

DAWSON TRAILS METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

DAWSON TRAILS 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	\$ -	\$ -	\$ 109,159
REVENUE			
Property taxes	3,840	3,434	5,563
Specific ownership tax	370	352	501
Transfers from Other Districts	-	181,251	9,160
Interest income	-	-	1,301,500
Developer advance	-	-	75,000,000
Bond issuance - Series 2022(3)	-	-	85,797,583
Billboard revenue	27,218	24,122	30,000
Total revenue	<u>31,428</u>	<u>209,159</u>	<u>162,144,307</u>
TRANSFERS IN	-	-	8,579,000
Total funds available	<u>31,428</u>	<u>209,159</u>	<u>170,832,465</u>
EXPENDITURES			
General Fund	31,428	100,000	100,000
Debt Service Fund	-	-	50,000
Capital Projects Fund	-	-	152,718,583
Total expenditures	<u>31,428</u>	<u>100,000</u>	<u>152,868,583</u>
TRANSFERS OUT	-	-	8,579,000
Total expenditures and transfers out requiring appropriation	<u>31,428</u>	<u>100,000</u>	<u>161,447,583</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 109,159</u>	<u>\$ 9,384,882</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 5,600</u>	<u>\$ 500</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 5,600</u>	<u>\$ 500</u>

No assurance provided. See summary of significant assumptions.

DAWSON TRAILS 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 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Agricultural	\$ 6,840	\$ 6,840	\$ 6,840
Personal property	70,210	69,480	62,800
Vacant land	-	-	5,490
	<u>77,050</u>	<u>76,320</u>	<u>75,130</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 77,050</u>	<u>\$ 76,320</u>	<u>\$ 75,130</u>
MILL LEVY			
General	45.000	45.000	74.044
Total mill levy	<u>45.000</u>	<u>45.000</u>	<u>74.044</u>
PROPERTY TAXES			
General	\$ 3,467	\$ 3,434	\$ 5,563
Levied property taxes	<u>3,467</u>	<u>3,434</u>	<u>5,563</u>
Adjustments to actual/rounding	373	-	-
Budgeted property taxes	<u>\$ 3,840</u>	<u>\$ 3,434</u>	<u>\$ 5,563</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 3,840</u>	<u>\$ 3,434</u>	<u>\$ 5,563</u>
	<u>\$ 3,840</u>	<u>\$ 3,434</u>	<u>\$ 5,563</u>

No assurance provided. See summary of significant assumptions.

**DAWSON TRAILS 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	\$ -	\$ -	\$ 109,159
REVENUE			
Property taxes	3,840	3,434	5,563
Specific ownership tax	370	352	501
Interest income	-	-	1,500
Billboard revenue	27,218	24,122	30,000
Transfers from Other Districts	-	181,251	9,160
Total revenue	<u>31,428</u>	<u>209,159</u>	<u>46,724</u>
Total funds available	<u>31,428</u>	<u>209,159</u>	<u>155,882</u>
EXPENDITURES			
General and administrative			
Accounting	-	30,000	30,000
County Treasurer's fee	58	52	83
Dues and licenses	-	2,500	2,500
Insurance and bonds	-	5,000	5,000
Legal services	-	45,000	45,000
Miscellaneous	-	-	5,000
Election expense	-	2,500	2,500
Service fees to District No. 5	31,370	-	-
Contingency	-	14,948	9,917
Total expenditures	<u>31,428</u>	<u>100,000</u>	<u>100,000</u>
Total expenditures and transfers out requiring appropriation	<u>31,428</u>	<u>100,000</u>	<u>100,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 109,159</u>	<u>\$ 55,882</u>
EMERGENCY RESERVE	\$ 100	\$ 5,600	\$ 500
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 5,600</u>	<u>\$ 500</u>

No assurance provided. See summary of significant assumptions.

DAWSON TRAILS METROPOLITAN DISTRICT NO. 1
DEBT SERVICE 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	\$ -	\$ -	\$ -
Interest income	-	-	300,000
Total revenue	<u>-</u>	<u>-</u>	<u>300,000</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>8,579,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>8,879,000</u>
EXPENDITURES			
Debt Service			
Contingency	-	-	46,000
Paying agent fees	-	-	4,000
Total expenditures	<u>-</u>	<u>-</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>50,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,829,000</u>

No assurance provided. See summary of significant assumptions.

**DAWSON TRAILS 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	\$ -	\$ -	\$ -
Interest income	-	-	1,000,000
Bond issuance - Series 2023	-	-	85,797,583
Developer advance	-	-	75,000,000
Total revenue	-	-	161,797,583
Total funds available	-	-	161,797,583
EXPENDITURES			
Capital Projects			
Accounting	-	-	20,000
Bond issue costs	-	-	2,218,583
Capital outlay	-	-	75,000,000
Engineering	-	-	35,000
Legal services	-	-	50,000
Repay developer advance	-	-	75,395,000
Total expenditures	-	-	152,718,583
TRANSFERS OUT			
Transfers to other fund	-	-	8,579,000
Total expenditures and transfers out requiring appropriation	-	-	161,297,583
ENDING FUND BALANCE	\$ -	\$ -	\$ 500,000

No assurance provided. See summary of significant assumptions.

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

Services Provided

Dawson Trails Metropolitan District No. 1 (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was established to provide construction, installation, financing and operation of public improvements.

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

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, sale 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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 9% of the property taxes collected.

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

Revenues (continued)

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

Transfers from Other Districts

The District intends to enter into a Master Intergovernmental Agreement, whereby the District will provide certain operation, maintenance, and administrative services benefiting the District, Dawson Trails Metropolitan District Nos. 2-7, (collectively, "districts"). The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to the District.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Capital Outlay

The District anticipates capital outlay as outlined in the Capital Project Fund.

Debt and Leases

The District anticipates issuing Bonds in 2023. The final terms of the Bonds will be determined upon issuance of the Bonds.

The District has no debt, nor any capital and operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending.

This information is an integral part of the accompanying budget.