

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

PRELIMINARY DRAFT - SUBJECT TO REVISION

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

10/14/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 6/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	53,314	52,543	52,543	52,543	63,000
Specific ownership tax	3,310	4,203	1,972	4,203	5,040
Interest income	7	-	5	6	-
Total revenues	<u>56,631</u>	<u>56,746</u>	<u>54,520</u>	<u>56,752</u>	<u>68,040</u>
Total funds available	<u>56,631</u>	<u>56,746</u>	<u>54,520</u>	<u>56,752</u>	<u>68,040</u>
EXPENDITURES					
General and administrative					
County Treasurer's fees	2,632	2,627	2,627	2,627	3,150
Contingency	-	1,576	-	-	1,890
Intergovernmental expenditure - No. 1 Debt Service	28,344	24,196	23,896	24,925	25,500
Intergovernmental expenditure - No. 1 Operations	25,655	28,347	27,996	29,200	37,500
Total expenditures	<u>56,631</u>	<u>56,746</u>	<u>54,519</u>	<u>56,752</u>	<u>68,040</u>
Total expenditures and transfers out requiring appropriation	<u>56,631</u>	<u>56,746</u>	<u>54,519</u>	<u>56,752</u>	<u>68,040</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

10/14/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 6/30/2021	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION - Grand County					
Commercial	\$ 1,754,700	\$ 1,751,440	\$ 1,751,440	\$ 1,751,440	\$ 2,100,000
Certified Assessed Value	<u>\$ 1,754,700</u>	<u>\$ 1,751,440</u>	<u>\$ 1,751,440</u>	<u>\$ 1,751,440</u>	<u>\$ 2,100,000</u>
MILL LEVY					
General	15.747	16.185	16.185	16.185	17.857
Debt Service	14.253	13.815	13.815	13.815	12.143
Total mill levy	<u>30.000</u>	<u>30.000</u>	<u>30.000</u>	<u>30.000</u>	<u>30.000</u>
PROPERTY TAXES					
General	\$ 27,631	\$ 28,347	\$ 28,347	\$ 28,347	\$ 37,500
Debt Service	25,010	24,196	24,196	24,196	25,500
Levied property taxes	52,641	52,543	52,543	52,543	63,000
Adjustments to actual/rounding	673	-	-	-	-
Budgeted property taxes	<u>\$ 53,314</u>	<u>\$ 52,543</u>	<u>\$ 52,543</u>	<u>\$ 52,543</u>	<u>\$ 63,000</u>
BUDGETED PROPERTY TAXES					
General	\$ 27,985	\$ 28,347	\$ 28,347	\$ 28,347	\$ 37,500
Debt Service	25,329	24,196	24,196	24,196	25,500
	<u>\$ 53,314</u>	<u>\$ 52,543</u>	<u>\$ 52,543</u>	<u>\$ 52,543</u>	<u>\$ 63,000</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized by Court Order on May 17, 2006, to provide financing for the design, acquisition, installation, and construction of streets, traffic and safety controls, transportation, mosquito control, solid waste disposal, television relay and translation, security services, and covenant enforcement. The District's service area is located entirely within the Town of Winter Park (the "Town"), in Grand County, Colorado. Under the Consolidated Service Plan, the District is the Financing District and is related to The Village at Winter Park Resort Metropolitan District No. 1 (The Village No. 1) which serves as the Service District, and The Village at Winter Park Resort Metropolitan District No. 2 (The Village No. 2), which serves as another Financing District. The Financing Districts provide the funding for infrastructure improvements and the tax base needed to support ongoing operations of the Service District.

The relationship between the Service District and the Financing Districts was established by execution of a Master Intergovernmental Agreement (the "Master IGA") on November 17, 2006. The Master IGA provides for the Financing Districts to levy the taxes necessary to pay the Service District for the costs of the design, acquisition, installation and construction of certain public improvements identified in the Consolidated Service Plan. In exchange, the Service District will construct or cause the construction of the public improvements and provide for their operation and maintenance. Under the intergovernmental agreement, the Service District is also responsible for coordinating the funding and construction of public improvements for the District. The District will provide the primary revenue stream for any bonds or other obligations issued to fund the public improvements. Operations and administrative costs of the District are funded by the Service District pursuant to an intergovernmental agreement between the three Districts.

At its organizational election held on May 2, 2006, the voters approved general obligation indebtedness of \$50,000,000 for street improvements, \$50,000,000 for traffic and safety controls, \$50,000,000 for transportation, \$50,000,000 for mosquito control, \$50,000,000 for solid waste disposal, \$50,000,000 for television relay and translation, \$50,000,000 for security services, \$50,000,000 for refinancing of District debt, \$50,000,000 for developer reimbursement, and \$50,000,000 for general operations and maintenance. The voters also approved an annual tax increase of \$2,000,000 for general operations and maintenance. The District's Service Plan requires that the combined debt of the three Districts not exceed \$50,000,000. In order to exceed \$50,000,000 in total debt issuance among the Districts, the Districts would be required to submit an Amended Service Plan for approval by the Town Council.

As a condition of Service Plan approval, the District entered into an Intergovernmental Agreement with The Town of Winter Park, Colorado (the "Town"), The Village No. 1, and The Village No. 2 (Districts 1, 2, and 3 collectively the "Districts") on June 30, 2006. Under the provisions of this Intergovernmental Agreement, the Districts are authorized to construct certain public improvements set forth in the Consolidated Service Plan. The Town will determine to accept dedication of these improvements for operations and maintenance in accordance with Town ordinances and other requirements. In addition, the District's debt service mill levy cannot exceed 50.000 mills for any portion of the District's debt which exceeds 50% of the District's assessed valuation ("mill levy cap"). In the event the method of calculating assessed valuation is changed by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut or abatement, the mill levy cap may be increased or decreased to reflect such change. The mill levy cap does not apply to the District's mill levy for payment of operations and maintenance expenditures.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT BUDGET ASSUMPTIONS**

Services Provided (Continued)

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.

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

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Pursuant to the Service Plan, the District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2011, the adjusted maximum mill levy for debt service is 50.000 mills. In 2019, The Village No. 3 adjusted its mill levy cap to 55.664 mills for the change in residential assessment ratio from 7.20% to 7.15%.

For collection year 2021, the District adopted a mill levy of 30.000 for operations and debt service. The calculation is reflected on Property Tax Summary page of the Budget.

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 8% of the property taxes collected.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT BUDGET ASSUMPTIONS**

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 5% of property tax collections.

Intergovernmental Expenditure - No. 1

Pursuant to the Master IGA with The Village at Winter Park Resort Metropolitan District No. 1 (the Service District), the District is obligated to impose a mill levy, not to exceed 50.000 mills, subject to certain adjustments, and remit property taxes derived from such mill levy, together with a portion of specific ownership taxes applicable to property within the District.

On December 12, 2012, the District entered into a Capital Pledge Agreement in connection with the Service District entering into a loan agreement. The Capital Pledge Agreement requires the District and District No. 2 to impose a mill levy upon all taxable property of the Districts which shall be of an amount which, when combined with the Specific Ownership Tax Revenues, will produce ad valorem property tax revenue sufficient to pay the principal of and interest on the Loan as the same become due and payable, without limitation of rate and in amounts sufficient to make such payments when due.

Debt and Leases

The District has neither outstanding debt nor any operating or capital leases.

Reserve

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all Districts' operations costs, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.