

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 136,339	\$ 195,473	\$ 229,409
REVENUES			
Intergovernmental Revenue - District No. 2	197,022	237,387	226,111
Intergovernmental Revenue - District No. 3	53,985	64,364	61,605
Interest income	63	5,100	8,000
Loan proceeds	2,100,000	-	-
Total revenues	<u>2,351,070</u>	<u>306,851</u>	<u>295,716</u>
TRANSFERS IN	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Total funds available	<u>2,487,409</u>	<u>537,324</u>	<u>560,125</u>
EXPENDITURES			
General Fund	83,241	78,666	85,050
Debt Service Fund	2,208,695	194,249	163,300
Total expenditures	<u>2,291,936</u>	<u>272,915</u>	<u>248,350</u>
TRANSFERS OUT	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,291,936</u>	<u>307,915</u>	<u>283,350</u>
ENDING FUND BALANCES	<u>\$ 195,473</u>	<u>\$ 229,409</u>	<u>\$ 276,775</u>
EMERGENCY RESERVE	<u>\$ 4,100</u>	<u>\$ 4,500</u>	<u>\$ 5,400</u>
TOTAL RESERVE	<u>\$ 4,100</u>	<u>\$ 4,500</u>	<u>\$ 5,400</u>

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Commercial	\$ 227,580	\$ 289,830	\$ 289,830
State assessed	-	2,710	670
Certified Assessed Value	\$ 227,580	\$ 292,540	\$ 290,500
 MILL LEVY			
General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 127,312	\$ 179,542	\$ 214,344
REVENUES			
Interest income	53	4,000	6,000
Intergovernmental revenue - District No. 2	106,293	113,653	135,817
Intergovernmental revenue - District No. 3	29,125	30,815	37,004
Total revenues	135,471	148,468	178,821
Total funds available	262,783	328,010	393,165
EXPENDITURES			
General and administrative			
Accounting	27,290	25,000	28,750
Auditing	5,550	5,800	6,400
Dues and licenses	966	1,038	1,200
Insurance and bonds	7,918	7,167	8,100
Legal services	40,417	27,000	25,000
Election expense	-	7,561	5,000
Website	1,100	600	600
Contingency	-	4,500	10,000
Total expenditures	83,241	78,666	85,050
TRANSFERS OUT			
Transfers to other fund	-	35,000	35,000
Total expenditures and transfers out requiring appropriation	83,241	113,666	120,050
ENDING FUND BALANCE	\$ 179,542	\$ 214,344	\$ 273,115
EMERGENCY RESERVE	\$ 4,100	\$ 4,500	\$ 5,400
TOTAL RESERVE	\$ 4,100	\$ 4,500	\$ 5,400

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 9,027	\$ 15,931	\$ 15,065
REVENUES			
Interest income	10	1,100	2,000
Intergovernmental revenue - District No. 2	90,729	123,734	90,294
Intergovernmental revenue - District No. 3	24,860	33,549	24,601
Loan proceeds	2,100,000	-	-
Total revenues	2,215,599	158,383	116,895
TRANSFERS IN			
Transfers from other funds	-	35,000	35,000
Total funds available	2,224,626	209,314	166,960
EXPENDITURES			
Debt Service			
Bond interest - Series 2021	31,809	57,974	55,000
Bond principal - Series 2021	80,000	66,000	68,000
Bond principal - Supplemental	-	70,000	35,000
Payment to refunding escrow agent	1,951,373	-	-
Loan issue costs	145,390	-	-
Miscellaneous	123	275	300
Contingency	-	-	5,000
Total expenditures	2,208,695	194,249	163,300
Total expenditures and transfers out requiring appropriation	2,208,695	194,249	163,300
ENDING FUND BALANCE	\$ 15,931	\$ 15,065	\$ 3,660

No assurance provided. See summary of significant assumptions.

THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT BUDGET 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 Service District and is related to The Village at Winter Park Resort Metropolitan District No. 2 (The Village No. 2) and The Village at Winter Park Resort Metropolitan District No. 3 (The Village No. 3), which serves as the Financing Districts. The Service District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the Town. The Financing Districts provide the funding for infrastructure improvements and the tax base needed to support ongoing operations.

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 Districts. The Financing Districts will provide the primary revenue stream for any bonds or other obligations issued to fund the public improvements. Operations and administrative costs of the Districts 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. 2, and The Village No. 3 (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 mills for any portion of the District's debt which exceeds 50.00% of the District's assessed valuation ("Mill levy cap").

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT BUDGET ASSUMPTIONS**

Services Provided (continued)

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. In 2019, The Village No. 2 adjusted its mill levy cap to 55.664 mills for the change in the residential assessment ratio from 7.20% to 7.15%. The Mill levy cap does not apply to the District's mill levy for payment of operations and maintenance expenditures.

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

Net Investment Income

Interest earned on the District's available funds has been estimated based on prior year's interest earnings.

Intergovernmental Revenue

The District anticipates the collection of taxes in Districts Nos. 2 and 3, which will be transferred to fund operations and debt service of the District.

Pursuant to the Capital Pledge Agreements entered into with District No. 2 and District No. 3, the mill levy imposed upon all taxable property of the Districts 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.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT BUDGET ASSUMPTIONS**

Expenditures (Continued)

Debt Service

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Series 2021 Loan (discussed under Debt and Leases).

Debt and Leases

Series 2021 Loan

The District entered into a loan agreement with NBH Bank dated May 21, 2021, in the amount of \$2,100,000. Principal and interest payments are due June 1st and December 1st in varying amounts through December 1, 2041, with the interest rate of 2.87%. The District has the option to prepay the loan without penalty or premium. Prepayments can be made once a year in an amount of up to \$35,000 through December 1, 2025. Beginning on December 1, 2026, the District may prepay principal, in whole or in part, plus accrued and unpaid interest, without penalty.

The District may issue additional subordinate debt with the written consent of the Lender. The maximum mill levy imposed by Districts No. 2 and No. 3 for subordinate debt is 50 mills and the subordinate debt will be a cash flow obligation.

The District has no operating or capital leases.

Reserve Funds

The District has provided for an Emergency Reserve equal to at least 3.00% of fiscal year spending for District Nos. 2 and 3 as defined under TABOR.

This information is an integral part of the accompanying budget.

**THE VILLAGE AT WINTER PARK RESORT METROPOLITAN DISTRICT NO.1
DEBT SERVICE REQUIREMENTS TO MATURITY**

\$2,100,000 Tax-Free Loan Refunding Issue

Series 2021

Interest Rate: 2.87%

Date: May 21, 2021

Interest Payable June 1 and December 1

Principal Payable December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 103,000	\$ 54,071	\$ 157,071
2024	72,000	51,115	123,115
2025	74,000	49,048	123,048
2026	79,000	46,925	125,925
2027	81,000	44,657	125,657
2028	86,000	42,333	128,333
2029	88,000	39,864	127,864
2030	93,000	37,339	130,339
2031	96,000	34,670	130,670
2032	102,000	31,914	133,914
2033	104,000	28,987	132,987
2034	110,000	26,002	136,002
2035	113,000	22,845	135,845
2036	119,000	19,602	138,602
2037	123,000	16,187	139,187
2038	129,000	12,657	141,657
2039	133,000	8,954	141,954
2040	140,000	5,137	145,137
2041	39,000	1,119	40,119
	<u>\$ 1,884,000</u>	<u>\$ 573,426</u>	<u>\$ 2,457,426</u>

The District has the option to make additional principal payments in an amount of up to \$35,000 on December 1 of each year through 2025. Beginning December 1, 2026, the District may prepay principal, in whole or part, plus accrued and unpaid interest, without penalty.

No assurance provided. See summary of significant assumptions.