

EVAN'S PLACE METROPOLITAN DISTRICT

2021 ANNUAL REPORT

Pursuant to the Service Plan for Evan's Place Metropolitan District (the "District") the District is required to submit an annual report to the Town Manager of the Town of Keenesburg, Colorado (the "Town") not later than August 1 of each calendar year. The following report for the year ending December 31, 2021 (the "Report Year"), the Districts make the following report:

1. Boundary changes made to any District's boundary as of December 31 of the prior year.

There were no changes or proposed changes to the boundaries of the District in 2021.

2. Intergovernmental agreements with other governmental entities entered into as of December 31 of the prior year.

The District did not enter into an intergovernmental agreements during the reporting year.

3. A Summary of any litigation which involves the District Improvements or services as of December 31 of the prior year.

To the best of our knowledge, based on review of the court records in Weld County, Colorado, and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's Public Improvements as of December 31, 2021.

4. The assessed valuation of the District for the current year.

The 2021 gross total assessed valuation of the property comprising the District is \$3,821,660.

5. Current year budget.

A copy of the 2022 budget for the District is attached as **Exhibit A**.

6. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The 2021 Audit is in process and will be provided once completed.

7. Copies of the District's rules and regulations, if any, as of December 31 of the prior year

The District has not adopted rules or regulations as of December 31, 2021.

8. Status of District's construction of Public Improvements as of December 31 of the prior year

The District did not undertake the construction of any Public Improvements as of December 31 of the prior year. All Public Improvements are constructed by the developer in the District.

9. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of December 31 of the prior year.

The District did not construct any facilities or improvements as of December 31 of the prior year.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Bond, Bonds, or Debt instrument.

The District is not aware of any uncured events of default by the District.

11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

The District is not aware of any inability to pay its obligations as they become due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

12. Any alteration or revision of the proposed schedule of Debt issuance set forth in the Financial Plan.

There were no alterations or revisions of the proposed schedule of Debt issuance as of December 31 of the prior year.

Respectfully submitted on July 29th, 2022.

EXHIBIT A

2022 Budget

EVAN'S PLACE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

**EVAN'S PLACE METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ 2,161,066	\$ 1,714,329
REVENUES			
Property taxes	17,114	7,270	229,299
Specific ownership taxes	812	364	11,465
Bond Issuance - Series 2020A(3)	8,960,000	-	-
Bond Premium - Series 2020A(3)	35,454	-	-
Interest income	794	-	1,500
Developer advance	8,210,790	44,205	-
Total revenues	<u>17,224,964</u>	<u>51,839</u>	<u>242,264</u>
TRANSFERS IN	<u>2,168,000</u>	-	-
Total funds available	<u>19,392,964</u>	<u>2,212,905</u>	<u>1,956,593</u>
EXPENDITURES			
General Fund	31,923	43,109	63,000
Debt Service Fund	-	455,467	460,000
Capital Projects Fund	15,031,975	-	-
Total expenditures	<u>15,063,898</u>	<u>498,576</u>	<u>523,000</u>
TRANSFERS OUT	<u>2,168,000</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>17,231,898</u>	<u>498,576</u>	<u>523,000</u>
ENDING FUND BALANCES	<u>\$ 2,161,066</u>	<u>\$ 1,714,329</u>	<u>\$ 1,433,593</u>
EMERGENCY RESERVE	\$ 600	\$ 300	\$ 2,000
DEBT SERVICE SURPLUS RESERVE	824,242	824,000	990,880
CAPITALIZED INTEREST	1,344,000	888,533	440,533
TOTAL RESERVE	<u>\$ 2,168,842</u>	<u>\$ 1,712,833</u>	<u>\$ 1,433,413</u>

**EVAN'S PLACE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Commercial	\$ -	\$ -	\$ 4,820
Residential	-	-	3,342,840
Vacant Land	285,220	121,170	422,540
State Assessed	-	-	51,460
	<u>285,220</u>	<u>121,170</u>	<u>3,821,660</u>
TIF Increment	-	-	-
Certified Assessed Value	<u>\$ 285,220</u>	<u>\$ 121,170</u>	<u>\$ 3,821,660</u>
 MILL LEVY			
General	60.000	60.000	15.856
Debt Service	0.000	0.000	44.144
	<u>60.000</u>	<u>60.000</u>	<u>60.000</u>
 PROPERTY TAXES			
General	\$ 17,113	\$ 7,270	\$ 60,596
Debt Service	-	-	168,703
	<u>17,113</u>	<u>7,270</u>	<u>229,299</u>
Levied property taxes	17,113	7,270	229,299
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 17,114</u>	<u>\$ 7,270</u>	<u>\$ 229,299</u>
 BUDGETED PROPERTY TAXES			
General	\$ 17,114	\$ 7,270	\$ 60,596
Debt Service	-	-	168,703
	<u>\$ 17,114</u>	<u>\$ 7,270</u>	<u>\$ 229,299</u>

**EVAN'S PLACE METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ (4,971)	\$ 1,554
REVENUES			
Property taxes	17,114	7,270	60,596
Specific ownership tax	812	364	3,030
Developer advance	9,004	42,000	-
Interest income	22	-	-
Total revenues	<u>26,952</u>	<u>49,634</u>	<u>63,626</u>
Total funds available	<u>26,952</u>	<u>44,663</u>	<u>65,180</u>
EXPENDITURES			
General and administrative			
Accounting	3,837	20,000	22,000
Audit	-	-	10,000
County Treasurer's fee	257	109	909
Dues and membership	-	500	500
Election expense	-	-	2,000
Insurance and bonds	-	2,500	2,500
Legal services	27,829	20,000	22,000
Contingency	-	-	3,091
Total expenditures	<u>31,923</u>	<u>43,109</u>	<u>63,000</u>
Total expenditures and transfers out requiring appropriation	<u>31,923</u>	<u>43,109</u>	<u>63,000</u>
ENDING FUND BALANCE	<u>\$ (4,971)</u>	<u>\$ 1,554</u>	<u>\$ 2,180</u>
EMERGENCY RESERVE	<u>\$ 600</u>	<u>\$ 300</u>	<u>\$ 2,000</u>
TOTAL RESERVE	<u>\$ 600</u>	<u>\$ 300</u>	<u>\$ 2,000</u>

**EVAN'S PLACE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 2,168,242	\$ 1,712,775
REVENUES			
Property taxes	-	-	168,703
Specific ownership taxes	-	-	8,435
Interest income	242	-	1,500
Total revenues	<u>242</u>	<u>-</u>	<u>178,638</u>
TRANSFERS IN			
Transfers from other funds	<u>2,168,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>2,168,242</u>	<u>2,168,242</u>	<u>1,891,413</u>
EXPENDITURES			
Debt Service			
Bond interest senior bonds	-	455,467	448,000
County Treasurer's fee	-	-	2,531
Contingency	-	-	9,469
Total expenditures	<u>-</u>	<u>455,467</u>	<u>460,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>455,467</u>	<u>460,000</u>
ENDING FUND BALANCE	<u>\$ 2,168,242</u>	<u>\$ 1,712,775</u>	<u>\$ 1,431,413</u>
DEBT SERVICE SURPLUS RESERVE	\$ 824,242	\$ 824,000	\$ 990,880
CAPITALIZED INTEREST	1,344,000	888,533	440,533
TOTAL RESERVE	<u>\$ 2,168,242</u>	<u>\$ 1,712,533</u>	<u>\$ 1,431,413</u>

**EVAN'S PLACE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ (2,205)	\$ -
REVENUES			
Bond Issuance - Series 2020A(3)	8,960,000	-	-
Bond Premium - Series 2020A(3)	35,454	-	-
Developer advance	8,201,786	2,205	-
Interest income	530		
Total revenues	17,197,770	2,205	-
Total funds available	17,197,770	-	-
EXPENDITURES			
Repay developer advance	6,398,779	-	-
Capital outlay	8,201,786	-	-
Accounting	2,440		
Bond issue costs	425,624	-	-
Engineering	3,346		
Total expenditures	15,031,975	-	-
TRANSFERS OUT			
Transfers to other fund	2,168,000	-	-
Total expenditures and transfers out requiring appropriation	17,199,975	-	-
ENDING FUND BALANCE	\$ (2,205)	\$ -	\$ -

**EVAN'S PLACE METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Evan's Place Metropolitan District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was formed under a Service Plan approved by the Town of Keenesburg, Colorado and was organized by order and decree of the District Court for Weld County, Colorado, on November 21, 2019 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The primary purpose of the District will be to provide for the financing of public improvements, acquiring, completing, construction, equipping, completing, managing operating, providing and maintaining the public improvements and services needed to service the Evan's Place Development.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$13,150,000.

The District has no employees and all 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

Developer Advances

The District is in the development stage. As such, the administrative expenditures are anticipated to be funded by the Developer. Developer advances are recorded as revenue for budget purposes and may be repaid to the Developer from unpledged revenue in future years.

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 page of the budget using the adopted mill levy imposed by the District.

**EVAN'S PLACE METRO DISTRICT
2022 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 5% of the property taxes collected.

Expenditures

Administrative Expenditures

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 legal, accounting, managerial, insurance, and other administrative expenses.

County Treasurer's Fees

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

Debt service

Principal and interest payments in 2022 are provided based on the debt amortization schedule from the Series 2020A(3) Bonds (discussed under Debts and Leases).

Capital Outlay

The District does not anticipate capital expenditures in 2022.

Debt and Leases

Series 2020A(3) Bonds

The District issued Limited Tax General Obligation Bonds, Series 2020A(3), on November 25, 2020, in the par amount of \$8,960,000. Proceeds from the sale of the Bonds were used to: (i) reimburse the costs of constructing public improvements related to the Development; (ii) fund capitalized interest on the Bonds; (iii) fund an initial deposit to the Surplus Fund; and (iv) pay the costs of issuing the Bonds.

**EVAN'S PLACE METRO DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Details of the Bonds

The Bonds bear interest at the rate of 5.000%, payable semi-annually on June 1 and December 1, beginning on June 1, 2021. The Bonds were issued as two term bonds that have annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2026. The Bonds mature on December 1, 2050. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 1, 2060 (the "Discharge Date"). To the extent interest on any Bond is not paid when due, such interest shall compound semiannually on each interest payment date, at the rate then borne by the Bond. In the event that any amount of principal of or interest on the Bonds remains unpaid after the application of all Pledged Revenue available therefor on the Discharge Date, the Bonds shall be deemed discharged.

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means the moneys derived by the District from the following sources, net of any costs of collection and any property tax refunds or abatements authorized by or on behalf of the County: (a) all Property Tax Revenues; (b) all Specific Ownership Tax Revenues; and (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

"Property Tax Revenues" means all moneys derived from imposition by the District of the Required Mill Levy. Property Tax Revenues are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County and do not include Specific Ownership Tax Revenues.

"Specific Ownership Tax Revenues" means the specific ownership taxes remitted to the District as a result of imposition of the Required Mill Levy.

Bonds Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, upon payment of par, accrued interest, and a redemption premium of 3% and on any date thereafter, with a redemption premium declining 1% per year for the next two years and no redemption premium thereafter.

Required Mill Levy

Pursuant to the Indenture, the District has covenanted to impose a Required Mill Levy on all taxable property of the District each year in an amount necessary to generate Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds when due (less any amounts then on deposit in the Bond Fund and, solely to the extent provided in the Indenture, the Surplus Fund), but not in excess of 60.000 mills less the then applicable Permitted O&M Mill Levy (both mill levies are subject to adjustment for changes in the method of calculating assessed valuation that occur on or after January 1, 2020).

**EVAN'S PLACE METRO DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Required Mill Levy (continued)

For so long as the amount in the Surplus Fund is less than the Maximum Surplus Amount, the Required Mill Levy is to be 60.000 mills less the then applicable Permitted O&M Mill Levy (subject to adjustment), or such lesser amount that will generate Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Bonds when due and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Bond Fund and the Surplus Fund, will pay the Bonds in full in the year such levy is collected.

The maximum mill levy of 60 mills less the then applicable Permitted O&M Mill Levy (as adjusted) is to be reduced by the number of mills necessary to pay unlimited mill levy debt.

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

Debt Service Reserve (Surplus Fund)

Except for an initial deposit of \$824,000 from proceeds of the Bonds, the Surplus Fund will be funded from Pledged Revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of \$1,792,000. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Bonds are to be applied to payment of the Bonds. The availability of such amount is to be taken into account in calculating the Required Mill Levy to be imposed in the levy year prior to the year of the final maturity of the Bonds.

This information is an integral part of the accompanying budget.

EVAN'S PLACE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
MANDATORY REDEMPTION SCHEDULE
\$8,960,000 General Obligation
Limited Tax Bonds

Series 2020A(3), Dated November 25, 2020
Principal Due December 1
Interest at 5.0%
Payable June 1 and December 1

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 448,000	\$ 448,000
2023	-	448,000	448,000
2024	-	448,000	448,000
2025	-	448,000	448,000
2026	5,000	448,000	453,000
2027	5,000	447,750	452,750
2028	35,000	447,500	482,500
2029	40,000	445,750	485,750
2030	70,000	443,750	513,750
2031	75,000	440,250	515,250
2032	115,000	436,500	551,500
2033	120,000	430,750	550,750
2034	160,000	424,750	584,750
2035	170,000	416,750	586,750
2036	215,000	408,250	623,250
2037	225,000	397,500	622,500
2038	275,000	386,250	661,250
2039	290,000	372,500	662,500
2040	350,000	358,000	708,000
2041	365,000	340,500	705,500
2042	430,000	322,250	752,250
2043	450,000	300,750	750,750
2044	520,000	278,250	798,250
2045	545,000	252,250	797,250
2046	625,000	225,000	850,000
2047	655,000	193,750	848,750
2048	740,000	161,000	901,000
2049	780,000	124,000	904,000
2050	1,700,000	85,000	1,785,000
Total	\$8,960,000	\$10,379,000	\$19,339,000

No assurance provided. See summary of significant assumptions.