</u>	<u>\$ 5,308,415</u>
	Balance December 31, 2021	Additions	Deletions	Est. Balance December 31, 2022
Developer Advance O&M				
Principal	\$ 757,522	\$ 200,000	\$ -	\$ 957,522
Interest	451,408	68,667	-	520,075
Developer Advance Capital				
Principal	\$ 3,972,838	\$ -	\$ -	\$ 3,972,838
Interest	126,647	317,827	-	444,474
Total	<u>\$ 5,308,415</u>	<u>\$ 586,494</u>	<u>\$ -</u>	<u>\$ 5,894,910</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 3.0% of fiscal year spending.

This information is an integral part of the accompanying budget.