

**Belle Creek Metropolitan District No. 1
City of Commerce City, Colorado**

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2020

Belle Creek Metropolitan District No. 1

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Belle Creek Metropolitan District No. 1
City of Commerce City, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Belle Creek Metropolitan District No. 1 (the District), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Belle Creek Metropolitan District No. 1, as of December 31, 2020, and the respective changes in financial position thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages i through iv be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiserv Focus Partners, LLC

Greenwood Village, Colorado
September 2, 2021

**Belle Creek Metropolitan District No. 1
Management Discussion and Analysis
December 31, 2020**

This management's discussion and analysis of the Belle Creek Metropolitan District No. 1 (the "District") financial statements provides an overview of the District's financial activities for the fiscal year ended December 31, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the District's overall financial and operational performance.

Overview of the Financial Statements

This annual report consists of three parts; 1) Management's discussion and analysis (this section), 2) the financial statements including the accompanying footnotes, and 3) the supplementary information. The financial statements include the government-wide financial statements, the fund financial statements, and the notes to financial statements, which provide information integral to the financial statements.

The government-wide financial statements report information about the District as a whole and are prepared using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenditures are taken into account regardless of when cash is received or paid. The Statement of Net Position presents information on the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as Net Position. The District currently has a negative net position as a result of capital items dedicated to other governmental entities, however, the District's combination of operating results, property tax revenues, and debt restructuring resulted in an improvement in the District's net position in 2020.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The District separates its operating results for financial purposes into General Fund, Debt Service Fund, and Capital Projects Fund activities.

General fund: The District manages the operations of the Belle Creek Family Center, maintains parks and public spaces throughout the Belle Creek community, and is responsible for architectural control and covenant compliance within the community. The largest source of operating funds for the District is from property taxes and specific ownership taxes. The District annually approves a mill levy that generates property taxes and related specific ownership taxes available for general fund uses. The District's other revenues included cost-sharing reimbursements pursuant to an agreement between the District and the Charter school, revenues from before and after care and preschool fees, user fees, and various other operating fees.

Debt Service Fund: The District's debt service fund revenues consist of property taxes and development fees. The District annually certifies a mill levy with Adams County that generates property tax revenues adequate to meet the annual debt service requirements of the District. In 2020, the District entered into a 2020 General Obligation Refunding Loan (Loan). The \$5,300,000 Loan satisfied all outstanding debt related to the 2011 bonds, paid \$2,500,000 of the Belle Creek, LLC Subordinate Note, and the costs of issuing the Loan. The remaining balance of \$256,999 on the Subordinate Note was forgiven. The District charges development fees for each new residence or business that is constructed in the community. These fees provided additional debt repayment capabilities.

Capital Projects Fund: The District's capital projects fund is used to record the acquisition of public infrastructure in the Belle Creek Community. The principal public infrastructure assets of the District include the Belle Creek Family Center and common area grounds and parks throughout the community. In the past, the District acquired streets, utilities and other public infrastructure through an agreement with the

Belle Creek community developer. That public infrastructure was dedicated to Commerce City and the South Adams County Water and Wastewater District. The District budgeted expenditures in 2020, but due to COVID-19 elected to defer projects to 2021.

Comparative Statements of Net Position as of December 31:

ASSETS	2020	2019
Current assets	\$ 544,716	\$ 409,659
Property taxes receivable in 2020	1,348,000	1,283,365
Capital assets, net	3,359,857	3,485,552
Total Assets	<u>5,252,573</u>	<u>5,178,576</u>
DEFERRED OUTFLOWS		
Deferred loss on refunding	-	19,618
LIABILITIES		
Current liabilities	58,635	82,100
Current portion of long-term liabilities	263,494	241,947
Long-term liabilities	5,068,658	5,744,685
Total Liabilities	<u>5,390,787</u>	<u>6,068,732</u>
DEFERRED INFLOWS		
Property tax revenues	<u>1,348,000</u>	<u>1,283,365</u>
NET POSITION		
Net investment in capital assets	(1,972,295)	(2,501,080)
Restricted	92,727	98,324
Unrestricted	393,354	248,853
Total Net Position	<u>\$ (1,486,214)</u>	<u>\$ (2,153,903)</u>

Changes in Net Position for the Years Ended:

	<u>2020</u>	<u>2019</u>
Program Revenue		
Charges of Services	\$ 93,340	\$ 293,710
Operating Grants and Contributions	-	-
Capital Grants and Contributions	-	-
Total Program Revenues	<u>93,340</u>	<u>293,710</u>
General Revenue		
Property Taxes	1,282,480	1,021,838
Specific Ownership Taxes	94,184	82,110
Conservation Trust Fund	8,189	9,090
Development Fees	22,000	291,500
Interest and Other Income	23,583	36,686
Total General Revenues	<u>1,430,436</u>	<u>1,441,224</u>
Forgiveness of Debt	256,999	-
Total Revenues	<u>\$ 1,780,775</u>	<u>\$ 1,734,934</u>
Expenses		
General Government	821,145	929,260
Interest and long-term debt and related costs	291,941	201,398
Total Expenses	<u>1,113,086</u>	<u>1,130,658</u>
Increase in Net Position	667,689	604,276
Net position, beginning of year	<u>(2,153,903)</u>	<u>(2,758,179)</u>
Net position, end of year	<u>\$ (1,486,214)</u>	<u>\$ (2,153,903)</u>

Financial Highlights

The Statement of Net Position reflects the District's year-end financial position. The District's positive operating results enabled it to increase operating reserves and continue with strong liquidity through 2020. Exclusive of property taxes to be received in 2021 and current payments on long-term debt, the District finished 2020 with current assets exceeding current liabilities by \$486,081, an increase of \$168,522 over 2019.

The District's net position increased by about \$668,000 as the District's revenues exceeded expenses.

The Statement of Revenues, Expenditures and Changes in Fund Balances (page 4) reflects the activities in the District's funds. The District evaluates its general fund operating expenses and sets the general fund mill levy to generate property taxes adequate to cover operating expenses. The District's 2020 operating revenues were \$871,048 and operating expenses were \$694,895, enabling the District to build operating reserves. The District's tax revenues are increasing with the on-going residential build-out in the community. The Board and management continue to emphasize operating efficiently.

The debt service fund had \$652,728 in revenues which allowed the District to pay interest expenses and to transfer \$556,941 to UMB Bank, N.A. to fund a portion of the paying agent escrow related to the debt refinancing. The District's assessed valuation continues to grow allowing for the District to generate the tax revenues necessary to meet its debt service obligations.

Supplemental Items

The District's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note 2* of the financial statements. The budget to actual comparison for the general fund is presented immediately prior to the financial statement footnotes and the budget to actual comparisons for the debt service and capital project funds are included in supplemental information.

Comparisons to Budget

The District's 2020 general fund operating revenues were slightly below budget as were the operating expenditures of the District. The COVID-19 shutdown at the end of Q1 dramatically impacted annual totals for revenues and expenditures. The District amended its 2020 debt service fund budget to account for the debt refinancing. The District elected to defer capital improvements in 2020 with larger projects scheduled for 2021.

Debt Requirements and Assessed Valuation

The supplemental items include details on the repayment schedule for the District's Series 2020 Refunding Loan and a schedule reflecting the District's history of assessed valuation. The District's assessed valuation has increased due to growth and County re-assessments of value. These increases improve the District's capability to generate revenues for the District.

Contacting the District's Financial Management

This financial report is designed to provide our residents, customers, taxpayers, and creditors with a general overview of the District's financials and to show the District's accountability for the income it receives. If you have any questions regarding this report or need additional financial information, please contact District management per the following:

Mulhern MRE, Inc., District Manager
Belle Creek Metropolitan Improvement District No. 1
188 Inverness Drive West, Suite 140
Englewood, CO 80112
Phone: (303) 649-9857

Belle Creek Metropolitan District No. 1
STATEMENT OF NET POSITION
December 31, 2020

	Governmental Activities
ASSETS	
Cash and investments	\$ 372,956
Cash and investments - Restricted	83,300
Receivable - County Treasurer	73,865
Accounts receivable	14,595
Property taxes receivable	1,348,000
Capital assets, not being depreciated	2,072,400
Capital assets, net	1,287,457
Total assets	5,252,573
 LIABILITIES	
Accounts payable	35,190
Accrued interest payable	23,445
Noncurrent liabilities:	
Due within one year	263,494
Due in more than one year	5,068,658
Total liabilities	5,390,787
 DEFERRED INFLOWS OF RESOURCES	
Property tax revenue	1,348,000
Total deferred inflows of resources	1,348,000
 NET POSITION	
Net investment in capital assets	(1,972,295)
Restricted for:	
Emergency reserves	26,200
Debt service	66,527
Unrestricted	393,354
Total net position	\$ (1,486,214)

The accompanying Notes to the Financial Statements are an integral part of these statements.

Belle Creek Metropolitan District No. 1

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital Grants</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
					<u>Governmental</u>
					<u>Activities</u>
Primary government					
General government	\$ (821,145)	\$ 93,340	\$ -	\$ -	\$ (727,805)
Interest on long-term debt and related costs	(291,941)	-	-	-	(291,941)
Total governmental activities	\$ (1,113,086)	\$ 93,340	\$ -	\$ -	(1,019,746)
General revenues:					
					1,282,480
					94,184
					8,189
					22,000
					16,086
					7,497
Special item:					
					256,999
					<u>1,687,435</u>
					Change in net position
					667,689
					(2,153,903)
					<u>\$ (1,486,214)</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

Belle Creek Metropolitan District No. 1

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2020

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 372,956	\$ -	\$ 372,956
Cash and investments - Restricted	26,200	57,100	83,300
Receivable - County Treasurer	40,993	32,872	73,865
Accounts receivable	14,595	-	14,595
Property taxes receivable	950,000	398,000	1,348,000
Total assets	<u>\$ 1,404,744</u>	<u>\$ 487,972</u>	<u>\$ 1,892,716</u>
LIABILITIES			
Accounts payable	35,190	-	35,190
Total liabilities	<u>35,190</u>	<u>-</u>	<u>35,190</u>
DEFERRED INFLOWS OF RESOURCES			
Property tax revenue	950,000	398,000	1,348,000
Total deferred inflows of resources	<u>950,000</u>	<u>398,000</u>	<u>1,348,000</u>
FUND BALANCES			
Restricted for:			
Emergencies	26,200	-	26,200
Debt service	-	89,972	89,972
Unassigned	393,354	-	393,354
Total fund balances	<u>419,554</u>	<u>89,972</u>	<u>509,526</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 1,404,744</u>	 <u>\$ 487,972</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 3,359,857

Long-term liabilities, including loans payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.

Loan payable	(5,300,000)
Lease payable	(32,152)
Accrued interest payable	(23,445)
Net position of governmental activities	<u>\$ (1,486,214)</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

Belle Creek Metropolitan District No. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Property taxes	\$ 651,752	\$ 630,728	\$ 1,282,480
Specific ownership taxes	94,184	-	94,184
Early Learning Center fees	42,153	-	42,153
Charter School fees	44,674	-	44,674
Family Center user fees	6,513	-	6,513
Conservation trust fund	8,189	-	8,189
Development fees	-	22,000	22,000
Investment earnings	7,497	-	7,497
Collections revenue	4,513	-	4,513
Transfer fees, fines & other income	11,573	-	11,573
Total revenues	<u>871,048</u>	<u>652,728</u>	<u>1,523,776</u>
Expenditures			
General			
Family Center operations	208,123	-	208,123
Family Center management	147,340	-	147,340
Early Learning Center staffing and overhead	13,509	-	13,509
Landscape contract	60,752	-	60,752
Landscape water	87,872	-	87,872
Common area maintenance	8,231	-	8,231
District management	48,000	-	48,000
Accounting	30,000	-	30,000
Legal - general	20,509	-	20,509
Legal - covenant control	628	-	628
Covenant control	22,285	-	22,285
Directors fees	2,800	-	2,800
Insurance	5,885	-	5,885
Audit	5,000	-	5,000
Payroll taxes	19,033	-	19,033
Other administrative expenses	5,671	-	5,671
County treasurer fees	9,812	9,496	19,308
Debt service			
Bond interest	-	91,940	91,940
Loan issuance costs	-	87,900	87,900
Lease interest	-	2,009	2,009
Lease principal	-	8,046	8,046
Note repayment	-	2,500,000	2,500,000
Paying agent fees	-	350	350
Total expenditures	<u>695,450</u>	<u>2,699,741</u>	<u>3,395,191</u>
Excess of revenues over (under) expenditures	<u>175,598</u>	<u>(2,047,013)</u>	<u>(1,871,415)</u>
Other financing sources (uses)			
Loan proceeds	-	5,300,000	5,300,000
Payment to refunding escrow	-	(3,261,941)	(3,261,941)
Operating transfers in (out)	(28,002)	28,002	-
Total other financing sources and (uses)	<u>(28,002)</u>	<u>2,066,061</u>	<u>2,038,059</u>
Net change in fund balances	147,596	19,048	166,644
Fund balances - beginning	271,958	70,924	342,882
Fund balances - ending	<u>\$ 419,554</u>	<u>\$ 89,972</u>	<u>\$ 509,526</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

Belle Creek Metropolitan District No. 1

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2020

Net change in fund balances - governmental funds: \$ 166,644

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of depreciation in the current period.

Depreciation expense (125,695)

The issuance of long-term debt (e.g., bond, leases) provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Subordinate note principal payment	2,500,000
Loan proceeds	(5,300,000)
Lease principal payments	8,046
Forgiveness of debt	256,999
Principal portion of refunding escrow payment	3,170,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued bond interest payable - Change in liability	15,323
Accrued loan interest payable - Change in liability	(23,445)
Amortization of loss on refunding	(19,618)
Amortization of bond premium	19,435

Change in net position of governmental activities \$ 667,689

Belle Creek Metropolitan District No. 1

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND**

For the Year Ended December 31, 2020

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Property taxes	\$ 652,000	\$ 651,752	\$ (248)
Specific ownership taxes	80,000	94,184	14,184
Early Learning Center fees	217,000	42,153	(174,847)
Charter School fees	47,000	44,674	(2,326)
Family Center user fees	36,000	6,513	(29,487)
Conservation trust fund	9,000	8,189	(811)
Investment earnings	25,000	7,497	(17,503)
Collections revenue	5,000	4,513	(487)
Transfer fees, fines & other Income	1,000	11,573	10,573
Total revenues	<u>1,072,000</u>	<u>871,048</u>	<u>(200,952)</u>
EXPENDITURES			
Family Center operations	233,200	208,123	25,077
Family Center management	191,000	147,340	43,660
Early Learning Center contracted staffing and overhead	112,000	13,509	98,491
Landscape contract	67,000	60,752	6,248
Landscape water	75,000	87,872	(12,872)
Landscape maintenance	20,000	-	20,000
Common area maintenance	13,000	8,231	4,769
District management	48,000	48,000	-
Accounting	30,000	30,000	-
Legal - general	18,000	20,509	(2,509)
Legal - covenant control	25,000	628	24,372
Covenant control	24,000	22,285	1,715
Election fees	20,000		
Directors fees	9,000	2,800	6,200
Insurance	5,650	5,885	(235)
Payroll taxes	-	19,033	(19,033)
Audit	5,200	5,000	200
Other administrative expenses	4,000	5,671	(1,671)
County Treasurers fees	10,000	9,812	188
Contingency	30,000	-	30,000
Total expenditures	<u>940,050</u>	<u>695,450</u>	<u>224,600</u>
Excess of revenues over expenditures	<u>131,950</u>	<u>175,598</u>	<u>23,648</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers (out)	<u>(209,642)</u>	<u>(28,002)</u>	<u>181,640</u>
Total other financing sources (uses)	<u>(209,642)</u>	<u>(28,002)</u>	<u>181,640</u>
Net change in fund balances	<u>(77,692)</u>	<u>147,596</u>	<u>205,288</u>
Fund balances - beginning	<u>270,188</u>	<u>271,958</u>	<u>1,770</u>
Fund balances - ending	<u>\$ 192,496</u>	<u>\$ 419,554</u>	<u>\$ 227,058</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

Belle Creek Metropolitan District No. 1

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

Note 1 – Definition of Reporting Entity

Belle Creek Metropolitan District No. 1 (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado organized on May 24, 2000. The District was organized to finance and construct certain public infrastructure improvements that benefit the citizens of the District. The District's primary revenues are from property taxes and development fees. The District is governed by an elected Board of Directors.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

As of December 31, 2020 no component unit has been identified as reportable to the District, nor is the District a component unit of any other primary governmental entity.

Note 2 – Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements.

The statement of net position reports all financial resources of the District. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources of the District is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. Property taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenue items are considered to be measurable and available only when the District receives the cash.

The District reports the following major governmental funds:

The general fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The capital project fund is used to account for financial resources to be used for the acquisition and construction of capital facilities and other assets. The District budgeted expenditures in 2020, but due to COVID-19 deferred projects to 2021.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

D. Budgetary Information

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its budget in the Debt Service fund during 2020.

E. Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility.

F. 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 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable using the straight-line method. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Parks and certain landscaping improvements are not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Building	30 years
Furniture /equipment	10 years
Computers	3 years

H. Loss on Bond Refunding

In the government-wide financial statements, the deferred cost of the bond refunding is being amortized using the interest method over the life of the defeased bonds. The amortization is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources. During 2020, the cost of bond refunding was fully amortized.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

J. Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

Note 3 – Cash and Investments

Cash and investments as of December 31, 2020 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 372,956
Cash and investments-Restricted	83,300
Total cash and investments	<u>\$ 456,256</u>

Cash and investments as of December 31, 2020 consist of the following:

Deposits with financial institutions	\$ 329,353
Investments	126,903
Total cash and investments	<u>\$ 456,256</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2020, the District's cash deposits had a bank balance of \$330,200 and a carrying balance of \$329,353.

Investments

The District has not adopted a formal investment policy; however the District follows state statutes regarding investments.

The District generally limits its investment to those which are believed to have minimal interest rate risk and no foreign currency risk. Additionally, the district is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Fair Value Measurement and Application

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

As of December 31, 2020, the District had the following investment:

Investment	Amount
Colorado Liquid Asset Trust (Colotrust)	\$ 126,903
Total investments	<u>\$ 126,903</u>

Colotrust

During 2020, the District invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust offers shares in two portfolios, Colotrust Prime and Colotrust Plus. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. Colotrust Plus may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. Colotrust is rated AAAM by Standard and Poor's. There are no

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2020, follows:

	Balance at December 31, 2019	Additions	Deletions	Balance at December 31, 2020
Capital assets, not being depreciated				
Park and landscaping	\$ 2,072,400	\$ -	\$ -	\$ 2,072,400
Total capital assets, not being depreciated	<u>2,072,400</u>	<u>-</u>	<u>-</u>	<u>2,072,400</u>
Capital assets being depreciated				
Family Center	3,696,640	-	-	3,696,640
Total capital assets being depreciated	<u>3,696,640</u>	<u>-</u>	<u>-</u>	<u>3,696,640</u>
Less accumulated depreciation	<u>(2,283,488)</u>	<u>(125,695)</u>	<u>-</u>	<u>(2,409,183)</u>
Total accumulated depreciation	<u>(2,283,488)</u>	<u>(125,695)</u>	<u>-</u>	<u>(2,409,183)</u>
Total capital assets being depreciated, net	<u>1,413,152</u>	<u>(125,695)</u>	<u>-</u>	<u>1,287,457</u>
Capital assets, net	<u>\$ 3,485,552</u>	<u>\$ (125,695)</u>	<u>\$ -</u>	<u>\$ 3,359,857</u>

Depreciation expense was charged to general government for the year ended December 31, 2020, in the amount of \$125,695.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

Note 5 – Long-Term Debt

Changes in long-term debt for the year ended December 31, 2020 are summarized as follows:

	Balance at December 31, 2019	Additions	Reductions	Balance at December 31, 2020	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation					
Bonds - Series 2011	\$ 3,170,000	\$ -	\$ 3,170,000	\$ -	\$ -
Subordinate Cash Flow Note	2,756,999	-	2,756,999	-	-
Subtotal Bonds Payable	<u>5,926,999</u>	<u>-</u>	<u>5,926,999</u>	<u>-</u>	<u>-</u>
Direct Borrowings/Direct Placement:					
General Obligation					
Loan - Series 2020	-	5,300,000	-	5,300,000	255,000
Capital lease	40,198	-	8,046	32,152	8,494
Subtotal Direct Borrowing/ Direct Placement	<u>40,198</u>	<u>5,300,000</u>	<u>8,046</u>	<u>5,332,152</u>	<u>263,494</u>
Bond premium	19,435	-	19,435	-	-
Total Long-Term Obligations	<u>\$ 5,986,632</u>	<u>\$ 5,300,000</u>	<u>\$ 5,954,480</u>	<u>\$ 5,332,152</u>	<u>\$ 263,494</u>

A. \$5,300,000 2020 General Obligation Refunding Loan

On October 1, 2020, the District entered into the 2020 General Obligation Refunding Loan (Loan) with a Lender to restructure its outstanding debt by (i) paying at maturity or calling for prior redemption on December 1, 2020, all of the currently outstanding 2011 Bonds, (ii) paying and discharging the Subordinate Note, and (iii) paying the costs of obtaining the Loan. The interest on the loan is payable annually on October 1, commencing October 1, 2021. The loan matures on October 1, 2032 and bears interest at a fixed rate of 1.75%.

The Loan is secured by and payable from ad valorem taxes which may be levied without limitation as to rate in an amount sufficient to pay the principal and interest on the Loan each year. The loan is prepayable prior to October 1, 2027, but would be subject to prepayment fees as established in the loan agreement. The Loan is subject to prepayment at the option of the District on October 1, 2027, or any date thereafter, at a redemption price equal to the principal amount of the loan redeemed plus accrued interest at the redemption rate without prepayment fees.

The District's outstanding Loan from direct borrowings and direct placements related to governmental activities of \$5,300,000 contain a provision regarding certain events of default, for which acceleration is not a remedy. Events of default occur if (a) the District fails to pay or cause to be paid when due any principal or interest; (b) fails or

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

refuses to impose the required mill levy or remit the pledged revenue to the Lender; (c) and other customary terms and conditions consistent with municipal financings.

B. \$4,440,000 General Obligation Refunding Bonds – Series 2011

On March 10, 2011, the District issued \$4,440,000 of General Obligation Refunding Bonds – Series 2011 (“Series 2011 Bonds”). The Series 2011 Bonds consist of \$4,350,000 of current interest bonds and \$90,000 of capital appreciation bonds. The Series 2011 Bonds were issued for the purposes of refunding the outstanding Series 2000 Limited Tax General Obligation Bonds and to pay the cost of the issuance of the bonds. The interest on the current interest bonds is payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2011. The bonds mature through 2030 and pay coupon rates ranging from 4.00% to 6.00% depending on maturity. The capital appreciation bonds matured in 2013 and 2014. The District received a premium of \$238,522 and incurred a loss on the bond refunding of \$240,769, both of which are being amortized over the life of the defeased bonds.

The Series 2011 Bonds are secured by and payable from ad valorem taxes which may be levied without limitation of rate. The bonds are also secured by a Reserve Fund with an initial balance of \$50,000. The current bonds maturing on or after December 1, 2021 are subject to redemption prior to maturity at a redemption price equal to the principal amount plus accrued interest without redemption premium. On October 1, 2020 the District defeased the Series 2011 Bonds with the issuance of the Loan.

C. \$5,000,000 Subordinate Cash Flow Note

On October 17, 2016, the District passed a resolution authorizing the issuance of a Subordinate Cash Flow Note (“Note”) payable to Belle Creek, LLC (“Developer”) with a maximum payment amount of \$5,000,000. The termination date for the Note is December 1, 2050, and the Note bears interest at a rate of 0% per annum. The Note was issued for the purpose of reimbursing the Developer for a portion equal to \$5,000,000 of the costs of certain public improvements previously constructed. The Note is payable solely out of a special account designated as the “Subordinate Cash Flow Account” into which the District agrees to deposit after November 30 of each year any development fees and property tax revenues from a minimum debt service mill levy of 39.9 mills in excess of the principal and interest payments on the Series 2011 Bonds. The Developer approved a temporary mill levy reduction from 39.9 mills to 30 mills in 2019 for collection in 2020. On June 3, 2016 the District received a letter from an independent engineer who certified previously constructed public improvements for an estimated total of \$6,555,845. In 2016, the District accepted costs of \$5,000,000 consisting of \$4,128,629 and \$871,371 for street improvements and sanitary and storm sewer improvements respectively. The District paid the Developer \$2,500,000, and the Developer agreed to forgive \$256,999 with the issuance of the Loan on October 1, 2020.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

C. Debt Authorization

As of December 31, 2020, the District has no authorized debt.

D. Debt Maturities

Debt maturities for the next five years and to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 255,000	\$ 92,750	\$ 347,750
2022	260,000	88,288	348,288
2023	440,000	83,738	523,738
2024	450,000	76,038	526,038
2025	460,000	68,163	528,163
2026-2030	2,410,000	217,702	2,627,702
2031-2032	1,025,000	26,951	1,051,951
Total	<u>\$ 5,300,000</u>	<u>\$ 653,630</u>	<u>\$ 5,953,630</u>

E. Capital Leases

On June 17, 2019 the District entered into a capital lease agreement with KS State Bank for \$35,682 for LED lighting equipment at an interest rate of 5.606%. The lease is payable in 60 monthly payments of \$683.32 starting August 17, 2019.

On June 17, 2019 the District entered into a capital lease agreement with KS State Bank for \$7,756 for additional LED lighting equipment at an interest rate of 5.402%. The lease is payable in 57 monthly payments of \$154.64 starting November 17, 2019.

The District has committed to various covenants for the lease of LED lighting equipment that must be met to avoid an event of default. The most significant covenant is the timely payment of principal and interest per the terms of the lease. In the event of default, the lessor has the option to take one or any combination of the following remedial steps: (i) declare all payments and other amounts payable to the end of the current budget year to be immediately due and payable; (ii) return equipment and pay the remaining amounts payable until the end of the then current original term or renewal term; (iii) any legal action to require the District to cure such default.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

F. Capital Lease Maturities

Capital lease maturities for the next five years and to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 8,494	\$ 1,562	\$ 10,057
2022	8,966	1,091	10,057
2023	9,464	592	10,057
2024	5,762	104	5,867
	<u>\$ 32,687</u>	<u>\$ 3,350</u>	<u>\$ 36,036</u>

Note 6 – Net Position

The District's net position consists of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2020, the District had net investment in capital assets calculated as follows:

	<u>Governmental Activities</u>
Net investment in capital assets:	
Capital assets, net	\$ 3,359,857
Current portion of long-term debt	(263,494)
Long-term debt due in more than one year	<u>(5,068,658)</u>
Net investment in capital assets	<u>\$ (1,972,295)</u>

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2020:

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

	<u>Governmental Activities</u>
Restricted net position:	
Emergency reserve	\$ 26,200
Debt service	66,527
Total restricted net position	<u>\$ 92,727</u>

As of December 31, 2020, the District has a deficit unrestricted net position of (\$1,486,214).

Note 7 – Development Fee

On December 9, 2013, the District amended and restated the Resolution of Belle Creek Metropolitan District No. 1 Regarding the Imposition of a Facilities Development Fee (“Development Fee”). The Development Fee is a one-time fee imposed on all property within the District to fund the construction of improvements and payment of bonds issued by the District. For the year ended December 31, 2020, the District collected \$22,000 in Development Fees.

Note 8 – Intergovernmental Agreement

On October 14, 2002, the District entered into shared use agreements with the Belle Creek Education Center and the Belle Creek Charter School concerning the use of space at the Family Center. Per the agreements, the parties agree to reimburse the District for their share of operation and maintenance expenses.

Note 9 – Management Agreement

On July 21, 2014, the District entered into a management agreement with YMCA of Metropolitan Denver (the “YMCA”), The YMCA is responsible for the management and operation of all areas of the Family Center, its programs and services. On February 8, 2016, the District entered into a First Amendment to Management Agreement to include certain child care services to residents and non-residents, which were not previously provided by the YMCA. On December 4, 2017 the District entered into a Second Amendment to Management Agreement to amend the management fee paid by the District to the YMCA for the services provided per the agreement. On January 8, 2019 the District entered into a Third Amendment to Management Agreement to amend the scope of services and the management fee related to the provided services. The management agreement was terminated on February 29, 2020.

Note 10 – Interfund Transfers

The transfer from the General Fund to the Debt Service Fund was to support expenditures.

Belle Creek Metropolitan District No. 1

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2020

Note 11 – Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (“Pool”). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials’ liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials’ liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 12 - Tax, Spending and Debt Limitation

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer’s Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary and benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

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SUPPLEMENTAL INFORMATION

Belle Creek Metropolitan District No. 1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	\$ 631,000	\$ 631,000	\$ 630,728	\$ (272)
Development fees	38,500	38,500	22,000	(16,500)
Total revenues	<u>669,500</u>	<u>669,500</u>	<u>652,728</u>	<u>(16,772)</u>
EXPENDITURES				
Paying agent fees	200	200	350	(150)
Treasurer's fees	9,465	9,465	9,496	(31)
Lease interest	-	-	2,009	(2,009)
Lease principal	-	-	8,046	(8,046)
Bond interest	183,881	183,881	91,940	91,941
Bond principal	215,000	215,000	-	215,000
Loan issuance costs	-	150,000	87,900	62,100
Note repayment	261,000	2,500,000	2,500,000	-
Contingency	2,000	2,000	-	2,000
Total expenditures	<u>671,546</u>	<u>3,060,546</u>	<u>2,699,741</u>	<u>360,805</u>
Excess of expenditures over (under) revenues	(2,046)	(2,391,046)	(2,047,013)	344,033
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	5,350,000	5,300,000	(50,000)
Payment to refunding escrow	-	(2,955,000)	(3,261,941)	(306,941)
Operating transfers in	-	-	28,002	28,002
Total other financing sources (uses)	<u>-</u>	<u>2,395,000</u>	<u>2,066,061</u>	<u>(328,939)</u>
Net change in fund balances	<u>(2,046)</u>	<u>3,954</u>	<u>19,048</u>	<u>15,094</u>
Fund balances - beginning	<u>52,850</u>	<u>53,850</u>	<u>70,924</u>	<u>17,074</u>
Fund balances - ending	<u>\$ 50,804</u>	<u>\$ 57,804</u>	<u>\$ 89,972</u>	<u>\$ 32,168</u>

Belle Creek Metropolitan District No. 1

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Year Ended December 31, 2020

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Family Center	150,000	-	150,000
Fitness equipment	10,000	-	10,000
Sound wall repairs	10,000	-	10,000
Sidewalks	5,000	-	5,000
Alley repairs	10,000	-	10,000
Landscaping	5,000	-	5,000
Lighting	9,642	-	9,642
Contingency	10,000	-	10,000
Total expenditures	<u>209,642</u>	<u>-</u>	<u>209,642</u>
Excess of expenditures over (under) revenues	(209,642)	-	209,642
OTHER FINANCING SOURCES (USES)			
Operating transfers in	209,642	-	(209,642)
Total other financing sources (uses)	<u>209,642</u>	<u>-</u>	<u>(209,642)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Belle Creek Metropolitan District No. 1

DEBT SERVICE REQUIREMENTS TO MATURITY

December 31, 2020

\$5,300,000
 General Obligation
 Refunding Loan, Series 2020
 Dated October 1, 2020
 Interest Rate 1.75%
 Interest Payable on October 1
 Principal Due October 1

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2021	\$ 255,000	\$ 92,750	\$ 347,750
2022	260,000	88,288	348,288
2023	440,000	83,738	523,738
2024	450,000	76,038	526,038
2025	460,000	68,163	528,163
2026	465,000	60,113	525,113
2027	475,000	51,975	526,975
2028	480,000	43,663	523,663
2029	490,000	35,263	525,263
2030	500,000	26,688	526,688
2031	510,000	17,938	527,938
2032	515,000	9,013	524,013
Total	\$ 5,300,000	\$ 653,630	\$ 5,953,630

Belle Creek Metropolitan District No. 1

**SUMMARY OF ASSESSED VALUATION,
MILL LEVY, AND PROPERTY TAXES COLLECTED**

December 31, 2020

Year ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2001	\$ 263,120	8.000	39.900	\$ 12,603	\$ 12,603	100.00%
2002	\$ 674,670	8.000	39.900	\$ 32,316	\$ 32,317	100.00%
2003	\$ 2,706,620	8.000	39.900	\$ 129,647	\$ 127,632	98.45%
2004	\$ 6,209,350	8.000	39.900	\$ 297,428	\$ 295,550	99.37%
2005	\$ 8,195,630	8.000	39.900	\$ 392,571	\$ 392,544	99.99%
2006	\$ 9,339,590	8.000	39.900	\$ 447,367	\$ 442,158	98.84%
2007	\$ 9,577,150	8.000	39.900	\$ 458,745	\$ 461,773	100.66%
2008	\$ 9,736,890	8.000	39.900	\$ 466,397	\$ 463,311	99.34%
2009	\$ 9,686,370	30.000	39.900	\$ 677,077	\$ 675,784	99.81%
2010	\$ 8,575,710	33.000	39.900	\$ 625,169	\$ 622,586	99.59%
2011	\$ 8,897,060	34.000	39.900	\$ 657,493	\$ 652,221	99.20%
2012	\$ 8,610,900	35.000	39.900	\$ 644,957	\$ 658,260	102.06%
2013	\$ 8,720,590	35.000	39.900	\$ 653,173	\$ 653,171	100.00%
2014	\$ 9,579,320	35.000	39.900	\$ 717,491	\$ 717,491	100.00%
2015	\$ 10,086,180	35.000	39.900	\$ 755,455	\$ 755,456	100.00%
2016	\$ 11,394,510	35.000	39.900	\$ 853,449	\$ 853,331	99.99%
2017	\$ 11,773,070	35.000	39.900	\$ 881,803	\$ 896,966	101.72%
2018	\$ 14,776,390	29.000	33.500	\$ 922,899	\$ 921,769	99.88%
2019	\$ 15,806,880	31.000	33.500	\$ 1,019,543	\$ 1,021,838	100.23%
2020	\$ 21,038,760	31.000	30.000	\$ 1,283,365	\$ 1,282,480	99.93%
Estimated for calendar year ending December 31, 2021	\$ 22,112,790	43.000	18.000	\$ 1,348,880		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied and /or abatements from valuations in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.