

**SWEETGRASS METROPOLITAN DISTRICT NO. 1  
GOVERNMENTAL FUND**

	2019	2020		2021 BUDGET		
	Actual Final	Original Budget	Projected Final	General Fund Budget	Debt Service Budget	Total Budget
<b>REVENUES</b>						
Taxes						
Property	\$ 290	\$ 286	\$ 286	\$ 2	\$ -	\$ 2
Specific ownership	19	19	14	0	-	0
TIF	-	-	-	-	-	-
Intergovernmental						
Transfers from Sweetgrass MD No. 2	150,000	-	332,866	200,000	-	200,000
Transfers from Sweetgrass MD No. 3	-	100,000	165,800	50,000	-	50,000
Investment income	6,471	-	790	-	-	-
Other	63,951	-	(2,819)	-	-	-
<b>Total revenue</b>	<b>\$ 220,731</b>	<b>\$ 100,305</b>	<b>\$ 496,935</b>	<b>\$ 250,002</b>	<b>\$ -</b>	<b>\$ 250,002</b>
<b>EXPENDITURES</b>						
Current						
County Treasurer's fees	4	4	4	0	-	0
Letter of credit fees	22,734	22,000	21,920	21,980	-	21,980
Insurance	3,456	3,250	3,518	4,000	-	4,000
Accounting	29,600	40,000	29,543	40,000	-	40,000
Audit	11,020	12,000	12,180	13,000	-	13,000
Legal	11,192	18,000	14,598	20,000	-	20,000
Director fees	60	60	60	60	-	60
Other	7,096	10,000	1,650	10,000	-	10,000
<b>Subtotal current</b>	<b>85,161</b>	<b>105,314</b>	<b>83,473</b>	<b>109,040</b>	<b>-</b>	<b>109,040</b>
Capital outlay						
Work in process	4,860,800	1,850,000	945,038	1,293,362	-	1,293,362
<b>Subtotal capital outlay</b>	<b>4,860,800</b>	<b>1,850,000</b>	<b>945,038</b>	<b>1,293,362</b>	<b>-</b>	<b>1,293,362</b>
Intergovernmental						
Transfers to Sweetgrass MD No. 2	18,448	22,300	29,796	27,800	-	27,800
Transfers to Sweetgrass MD No. 3	13,460	5,050	6,941	12,750	-	12,750
<b>Subtotal intergovernmental</b>	<b>31,908</b>	<b>27,350</b>	<b>36,737</b>	<b>40,550</b>	<b>-</b>	<b>40,550</b>
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Subtotal debt service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 4,977,869</b>	<b>\$ 1,982,664</b>	<b>\$ 1,065,248</b>	<b>\$ 1,442,952</b>	<b>\$ -</b>	<b>\$ 1,442,952</b>
<b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ (4,757,139)</b>	<b>\$ (1,882,359)</b>	<b>\$ (568,313)</b>	<b>\$ (1,192,949)</b>	<b>\$ -</b>	<b>\$ (1,192,949)</b>
<b>OTHER FINANCING SOURCES</b>						
Debt proceeds	-	-	-	-	-	-
Developer Advances received	-	-	-	-	-	-
Change in working capital (AR & AP)	192,322	-	(111,902)	-	-	-
<b>Total other financing sources</b>	<b>\$ 192,322</b>	<b>\$ -</b>	<b>\$ (111,902)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,564,817)</b>	<b>(1,882,359)</b>	<b>(680,214)</b>	<b>(1,192,949)</b>	<b>-</b>	<b>(1,192,949)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>6,522,367</b>	<b>1,957,551</b>	<b>1,957,551</b>	<b>1,277,336</b>	<b>-</b>	<b>1,277,336</b>
<b>FUND BALANCE - END OF CURRENT PERIOD</b>	<b>\$ 1,957,551</b>	<b>\$ 75,191</b>	<b>\$ 1,277,336</b>	<b>\$ 84,387</b>	<b>\$ -</b>	<b>\$ 84,387</b>

# **SWEETGRASS METROPOLITAN DISTRICT NO. 1**

## **2021 BUDGET**

### **SUMMARY OF SIGNIFICANT ASSUMPTIONS**

#### **Services Provided**

In accordance with its Service Plan, Sweetgrass Metropolitan District No. 1 (the "District"), was formed to manage the administration, operation, maintenance, construction, acquisition and installation of public improvements within the property known as "Sweetgrass," which is located in Dacono, Colorado. Such public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan, as modified in 2009, provides the ability for the District to impose a maximum mill levy for the combined debt service and operational and maintenance requirements of the District. The Service Plan also provides limits on the issuance of general obligation debts for Sweetgrass Metropolitan District No. 2 of \$31,295,000 and Sweetgrass Metropolitan District No. 3 of \$10,395,000.

In 2018, District No. 2 issued the Series 2018C Subordinate Limited Tax General Obligation Bond ("2018C Bond") to Dacono Development Company, Inc. (the "Developer") in a principal amount not to exceed \$11,000,000. The 2018C Bond is intended to memorialize the agreement of the Districts to repay any current and future Developer advances. Any proceeds from the 2018C Bond will be transferred from District No. 2 to the District from time to time in order to fund public capital improvements.

The District prepares its budget on the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

#### **Revenue**

##### **Transfers from District Nos. 2 and 3**

The District expects to receive revenues of approximately \$200,000 from District No. 2 and \$50,000 from District No. 3 in 2021, which will mainly be derived from ad valorem property taxes collected by the Districts.

##### **Ad Valorem Property Taxes**

The primary source of revenue for the District is property taxes. Property taxes are assessed and collected based upon the assessed value of all of the non-exempt property located within the District. The District adopts mill levies for debt service and for operations which, when combined with the District's other sources of revenue, provide sufficient resources to pay the required debt service (if any), capital purchases and the estimated costs of operations for the calendar year.

Pursuant to the Service Plan and the Gallagher Amendment, the maximum mill levy limit increased to 55.663 mills in 2020. The District adopted a mill levy of 55.663 mills for general fund expenditures in 2021.

The total taxable assessed valuation within the District in 2020 was \$40, a decrease of \$5,090 from the 2019 valuation.

##### **Specific Ownership Tax**

Specific ownership tax revenue is collected on annual motor vehicle registrations within Weld County and is distributed based upon the proportion of property taxes levied within the County during the preceding

calendar year. The specific ownership tax revenue is estimated to be 6.00% of the ad valorem property taxes collected in 2021.

### **Expenditures**

#### **Administrative**

Administrative expenditures have been estimated based upon the level of expenditures incurred by the District in prior years.

#### **Capital Outlay**

The District anticipates expenditures of \$1,293,362 for capital improvements in 2021.

### **Reserve Funds**

The District has provided for an emergency reserve equal to \$84,387, which is intended for use on any unanticipated expenditures in 2021. Such emergency reserve is an integral part of the Ending Fund Balance.

### **Leases**

The District has no operating or capital leases.