

EAST BEND METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

East Bend Metro District
Balance Sheet - Governmental Funds
September 30, 2023

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
Assets				
Checking Account	\$ 41,736.07	\$ -	\$ 97,732.62	\$ 139,468.69
UMB Bond Fund	-	-	27.44	27.44
Accounts Receivable	-	40,147.30	-	40,147.30
Due from Other Funds	5,352.06	-	-	5,352.06
Total Assets	<u>\$ 47,088.13</u>	<u>\$ 40,147.30</u>	<u>\$ 97,760.06</u>	<u>\$ 184,995.49</u>
Liabilities				
Accounts Payable	\$ 34,515.20	\$ 16,420.48	\$ -	\$ 50,935.68
Prepaid Assessments	-	14,667.86	-	14,667.86
Due to County Treasurer	3,803.37	-	11,427.93	15,231.30
Due to Other Funds	-	5,352.06	-	5,352.06
Total Liabilities	<u>38,318.57</u>	<u>36,440.40</u>	<u>11,427.93</u>	<u>86,186.90</u>
Fund Balances	<u>8,769.56</u>	<u>3,706.90</u>	<u>86,332.13</u>	<u>98,808.59</u>
Liabilities and Fund Balances	<u>\$ 47,088.13</u>	<u>\$ 40,147.30</u>	<u>\$ 97,760.06</u>	<u>\$ 184,995.49</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

East Bend Metro District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 27,309.00	\$ 23,460.27	\$ 3,848.73
ARI - Aurora Regional Improvement Tax	1,743.00	1,497.36	245.64
Specific ownership taxes	1,639.00	1,380.73	258.27
Total Revenue	<u>30,691.00</u>	<u>26,338.36</u>	<u>4,352.64</u>
Expenditures			
Accounting	25,000.00	23,397.10	1,602.90
Auditing	7,000.00	-	7,000.00
County Treasurer's fee	436.00	370.77	65.23
ARI Payment	1,717.00	-	1,717.00
Insurance	4,000.00	-	4,000.00
Legal	45,000.00	8,001.55	36,998.45
Miscellaneous	1,500.00	562.26	937.74
Election	2,000.00	2,052.82	(52.82)
Contingency	5,347.00	-	5,347.00
Total Expenditures	<u>92,000.00</u>	<u>34,384.50</u>	<u>57,615.50</u>
Other Financing Sources (Uses)			
Developer advance	62,000.00	25,000.00	37,000.00
Total Other Financing Sources (Uses)	<u>62,000.00</u>	<u>25,000.00</u>	<u>37,000.00</u>
Net Change in Fund Balances	691.00	16,953.86	(16,262.86)
Fund Balance - Beginning	500.00	(8,184.30)	8,684.30
Fund Balance - Ending	<u>\$ 1,191.00</u>	<u>\$ 8,769.56</u>	<u>\$ (7,578.56)</u>

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East Bend Metro District
Special Revenue Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Annual District Fees	\$ 154,008.00	\$ 95,371.22	\$ 58,636.78
Total Revenue	<u>154,008.00</u>	<u>95,371.22</u>	<u>58,636.78</u>
Expenditures			
Administration fees	5,520.00	-	5,520.00
District management	25,000.00	36,027.51	(11,027.51)
Billing	6,458.00	10,160.79	(3,702.79)
Covenant Enforcement	5,000.00	-	5,000.00
Legal - Covenant Control	5,000.00	-	5,000.00
Repairs and maintenance	10,500.00	4,706.30	5,793.70
Irrigation repairs	2,000.00	-	2,000.00
Locates	1,200.00	-	1,200.00
Plant material replacements	19,239.00	-	19,239.00
Landscape maintenance	20,000.00	777.60	19,222.40
Pest Control	500.00	-	500.00
Snow removal	8,940.00	7,796.25	1,143.75
Events	1,000.00	-	1,000.00
Mosquito control	500.00	-	500.00
Water	3,000.00	-	3,000.00
Winter watering	3,262.00	-	3,262.00
Electricity	840.00	-	840.00
Street sweeping	1,500.00	-	1,500.00
Storm drainage	500.00	-	500.00
Contingency	3,041.00	-	3,041.00
Total Expenditures	<u>123,000.00</u>	<u>59,468.45</u>	<u>63,531.55</u>
Net Change in Fund Balances	31,008.00	35,902.77	(4,894.77)
Fund Balance - Beginning	-	(32,195.87)	32,195.87
Fund Balance - Ending	<u>\$ 31,008.00</u>	<u>\$ 3,706.90</u>	<u>\$ 27,301.10</u>

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SUPPLEMENTARY INFORMATION

East Bend Metro District
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 87,171.00	\$ 74,885.79	\$ 12,285.21
Specific ownership taxes	5,230.00	4,405.85	824.15
Interest income	-	41.30	(41.30)
Total Revenue	<u>92,401.00</u>	<u>79,332.94</u>	<u>13,068.06</u>
Expenditures			
County Treasurer's fee	1,308.00	1,112.49	195.51
Miscellaneous	-	731.75	(731.75)
Paying agent fees	-	4,000.00	(4,000.00)
Bond interest	102,293.00	-	102,293.00
Bond issue costs	-	5,000.00	(5,000.00)
Total Expenditures	<u>103,601.00</u>	<u>10,844.24</u>	<u>92,756.76</u>
Net Change in Fund Balances	(11,200.00)	68,488.70	(79,688.70)
Fund Balance - Beginning	11,200.00	17,843.43	(6,643.43)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 86,332.13</u>	<u>\$ (86,332.13)</u>

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**EAST BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court on December 02, 2021 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

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 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 is displayed on the 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 6.00% of the property tax collected by the General Fund and the Debt Service Fund.

Operations & Maintenance Fees

To pay the costs of providing, operating, and maintaining certain District improvements, the District imposes an operation and maintenance fee of \$150 per month for each residential dwelling unit, to be increased 2% annually.

Developer Advance

The District is in the development stage. As such, the District's general and administrative expenditures will be mainly funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer.

**East Bend Metropolitan District
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative Expenditures

Administrative expenditures include the estimated costs of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Operations and Maintenance Expenditures

Operations and Maintenance Expenditures include the estimated costs of services related to landscaping, snow removal, repairs, utilities, and other related expenses.

Debt and Leases

On June 14, 2022, the District issued \$2,600,000 of Limited Tax General Obligation Bonds Series 2022 that bear interest at the rate of 6.50% per annum. The Bonds constitute senior "cash flow" limited tax general obligations of the District payable solely from into the extent of the Pledged Revenue, defined in the Indenture to mean the following: (a) the Required Mill Levy, net of the collection costs of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the County; (b) the portion of Specific Ownership Tax which is collected is collected as a result of imposition if the Required Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion to transfer to the Trustee for application as Pledged revenue.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserves

A reserve for emergencies has been provided for in accordance with the TABOR Amendment. Any remaining funds available are considered to be reserved for future operations and capital replacement.