

**SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)**

**BASIC FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2020 and 2019**

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Sheridan Redevelopment Agency  
Sheridan, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sheridan Redevelopment Agency (SRA), a component unit of the City of Sheridan, Colorado as of and for the year ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the SRA'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.

### ***Auditors' 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 of 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 auditors' 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 the Sheridan Redevelopment Agency, as of December 31, 2020 and 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

As discussed in Note 11 to the financial statements, an adjustment was made to the beginning net position balance of governmental activities to correct errors in the prior year financial statements due to accrued interest on long-term debt. Our opinions were not modified with respect to the restatement.

### ***Other-Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents 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 the required supplementary information 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 any 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 SRA's basic financial statements. The individual major fund schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The individual major fund schedule 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. Such 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.

The SEC Rule 15c2-12 Schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*The Adams Group, LLC*

July 7, 2021  
Denver, Colorado

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
MANAGEMENT'S DISCUSSION & ANALYSIS

This discussion and analysis of the Sheridan Redevelopment Agency's (Agency) financial performance provides an overview of the financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the Agency's financial statements. This report also contains other supplementary information in addition to the basic statements themselves.

### **Financial Highlights**

- The liabilities and deferred inflows of resources of the Agency exceeded its assets and deferred outflows of resources at the close of 2020 by \$121,980,628. This deficit of net position is largely due to the refunding and defeasance of Tax Increment Revenue Bonds that were used to support the River Point redevelopment project and the reissuance costs for these bonds. However, the refunding provides for a developer guarantee to the bondholders that the debt service will be covered. The developer, Weingarten Realty Investments, Inc. (WRI) is a strong financial partner to the Agency. WRI was established in 1905 and owns 44.5 million square feet of property worth more than \$4.7 billion. Over time, the Bonds will be repaid through incremental revenues: property tax, sales tax, and public improvement fee (PIF) revenues.
- At December 31, 2020, the Agency's governmental funds reported a combined ending fund balance of \$11,262,555. This combined fund balance includes \$10,487,192 of Debt Service Fund balance, and \$775,363 of General Fund balance.
- The unassigned fund balance for the General Fund of \$759,168 is 54.2% of the total General Fund expenditures.
- Sales Tax revenues and PIF revenue combined, the Agency's largest sources of revenue, were \$8,990,115 for 2020 as compared to \$8,707,695 for the prior year, an increase of 3.24%, resulting from additional retailers coming into the River Point project and increases in retail sales.

### **Using this Annual Report**

This discussion and analysis is intended to serve as an introduction to the Sheridan Redevelopment Agency's basic financial statements. The Agency's basic financial statement comprises three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

#### **Government-wide Financial Statement**

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the Agency's assets, deferred outflows of resources, liabilities, and deferred inflow of resources with the difference between the two reported as *net position*.

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MANAGEMENT'S DISCUSSION & ANALYSIS

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The **statement of activities** reflects how the Agency's net position changes 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. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Agency that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the Agency include general government.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Agency are governmental funds.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of the funds – general fund and debt service fund – both of which are considered to be major funds.

The Agency adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for this fund in the required supplemental information to demonstrate compliance with this budget.

SHERIDAN REDEVELOPMENT AGENCY  
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MANAGEMENT'S DISCUSSION & ANALYSIS

The basic governmental fund financial statements can be found on pages 3 - 6 of this report. The Agency's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending. The funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view to cash, the governmental fund operations, and the basic services it provides.

**Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7 - 22 of this report.

**Required and Other Supplementary Information**

The report includes individual fund schedules. As required, a budgetary comparison statement has been provided in this section for the General Fund, found on page 23. In addition, a budgetary comparison statement has been provided for the Debt Service Fund to demonstrate compliance with that budget, which is found on page 24 of this report.

**Financial Analysis of the Agency as a Whole**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$121,980,628 at the close of 2020.

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**MANAGEMENT'S DISCUSSION & ANALYSIS**

Sheridan Redevelopment Agency  
Condensed Statement of Net Position  
December 31,

	Governmental Activities	
	2020	2019*
<b>Assets</b>		
Current and other assets	\$ 14,500,813	\$ 14,611,464
Total Assets	<u>14,500,813</u>	<u>14,611,464</u>
<b>Deferred Outflows of Resources</b>		
Deferred loss on refunding	4,645,482	5,170,990
Derivative instruments	10,828,290	9,235,433
Total Deferred Outflows of Resources	<u>15,473,772</u>	<u>14,406,423</u>
<b>Liabilities</b>		
Current liabilities	350,559	16,947,709
Noncurrent liabilities	148,532,738	132,513,324
Total Liabilities	<u>148,883,297</u>	<u>149,461,033</u>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	3,071,916	3,033,522
Total Deferred Inflows of Resources	<u>3,071,916</u>	<u>3,033,522</u>
<b>Net Position</b>		
Restricted for debt service	9,605,967	10,511,774
Unrestricted	(131,586,595)	(133,988,442)
Total Net Position	<u>\$ (121,980,628)</u>	<u>\$ (123,476,668)</u>

\*Prior year balances have not been adjusted due to the prior period adjustment posted in 2020. See Note 11 for additional information.

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**MANAGEMENT'S DISCUSSION & ANALYSIS**

Sheridan Redevelopment Agency  
Condensed Statement of Activities  
Years ended December 31,

	Governmental Activities	
	2020	2019*
<b>Revenues</b>		
Program Revenues		
Charges for services	\$ -	\$ -
Operating grants	-	-
Capital grants	-	-
General Revenues		
Public improvement fees	2,812,196	2,664,349
Tax increment financing	3,000,293	3,220,158
Sales taxes	6,117,319	6,043,346
Investment income	47,383	274,861
<b>Total Revenues</b>	<b>12,037,791</b>	<b>12,202,714</b>
Program Expenses		
General government	1,413,693	1,333,344
Redevelopment projects	1,648,946	1,625,325
Interest expense	5,591,048	5,492,819
<b>Total Program Expenses</b>	<b>8,653,687</b>	<b>8,451,488</b>
<b>Change in Net Position</b>	<b>3,384,104</b>	<b>3,751,226</b>
Net Position, Beginning (as Restated)	(125,364,732)	(127,227,894)
Net Position, Ending	\$ (121,980,628)	\$ (123,476,668)

\*Prior year balances have not been adjusted due to the prior period adjustment posted in 2020. See Note 11 for additional information.

The Sheridan Redevelopment Agency's net position increased \$3,384,104 due primarily to the payment of interest and principal on the bonds.

**Governmental Activities**

Property tax revenues decreased 8.83% between 2019 and 2020 due to a decrease in mill levy with the Sheridan School District. Sales tax revenues increased 1.22% between 2019 to 2020, the smaller increase was due to COVID-19 business closures.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
MANAGEMENT'S DISCUSSION & ANALYSIS

**Financial Analysis of the Agency's Funds**

The Agency used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Government Funds**

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and the balance of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of 2020, the Agency's General Fund reported an ending fund balance of \$775,363, an increase of \$38,998 in comparison with the previous year.

**Debt Service Fund**

The Agency's debt service fund provides information on the cost of annual debt, including interest expense, principal, facility fees, remarketing and other debt related expense.

**General Fund Budgetary Highlights**

The General Fund accounts for all of the general government services provided by the Agency, for such items as accounting, legal, City support services and operations.

Line-item budget transfers are allowed within a fund with the approval of the Executive Director. Increases in the expenditure budget for any fund must be approved by the Board.

**Long-term Debt**

The Sheridan Redevelopment Agency's total debt decreased during the year ended 2020, due to principal payments made on the 2011A and B Bonds. Total debt outstanding at December 31, 2020 is \$116,924,856, which does not include accreted interest on the outstanding bonds.

Note 4 of the financial statements provides a more in-depth summary of the Agency's long-term debt.

**Economic Factors and Next Year's Budget**

Revenues in future years are expected to increase as the River Point project is fully leased and increasing sales tax, property tax and PIF revenues are realized. The Agency continues to monitor all debt service requirements, revenue projections, and the financial health of the Agency. The Agency continues to work with the City of Sheridan in their best collection efforts to ensure proper and timely receipts of PIF and sales tax revenues.

SHERIDAN REDEVELOPMENT AGENCY  
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MANAGEMENT'S DISCUSSION & ANALYSIS

The Sheridan Redevelopment Agency's River Point project is progressing. New businesses opened in 2019 and are expected to continue to open until the space is fully occupied.

Agency expenditures for 2021 are estimated at \$1,436,713 in General Fund and \$10,653,344 in the Debt Service Fund.

**Request for Information**

The financial report is designed to provide a general overview of the Agency's finances for all those interested in the government's finances. Questions concerning any of the information provided in the report or additional financial information should be addressed to the Finance Director at the Sheridan Redevelopment Agency, 4101 S. Federal Blvd., Sheridan, CO 80110 or by calling 303-762-2200.

## BASIC FINANCIAL STATEMENTS

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020

	<u>Governmental Activities 2020</u>
<u>Assets</u>	
Cash and investments	\$ 641,251
Restricted cash and investments	9,790,184
Taxes receivable	4,069,378
<b>Total Assets</b>	<b>14,500,813</b>
 <u>Deferred Outflows of Resources</u>	
Deferred loss on refunding	4,645,482
Derivative instruments	10,828,290
<b>Total Deferred Outflow of Resources</b>	<b>15,473,772</b>
 <u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts payable	13,796
Accrued remarketing fees	5,680
Accrued facility fees	130,620
Accrued interest payable	184,217
Unearned revenue	780
Due to other governments	4,519
Due to City of Sheridan	10,917
<u>Noncurrent Liabilities</u>	
Due in one year	9,750,002
Due in more than one year	127,954,416
Liability for derivative instruments	10,828,290
<b>Total Liabilities</b>	<b>148,883,297</b>
 <u>Deferred Inflows of Resources</u>	
Unavailable revenue - property taxes	3,071,916
<b>Total Deferred Inflows of Resources</b>	<b>3,071,916</b>
 <u>Net Position</u>	
Restricted for debt service	9,605,967
Unrestricted	(131,586,595)
<b>Total Net Position</b>	<b>\$ (121,980,628)</b>

The accompanying notes are an integral part of these financial statements.

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities			Capital Grants and Contributions	Governmental Activities
General government	\$ 1,413,693	\$ -	\$ -	\$ (1,413,693)
Redevelopment projects	1,648,946	-	-	(1,648,946)
Interest expense	5,591,048	-	-	(5,591,048)
Total Primary Government	8,653,687	-	-	(8,653,687)
General revenues:				
Public improvement fees				\$ 2,872,796
Tax increment financing				3,000,293
Sales taxes				6,117,319
Investment income				7,383
Total General Revenues				12,037,791
Charge in Net Position				3,384,104
Net Position - Beginning of year (as Restated)				(125,364,732)
Net Position - End of year				\$ (121,980,628)

The accompanying notes are an integral part of these financial statements.

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020 AND 2019**

	General Fund	Debt Service Fund	Totals	
			2020	2019
<b>Assets</b>				
Cash and investments	\$ 640,258	\$ 693	\$ 64,251	\$ 686,294
Restricted cash and investments	-	9,790,184	9,790,184	9,805,571
Taxes receivable	146,117	3,923,261	4,069,378	4,119,299
Total assets	<u>\$ 786,675</u>	<u>\$ 13,714,138</u>	<u>\$ 14,500,813</u>	<u>\$ 14,611,164</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 8,196	\$ 5,000	\$ 13,196	\$ 3,647
Accrued facility fees	-	130,620	130,620	139,055
Accrued remanufacturing fees	-	5,680	5,680	82,217
Unearned revenue	82	698	780	62,432
Due to other governments	-	4,519	4,519	-
Due to City of Sheridan	2,424	8,513	10,947	32,457
Total liabilities	<u>11,122</u>	<u>155,030</u>	<u>166,242</u>	<u>329,805</u>
<b>Deferred inflows of resources:</b>				
Unavailable revenue – property taxes	-	3,071,916	3,071,916	3,035,522
<b>Fund balances:</b>				
Restricted for debt service	-	10,487,192	10,487,192	10,511,714
Assigned for subsequent appropriation	16,195	-	16,195	31,351
Unassigned	759,168	-	759,168	705,017
Total fund balances	<u>775,363</u>	<u>10,487,192</u>	<u>11,262,555</u>	<u>11,248,082</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 786,675</u>	<u>\$ 13,714,138</u>	<u>\$ 14,500,813</u>	<u>\$ 14,611,164</u>

The accompanying notes are an integral part of these financial statements.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
RECONCILIATION OF THE GOVERNMENTAL FUNDS –  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2020

Fund balance - governmental funds \$ 11,262,555

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

Long-term liabilities, including bonds, payable and derivative instruments are  
not due and payable in the current period, and therefore are not reported as  
liabilities in the funds. Long-term liabilities at year end consist of:

Deferred derivative instruments	10,828,290
Bonds payable	(116,924,856)
Accreted interest	(20,779,592)
Accreted interest	(184,217)
Deferred loss on refunding	4,645,482
Liability for derivative instruments	<u>(10,828,290)</u>

Net Position of Governmental Activities \$ (121,980,628)

The accompanying notes are an integral part of these financial statements.

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

	General Fund	Debt Service Fund	Total	
			2020	2019
<b>Revenues</b>				
Property tax increment revenue	\$ -	\$ 3,000,293	\$ 3,000,293	\$ 3,220,153
Sales tax increment revenue	-	6,117,319	6,117,319	6,043,346
Public improvement fees	1,436,398	1,436,398	2,872,796	2,664,319
Investment earnings	3,747	43,636	47,383	274,861
Total revenues	<u>1,440,145</u>	<u>10,597,646</u>	<u>12,037,791</u>	<u>12,202,719</u>
<b>Expenditures</b>				
<b>General Government</b>				
Accounting and administration	178,246	-	178,246	181,113
City support costs	1,074,012	-	1,074,012	981,996
Trustee fee expense	-	4,200	4,200	3,025
Collection and treasurer fees	14,862	127,223	142,085	153,243
Draw fee expense	-	6,000	6,000	6,000
Other general government	9,150	-	9,150	7,962
Total General Government	<u>1,276,270</u>	<u>137,423</u>	<u>1,413,693</u>	<u>1,333,344</u>
<b>Redevelopment Projects</b>				
Salaries and benefits	111,108	-	111,108	94,356
Rent	7,560	-	7,560	7,560
Legal	6,114	-	6,114	1,323
Other expenses	95	-	95	72
Total Redevelopment Projects	<u>124,877</u>	<u>-</u>	<u>124,877</u>	<u>103,311</u>
<b>Debt Service</b>				
Principal payments	-	6,353,035	6,353,035	6,368,723
City public improvement fee allocation	-	916,425	916,425	858,143
Interest expense	-	2,607,701	2,607,701	2,703,564
Facility fee expense	-	528,064	528,064	518,160
Rating service fees	-	8,000	8,000	7,700
LOC renewal fee	-	250	250	2,250
Remarketing fee expense	-	71,330	71,330	75,751
Total Debt Service	<u>-</u>	<u>10,484,805</u>	<u>10,484,805</u>	<u>10,594,296</u>
Total expenditures	<u>1,401,147</u>	<u>10,622,228</u>	<u>12,023,375</u>	<u>12,030,956</u>
Net change in fund balances	38,998	(24,582)	14,416	171,753
Fund balances - beginning of year	<u>136,362</u>	<u>10,517,714</u>	<u>11,248,135</u>	<u>11,016,381</u>
Fund balances - end of year	<u>\$ 775,360</u>	<u>\$ 10,487,192</u>	<u>\$ 11,262,555</u>	<u>\$ 11,248,139</u>

The accompanying notes are an integral part of these financial statements.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020

Net change in fund balances - total governmental funds: \$ 14,416

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

Issuances of debt are treated as revenues in the governmental funds, but are recorded  
as liabilities on the statement of net position. Repayments of debt are recorded as  
expenses in the governmental funds and reduce liabilities on the statement of net position

Amortization of loss on refunding	(525,507)
Principal payments	6,353,035
Change in accreted interest	(2,273,623)
Change in accrued interest	<u>(184,217)</u>
Change in Net Position of Governmental Activities	<u>\$ 3,384,104</u>

The accompanying notes are an integral part of these financial statements.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On November 12, 2003, the City of Sheridan, Colorado (the "City") created the Sheridan Redevelopment Agency ("SRA") as an urban renewal authority as defined by Colorado Revised Statutes Title 31, Article 25, Part 1. The SRA was established to redevelop identified areas of blight within the City. The SRA Board of Commissioners is comprised of the Mayor and Council of the City, with the Mayor serving as the chair of the Commission. The City includes the SRA as a blended component unit in its reporting entity.

The accounting policies of the SRA conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The definition of the reporting entity is based primarily on financial accountability. The SRA is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the SRA officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the SRA. The SRA may also be financially accountable for organizations that are fiscally dependent upon it.

Based upon the application of the criteria, there are no other entities that meet the requirements to be included in the SRA's financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the SRA. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary activity is not reported in the government-wide financial statements. The SRA's entire operation is classified as a governmental activity.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

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 included among program revenues, are reported instead as general revenues.

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 the 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.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the SRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Property tax increment revenues, public improvement fees, sales tax increment revenues, and interest 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. All other revenues are considered measurable and available only when cash is received by the SRA.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

*Major Funds* - In the fund financial statements, the SRA reports the following major governmental funds.

- *The General Fund* is the SRA's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *The Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on general long-term obligations of the SRA.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances

*Cash and Investments* – Cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at net asset value or amortized cost.

*Receivables* – All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At December 31, 2020, the SRA has determined that all receivables are expected to be collected.

Property tax levies are certified by taxing bodies to the County Commissioners by December 15, so that the County Commissioners apply a tax lien on the individual properties by 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 are held in November or December. The County Treasurer will remit the taxes collected monthly to the SRA, less the County collection fee. The SRA is the recipient of property tax increment revenues based on the mill levies of other local governmental units.

*Interfund Receivables and Payables* – During the course of operations, transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds* because they are short-term in nature.

*Deferred Outflows/Inflows of Resources* – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a depletion of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. They are the deferred charges on refunding and the liability related to the swap agreement hedging the SRA's long term debt, which are reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The swap agreement is more fully described in Note 4 to the financial statements.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances (Continued)

In addition to liabilities, the statement of financial position will sometimes report 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(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Accordingly, the item, *unavailable revenue*, is reported for property taxes levied in the current year but collected for use in the next fiscal period.

*Long-Term Debt* – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method over the term of the debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts. Debt issuance costs are reported as an outflow of resources.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Bond discounts are reported as other financing uses. Issuance costs, even if withheld from the debt proceeds received, are reported as debt service expenditures.

*Net Position/Fund Balances* – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Fund balances of the governmental funds are classified as follows:

*Nonspendable* – Amounts that cannot be spent either because they are in nonspendable form (i.e. inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

*Restricted* – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – Amounts that can be used only for specific purposes determined by a formal action of SRA's Board. The Board is the highest level of decision-making body for the SRA. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances (Continued)

*Assigned* – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes.

*Unassigned* – All other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the SRA considers restricted funds to have been spent first.

Generally, the SRA would first apply restricted, then committed, and then assigned resources prior to unassigned resources when an expenditure is incurred for purposes for which more than one classification of fund balance is available.

Comparative Information

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the SRA's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read. Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

In accordance with State Budget Law, the SRA Board of Commissioners holds hearings in the fall of each year to approve the budget and appropriate funds. The appropriation is at the total fund expenditure level and lapses at year end. The Board can modify the budget by line item only within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements.

NOTE 3 - DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2020, follows:

Cash deposits	\$ 4,101
Investments	10,127,334
Total Cash and Investments	<u><u>\$ 10,431,435</u></u>

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DECEMBER 31, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

The above amounts are classified in the financial statements as follows:

Cash and investments	\$ 611,251
Restricted cash and investments	<u>9,790,184</u>
Total Cash and Investments	<u>\$ 10,431,435</u>

*Custodial Credit Risk* – In the case of deposits, there is the risk that in the event of bank failure, the government's deposits may not be returned to it. The SRA's deposit policy is in accordance with CRS 11-10.5-101 et. seq. the Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions 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, all of the SRA's deposits as shown below were insured by federal depository insurance and are therefore not deemed to be exposed to custodial credit risk. The bank balance was \$18,612 with a carrying value of \$4,101 at December 31, 2020.

Investments  
Credit Risk

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

Colorado statutes specify instruments in which units of local government may invest, which include:

- Obligations of the United States, certain U.S. government agency securities, and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks

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NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools
- Certain reverse repurchase agreements
- Certain certificates of participation
- Certain securities lending transactions

*Fair Value Hierarchy* – The SRA categorizes its fair value measurements 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; Level 3 inputs are significant unobservable inputs. The SRA has no investments required to be reported under the fair value hierarchy.

As of December 31, 2020, the SRA had invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds (pools). The State Securities commissioner administers and enforces all State statutes governing the pools. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. The portfolio may invest in U.S. Treasury securities and repurchase agreements collateralized by the U.S. Treasury securities. COLOTRUST places no restrictions or limitations on withdrawals. As of December 31, 2020, the SRA had \$637,150 invested in COLOTRUST PLUS+. COLOTRUST is rated AA-Am by Standard & Poor's and is measured at net asset value (NAV). There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

At December 31, 2020, the SRA investments in Fidelity Government Portfolio CL II (the fund), a money market fund in the amount of \$9,790,184. The goals of the fund are a stable \$1 share price, maintenance of liquidity, and income. The SRA records these investments at amortized cost. Under GASB Statement No. 72, no additional disclosures are required.

The Fund invests in repurchase agreements secured by U.S. government securities and agency floating-rate securities. At April 7, 2021, the latest information available, the Fund had 47% of its portfolio in daily liquid assets and 65% of its portfolio in weekly liquid assets. This Fund is rated AA-Am by Standard & Poor's.

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**NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)**

The Fund does not have any unfunded commitments, redemption restrictions or redemption notice periods. At December 31, 2020, the SRA invested \$10,828,290 in the fund.

*Concentration of Credit Risk* – The SRA places no limit on the amount that may be invested in any one issuer.

*Interest Rate Risk* – Colorado revised statutes limit investment maturities to five years or less unless formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of local government securities, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities to three years or less.

Restricted Cash

At December 31, 2020, the SRA had the following restricted cash balances:

Restricted for:		
Debt service reserves	\$	7,407,500
Debt repayment		<u>2,382,684</u>
Total Governmental Activities	<u>\$</u>	<u>9,790,184</u>

**NOTE 4 - LONG-TERM DEBT**

Following is a summary of long-term debt transactions for governmental activities for the year ended December 31, 2020:

	Balance December 31,			Balance December 31,	
	2019	Additions	Retirements	2020	Due in One Year
<u>Tax Increment Revenue Bonds</u>					
Series 2011 A-1	\$ 50,350,000	\$ -	\$ 3,270,000	\$ 47,080,000	\$ 3,350,000
Series 2011 A-2	7,050,000	-	460,000	6,590,000	490,000
Series 2011 B-1	19,319,277	-	1,045,541	18,273,936	2,175,226
Series 2011 B-2	29,115,348	-	577,694	28,537,654	3,324,493
Series 2011 C	17,463,265	-	-	17,463,266	-
Series 2011 B-1 Accrued Interest	2,288,204	152,812	-	2,441,016	1,417,4
Series 2011 B-2 Accrued Interest	3,142,935	237,500	-	3,380,435	172,509
Series 2011 C Accrued Interest	12,774,530	1,888,211	-	14,662,741	-
Total	<u>\$ 141,783,860</u>	<u>\$ 2,278,523</u>	<u>\$ 6,253,835</u>	<u>\$ 137,797,478</u>	<u>\$ 9,750,002</u>

SHERIDAN REDEVELOPMENT AGENCY  
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**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

Colorado Urban Renewal Law states that the City has no obligation to repay the SRA's debt. For the year ended December 31, 2020, two retailers comprised approximately 75% of public improvement fees and 66% of the sales tax collected on behalf of the SRA. In addition, five taxpayers total approximately 66% of the taxable assessed valuation allocated to the SRA. The City, in cooperation with the owner of the development, is continuing efforts to attract additional businesses, so as not to rely on any particular revenue source. Further, both the City and the owner of the development are confident it can attract similar large retailers, should there ever be a need, as the referred to retail operations are in prime locations.

**Variable Rate Tax Increment Refunding Revenue Bonds Series 2011A**

On April 28, 2011, the SRA issued \$65,000,000 and \$9,075,000 of Variable Rate Tax Increment Revenue Bonds Series 2011A-1 and Series 2011A-2 Bonds (collectively the Series 2011A Bonds). Bond proceeds were used for the purpose of refunding the SRA's Series 2007A-1 and Series 2007A-2 bonds, funding a bond reserve and paying the fees and expenses of issuing the bonds.

The Series 2011A Bonds will initially bear interest based on the weekly rate which will be adjusted each Thursday and is payable on the first day of each month and shall be equal to the rate as set by the remarketing agent. The initial interest rate on the Series 2011A-1 and Series 2011A-2 Bonds were .3% and .4%. The Series 2011A-1 Bonds are subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2013 in the amount of \$295,000 and increase annually through December 2029 to \$12,185,000. The bonds can be optionally redeemed if the bonds are in the weekly or monthly mode on the first day of any month. The Series 2011A-2 Bonds are also subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2013 in the amount of \$40,000 and increase annually through December 2029 to \$1,700,000.

The principal, interest on, and purchase price of the Series 2011A-1 and Series 2011A-2 Bonds will be payable by the Trustee under separate irrevocable, direct pay letters of credit issued by JPMorgan Chase Bank, N.A. The letters of credit allow the Trustee to draw up to an amount sufficient to pay the principal of the Series 2011A Bonds when due and up to 34 days' interest on the Series 2011A-1 and Series 2011A-2 Bonds at a maximum interest rate of 12% per annum. Each letter of credit expires on August 22, 2021 and may be terminated prior thereto, or extended therefrom, upon the occurrence of certain events. The letters of credit were issued pursuant to a reimbursement agreement between the SRA and JPMorgan Chase Bank, N.A., which obligates the SRA to reimburse the bank for draws and to pay certain fees and expenses.

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NOTE 4 - LONG-TERM DEBT (CONTINUED)

Variable Rate Tax Increment Refunding Revenue Bonds Series 2011A (Continued)

During the year ended December 31, 2020, amounts borrowed and repaid under the letters of credit totaled \$446,807.

The Series 2011A Bonds are also special, limited revenue obligations of the SRA payable from and secured by the Series 2011A Bonds Trust Estate. The Bond Trust Estate shall include, among other things, ad valorem property tax increment revenues and sales tax increment revenues received by the SRA from a designated urban renewal area. The SRA has also pledged a portion of the public improvement fees and interest thereon related to the urban renewal area. The bonds are secured by a Series 2011A Bonds Reserve Fund initially funded with proceeds from the Series 2011A Bonds in the amount of \$7,407,500. At December 31, 2020, the Series 2011A Bonds Reserve Fund is fully funded.

The payment of principal and interest related to the Series 2011A Bonds is also guaranteed by the developer and a related entity until such time as the Rolling Twelve Month Debt Service Coverage Ratio as of the preceding 24 months is not less than 1.40. The Rolling Twelve Month Debt Service Coverage Ratio is defined as the twelve-month previous pledged incremental tax revenues divided by the average annual debt service. At December 31, 2020, the Rolling Twelve Month Debt Service Coverage Ratio had not been met.

The SRA has also entered into an Interest Rate Exchange Agreement whereby the SRA will pay a fixed interest rate (3.80% on the Series 2011A-1 Bonds and 5.27% on the Series 2011A-2 Bonds) to the counterparty, Royal Bank of Canada ("RBC") and the counterparty will in turn pay a variable interest rate to the SRA. For the Series 2011A-1 Bonds the counterparty will pay interest based on the USD-SIFMA Municipal Swap Index. For the Series 2011A-2 Bonds, the counterparty will pay interest based on the one-month LIBOR Index. The Notional amount for these contracts is the outstanding bond principal of \$57,380,000. The contract was entered into on March 7, 2007 and terminates on December 1, 2029. Payments due to the counterparty are guaranteed by the developer and a related entity. The SRA has no net exposure to actual credit risk as this swap agreement is a liability. As the interest rate the SRA will pay is fixed, the Agency believes it has reduced its interest rate risk by entering into this agreement. As the index for both the swap agreement and the bond issue are the same, the SRA believes it has no basis risk. The counterparty may terminate this contract if the SRA fails to perform under the contract or credit support agreement. In addition, the swap may automatically terminate due to cross default or other provisions included in the contract. As the swap agreement is scheduled to terminate when the bonds mature, the Agency has no rollover risk.

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**DECEMBER 31, 2020**

**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

**Variable Rate Tax Increment Refunding Revenue Bonds Series 2011A (Continued)**

The fair value of the interest rate swaps is estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. At December 31, 2020, the market value of this contract is estimated to be a negative \$10,828,290. During the year ended December 31, 2020, the contract value increased \$1,592,857. During the year ended December 31, 2020, under the swap agreement, the SRA paid the counterparty \$1,898,927.

RBC was rated Aa2, AA-, and AA under Moody's, Standard and Poor and Fitch, respectively.

Projected annual debt service requirements for the outstanding Series 2011A-1 Bonds at December 31, 2020, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,485,000	\$ 1,864,368	\$ 5,349,368
2022	3,705,000	1,726,362	5,431,362
2023	3,945,000	1,579,644	5,524,644
2024	4,185,000	1,427,322	5,612,322
2025	4,455,000	1,257,696	5,712,696
2026-2029	27,305,000	3,153,864	30,458,864
Total	<u>\$ 47,080,000</u>	<u>\$ 11,009,256</u>	<u>\$ 58,089,256</u>

Projected annual debt service requirements for the outstanding Series 2011A-2 Bonds at December 31, 2020, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 490,000	\$ 346,239	\$ 836,239
2022	520,000	320,416	840,416
2023	550,000	293,012	843,012
2024	585,000	264,750	849,750
2025	620,000	233,198	853,198
2026-2029	3,805,000	585,061	4,390,061
Total	<u>\$ 6,570,000</u>	<u>\$ 2,042,676</u>	<u>\$ 8,612,676</u>

SHERIDAN REDEVELOPMENT AGENCY  
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NOTE 4 - LONG-TERM DEBT (CONTINUED)

Subordinate Tax Increment Refunding Revenue Bonds Series 2011B

Also, on April 28, 2011, the SRA issued \$23,039,349 and \$34,705,443 of Series 2011B-1 Bonds and Series 2011B-2 Bonds (collectively the Series 2011B Bonds). This was a private placement with Weingarten Realty Investors. Bond proceeds were used for the purpose of refunding the SRA's Series 2007A-1, Series 2007A-2 Bonds, and Series 2007 B Bonds and paying the fees and expenses of issuing the bonds. The Series 2011B Bonds do not bear interest and mature on December 15, 2039. Failure to pay the full maturity amount of any sinking fund payment is not an Event of Default under the Indenture. Any unpaid Series 2011B Bond amounts still outstanding after maturity on December 15, 2039 will no longer be owed.

Payments on the Series 2011B Bonds are subordinated to the payment of current principal and interest on the Series 2011A Bonds. The bonds accrete interest at a rate of 1.419%. The Series 2011B-1 Bonds are subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2011 in the amount of \$305,000 and increase annually through December 2039 to \$1,510,000. The Series 2011B-2 Bonds are also subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2011 in the amount of \$465,000 and increase annually through December 2039 to \$2,280,000.

The 2011B Bonds can be optionally redeemed on any date after the Series 2011A Bonds are no longer outstanding from any Pledged Incremental Tax Revenues and on any December 15 from the Debt Service Public Improvement Fee or the SRA Public Improvement Fee, at a redemption price equal to the maturity value, subject to the following provisions. No payment will be made on the Series 2011B Bonds until (a) the Series 2011A's Reserve Fund contains an amount equal to the reserve requirement, (b) the Series 2011A Bond Payment Fund contains an amount equal to the sum of (i) three months of interest on the Series 2011A Bonds and (ii) one-fourth of the principal due on the Series 2011A Bonds in the next calendar year (c) all Agency Bond Fees and Bank Fees then due have been paid, (d) all amounts due and payable under the Bank Reimbursement Agreement, or any Interest Rate Exchange Agreement have been paid, and (vii) no Event of Default under the Indenture has occurred and is continuing.

Any sinking fund amounts not paid in the current year, no longer accrete interest, and become due and payable in the subsequent period. As of December 31, 2020, \$3,715,000 of current requirements remains unpaid and therefore is due in 2021.

Projected annual debt service requirements for the outstanding Series 2011B-1 Bonds at December 31, 2020, are as follows:

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NOTE 4 - LONG-TERM DEBT (CONTINUED)

Subordinate Tax Increment Refunding Revenue Bonds Series 2011B

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,175,226	\$ 114,774	\$ 2,290,000
2022	696,016	123,984	820,000
2023	686,242	133,758	820,000
2024	676,607	143,393	820,000
2025	667,103	152,897	820,000
2026-2030	3,724,509	1,070,491	4,795,000
2031-2035	5,529,996	2,080,004	7,610,000
2036-2039	4,118,237	1,921,761	6,039,998
Total	<u>\$ 18,273,936</u>	<u>\$ 5,741,062</u>	<u>\$ 24,014,998</u>

Projected annual debt service requirements for the outstanding Series 2011B-2 Bonds at December 31, 2020, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,312,493	\$ 172,509	\$ 3,485,002
2022	1,056,756	188,241	1,245,000
2023	1,037,731	202,269	1,240,000
2024	1,027,287	217,713	1,245,000
2025	1,012,857	232,143	1,245,000
2026-2030	5,631,749	1,618,251	7,250,000
2031-2035	8,240,515	3,099,485	11,340,000
2036-2039	6,218,266	2,901,734	9,120,000
Total	<u>\$ 27,537,654</u>	<u>\$ 8,632,348</u>	<u>\$ 36,170,002</u>

Series 2011C Note Payable

Also, on April 28, 2011, the SRA refinanced \$13,139,024 of Series 2007C Notes and \$2,243,698 of interest by issuing 73 promissory 2011C Notes totaling \$17,463,266. The notes are owed to the Developer.

The notes accrete interest at an annual rate of 6.533%. Payments of principal and interest begin in December 2034 in the amount of \$1,525,000 and increase annually through December 2106 to \$26,420,000. These notes are payable from public improvement fee revenues. Payments of principal and interest on the notes are subordinate to the payment of the Series 2011A Bonds and the Series 2011B Bonds. As of December 31, 2020, the outstanding principal balance is \$17,463,266.

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**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

Any Series 2011C note not paid as of its maturity date will no longer accrete interest, and if not paid by December 15, 2106, will be extinguished, and no longer be an obligation of the agency.

Refunding

As described above, during the year ended December 31, 2011, the SRA undertook a refunding of all of its debt. In the refunding, the reacquisition price exceeded the net carrying amount of the old debt by \$9,721,880. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

**NOTE 5 - ENVIRONMENTAL REMEDIATION**

A large portion of the property in the South Santa Fe Drive Corridor Redevelopment Plan (the "site") consisted of landfills and junk yards in addition to a medical transfer station, various businesses that generated hazardous wastes, vehicle repair facilities, and petroleum service stations, all or some of which may have resulted in contamination of the site. Above and below ground storage tanks were discovered on the site. Contaminants from various off-site commercial industrial activities have or may have migrated or may migrate in the future onto the site. As a result of historic on and off-site operations, a variety of contaminants have been documented or are suspected to be present at the site.

The developer submitted a voluntary cleanup plan application (the "plan") for the site to the Colorado Department of Public Health and Environment (the "CDPHE"). The plan contained several sub-plans that addressed materials removal, vapor intrusion and accumulation issues, and operations. The plan and related modifications have been approved by CDPHE. While a large quantity of municipal waste material was excavated and disposed of off-site, municipal waste and other waste materials and contaminants remain on-site. Every owner, tenant, or occupant, within the mitigated zone, is required to design and construct a vapor intrusion mitigation system to address concerns related to methane gas produced by the remaining decomposing material. In addition, the plan did not address remediation of groundwater contamination existing on the site. The developer anticipates that the remediation efforts will take several years and will require additional CDPHE extensions to the plan.

The developer and related entities have jointly and severally agreed to indemnify the owners of the Series 2011A Bonds, through the Trustee, from certain losses that might be incurred as a result of claims arising under certain environmental laws.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

**NOTE 5 - ENVIRONMENTAL REMEDIATION (CONTINUED)**

In addition, the developer has obtained two environmental insurance policies covering potential liabilities associated with the development of the site, including Pollution Legal Liability policy in the amount of \$40 million and a Contractor's Pollution Liability policy in the amount of \$10 million.

**NOTE 6 - RISK MANAGEMENT**

The SRA is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; and natural disasters. In order to reduce insurance costs, the SRA participates in the City's risk management program. Settled claims have not exceeded insurance coverage in any of the last three years.

**NOTE 7 - CONTINGENCIES**

TABOR Amendment

In November 1992, Colorado voters passed Article X, Section 20 (TABOR Amendment) to the State Constitution, which limits state and local government tax powers and imposes spending limitations. The Agency is not subject to the TABOR Amendment. See *Olson v. City of Golden*, 53 p.3d 747 (Colo. App. 2002), certiorari denied.

**NOTE 8 - NET POSITION**

At December 31, 2020, the SRA had a net position of (\$121,980,628). The ability of the SRA to meet future debt service payments is dependent upon the ability of the River Point Project to generate future sufficient tax increment revenues and public improvement fees, the ability of the developer to reach agreements with additional retail tenants for the River Point Project, and the ability of the developer and related entities to meet debt service guarantees.

**NOTE 9 - INTERNAL BALANCES**

The following are the balances owed between funds and between the primary government and its component units as of December 31, 2020. All balances are expected to be repaid within one year. There were no internal balances at December 31, 2020. At December 31, 2020, the SRA owed the City \$9,974.

SHERIDAN REDEVELOPMENT AGENCY  
(SHERIDAN, COLORADO)  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2020

**NOTE 10 - RELATED PARTY TRANSACTIONS**

During the year, the SRA transferred \$1,192,680 to the City's General Fund as reimbursement for services provided by the City to the SRA. Additionally, as described in Note 9, the SRA owed the City amounts at December 31, 2020, for such services and collected fees.

**NOTE 11 - PRIOR PERIOD ADJUSTMENT**

During the year ended December 31, 2020, a prior period adjustment was posted to correct beginning balances associated with the accreted interest of long-term debt. See the table below for the impact on beginning net position.

Balance reported as of December 31, 2019	\$ (123,476,668)
Prior Period Adjustment	<u>(1,888,064)</u>
Restated Balance as of December 31, 2019	<u>\$ (125,364,732)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**BUDGETARY COMPARISON SCHEDULE – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
**With Comparative Totals for the Year Ended December 31, 2019**

	2020			2019
	Original and Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>				
Public improvement fees	\$ 1,381,537	\$ 1,436,398	\$ 54,861	\$ 1,332,174
Investment earnings	10,000	3,747	(6,253)	13,335
Total revenues	<u>1,391,537</u>	<u>1,440,145</u>	<u>48,608</u>	<u>1,345,509</u>
<b>Expenditures</b>				
<b>General Government</b>				
Accounting and administration	196,311	178,246	18,065	181,118
Collection and treasurer fees	15,265	14,862	403	16,960
Payments to the City of Sheridan	1,074,394	1,074,012	382	981,996
Other general government	8,652	9,150	(498)	7,962
Total General Government	<u>1,294,622</u>	<u>1,276,270</u>	<u>18,352</u>	<u>1,188,036</u>
<b>Redevelopment Projects</b>				
Salaries and benefits	97,706	111,108	(13,402)	94,356
Rent and utilities	7,560	7,560	-	7,560
Legal	2,500	6,114	(3,614)	1,328
Other expenses	500	95	405	72
Total Redevelopment Projects	<u>108,266</u>	<u>124,877</u>	<u>(16,611)</u>	<u>103,316</u>
Contingency	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total Expenditures	<u>1,422,888</u>	<u>1,401,147</u>	<u>21,741</u>	<u>1,291,352</u>
Net change in fund balance	(31,351)	18,998	70,349	54,157
Fund balances - beginning of year	<u>710,388</u>	<u>736,365</u>	<u>1,446,753</u>	<u>682,208</u>
Fund balances - end of year	<u>\$ 679,037</u>	<u>\$ 775,363</u>	<u>\$ 1,517,102</u>	<u>\$ 736,365</u>

**OTHER SUPPLEMENTARY INFORMATION**

**SHERIDAN REDEVELOPMENT AGENCY**  
**(SHERIDAN, COLORADO)**  
**BUDGETARY COMPARISON SCHEDULE – DEBT SERVICE FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
**With Comparative Totals for the Year Ended December 31, 2019**

	2020			2019
	Original and Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>				
Tax increment financing	\$ 3,299,588	\$ 3,000,293	\$ (299,295)	\$ 3,220,158
Sales tax	6,300,905	6,117,319	(183,586)	6,043,346
Public improvement fees	1,381,537	1,436,398	54,861	1,332,175
Investment earnings	175,000	43,636	(131,364)	261,526
<b>Total revenues</b>	<b>11,157,030</b>	<b>10,597,516</b>	<b>(559,514)</b>	<b>10,857,205</b>
<b>Expenditures</b>				
<b>General Government</b>				
Trustee fee expense	3,500	4,200	(700)	3,025
Collection & treasurer fees	130,748	127,223	3,525	136,283
Draw fee expense	6,000	6,000	-	6,000
<b>Total General Government</b>	<b>140,248</b>	<b>137,423</b>	<b>2,825</b>	<b>145,308</b>
<b>Debt Service</b>				
Bond principal payment	6,693,034	6,353,035	339,999	6,368,723
City public improvement fee allocation	894,749	916,425	(21,676)	858,148
Interest expense	2,632,785	2,607,701	25,084	2,703,564
Facility fee expense	527,055	528,064	(1,009)	578,160
Rating service fee	8,000	8,000	-	7,700
LOC renewal fee	-	250	(250)	2,250
Remarketing fee expense	71,329	71,330	(1)	75,751
<b>Total Debt Service</b>	<b>10,826,952</b>	<b>10,484,805</b>	<b>342,147</b>	<b>10,594,296</b>
Contingency	50,000	-	50,000	-
<b>Total Expenditures</b>	<b>11,017,200</b>	<b>10,622,228</b>	<b>394,972</b>	<b>10,739,601</b>
Net change in fund balance	139,830	(24,582)	(164,412)	117,601
Fund balances - beginning of year	10,469,677	10,511,774	42,097	10,394,173
Fund balances - end of year	<b>\$ 10,609,507</b>	<b>\$ 10,487,192</b>	<b>\$ (122,315)</b>	<b>\$ 10,511,774</b>

**SHERIDAN REDEVELOPMENT AGENCY (SRA)**

**CONTINUING DISCLOSURE**

**December 31, 2020**

**TABLE I  
Assessed Valuation in the Urban Renewal Area**

<b>Levy/ Collection Year</b>		<b>Total Assessed Valuation</b>		<b>Assessed Valuation Property Tax Base</b>		<b>Assessed Valuation Property Tax Increment Value</b>
2015 2016	\$	31,299,967	\$	6,426,319	\$	24,873,618
2016 2017		32,583,121		6,260,110		26,568,341
2017 2018		38,530,008		6,906,103		31,623,905
2018 2019		37,609,415		6,424,120		31,185,295
2019 2020		38,579,639		6,560,189		32,019,450
2020 2021		39,277,965		6,542,773		32,735,192

Source: Arapahoe County Assessor's Office

**Table II  
Pledged Incremental Property Tax Revenue Collections for the  
Urban Renewal Area**

<b>Levy/ Collection Year</b>		<b>Pledged Incremental Property Taxes Due from Taxes Levied</b>		<b>Pledged Incremental Property Tax Revenues Collected(1)</b>	<b>Collection as Percent of Levy</b>
2014 2015	\$	1,707,773	\$	1,704,067	100%
2015 2016		2,283,427		2,236,149	98%
2016 2017		2,531,012		2,512,506	99%
2017 2018		2,788,605		2,738,584	98%
2018 2019		3,245,396		3,220,158	99%
2019 2020		3,033,522		3,000,293	99%

(1) Property tax increment revenues also include some revenues for property tax payments due in 2019 but received in 2020.

Source: Arapahoe County Treasurer's Office & the SRA Finance Department

**SHERIDAN REDEVELOPMENT AGENCY (SRA)**

December 31, 2020

**Table III  
2020 Assessed and "Actual" Valuation of Classes of Property  
in the Urban Renewal Area**

<u>Class</u>	<u>Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>	<u>"Actual" Valuation</u>	<u>Percent of "Actual" Valuation</u>
Commercial	\$ 37,780,993	96.19%	\$ 130,279,252	96.19%
Vacant	1,329,969	3.39%	4,586,097	3.39%
Industrial	71,943	0.18%	248,087	0.18%
Residential	-	0%	-	0%
State Assessed	95,060.00	0%	327,793.00	0%
<b>Total</b>	<b>\$ 39,277,965</b>	<b>100.00%</b>	<b>\$ 135,441,229</b>	<b>100%</b>

Source: Arapahoe County Assessor's Office

**Table IV  
Total Mill Levy**

<u>Name</u>	<u>2020 Mill Levy<sup>1</sup></u>
Arapahoe County	12.013
Arapahoe Library District	5.810
Development Disabilities	1.000
Sheridan (City of)	20.640
Sheridan Sanitation District No. 2B	0.467
Sheridan School District No. 2	44.903
South Suburban Metropolitan Park and Recreation District	8.385
Urban Drainage and Flood Control District -CO	0.900
Urban Drainage and Flood Control District -SP	0.100
Sample Overlapping Mill Levy	94.218

<sup>1</sup>One mill equals 1/10 of one cent. Mill levies certified are for the collection of ad valorem property taxes in the following year

Source: Arapahoe County Assessor's Office

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

December 31, 2020

**Table V**  
**Largest Property Taxpayers Within the Urban Renewal Area**

<u>Name</u>	<u>Assessed Valuation</u>	<u>Percent of Assessed Valuation<sup>1</sup></u>
Weingarten Miller Sheridan LLC	\$ 17,653,829	45.76%
Costco Wholesale Corporation	4,628,998	12.00%
Target Corporation	4,443,388	11.52%
WPC Hampden Park LLC	3,223,640	8.36%
American National Insurance Co	2,593,180	6.72%
Metro Express Sheridan	1,743,856	4.52%
Lochness Properties, Inc.	800,057	2.07%
Kube-Cattasco	582,030	1.51%
Stateserve Medical	394,459	1.02%
RMC Land Holdings	394,110	1.02%
	\$ 36,457,547	94.50%

**Table VI**  
**City Sales Tax and Pledged Incremental Sales Tax Revenue Collections Within the  
Urban Renewal Area**

<u>Calendar Year</u>	<u>Total City Sales Tax From Urban Renewal Area</u>	<u>Collection and Enforcement Costs</u>	<u>Sales Tax Base</u>	<u>Pledged Incremental Sales Tax</u>
2015	\$ 5,034,158	\$ 49,883	\$ 369,959	\$ 4,614,316
2016	5,679,670	72,106	369,959	5,237,605
2017	5,895,187	56,198	369,959	5,469,031
2018	6,139,783	59,053	369,959	5,710,771
2019	6,413,305	70,994	369,959	5,972,352
2020	6,487,278	67,261	369,959	6,050,058

Source: SRA Finance Department

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

December 31, 2020

**Table VII**

## Pledged Public Improvement Fee Revenue Collections Within the Urban Renewal Area

Calendar <u>Year</u>	Total Public Improvement <u>Fee</u>	City Collection and Enforcement <u>Costs</u>	Pledged Public Improvement <u>Fees</u>
2015	\$ 2,261,735	\$ 24,581	\$ 1,118,577
2016	2,449,099	30,539	1,209,280
2017	2,522,222	25,443	1,248,390
2018	2,576,499	26,305	1,275,097
2019	2,664,347	33,920	1,315,214
2020	2,872,795	29,724	1,421,535

Source: SRA Finance Department.

**Table VIII**

## Pledged Revenue Collections for the Urban Renewal Area

Levy/ Collection <u>Year</u>	Pledged Incremental <u>Sales Tax</u>	Pledged Incremental <u>Property Tax</u>	Pledged Public Improvement <u>Fees</u>	Total Pledged <u>Revenues</u>
2015/2016	\$ 4,614,316	\$ 1,704,067	\$ 1,118,577	\$ 7,436,960
2016/2017	5,237,605	2,236,119	1,209,280	8,683,034
2017/2018	5,469,031	2,512,506	1,248,390	9,229,926
2018/2019	5,710,771	2,738,584	1,275,097	9,724,451
2018/2019	5,972,352	3,220,158	1,315,214	10,507,724
2019/2020	6,050,058	3,000,293	1,421,535	10,471,887

Source: SRA Finance Department.

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

## CONTINUING DISCLOSURE

December 31, 2020

Table XI

### History of Agency General Fund Statement of Revenues, Expenditures and Changes in Fund Balance

	2017	2018	2019	2020
Revenues				
Public Improvement Fee	\$ 1,261,111	\$ 1,288,249	\$ 1,332,174	\$ 1,436,398
Investment Earnings	4,501	10,207	13,335	3,747
SRA Expense Reimbursement	-	-	-	-
Total Operating Revenues	<u>1,265,612</u>	<u>1,298,456</u>	<u>1,345,509</u>	<u>1,440,145</u>
Expenses				
General Government				
Accounting and Administration	210,288	174,035	181,118	178,246
City Support Costs	856,980	891,168	981,996	1,074,012
Collection and Treasurers Fees	12,721	13,153	16,960	14,862
Other General Government	2,927	7,559	7,962	9,150
Total Government	<u>1,082,916</u>	<u>1,085,915</u>	<u>1,188,036</u>	<u>1,276,270</u>
Credit and Trustee Fees				
Redevelopment Project				
Salaries and Benefits	85,740	88,907	94,356	111,108
Engineering	-	-	-	-
Economic Consultants	-	-	-	-
Rent	7,560	7,560	7,560	7,560
Legal	2,820	9,230	1,328	6,114
Planning	-	-	-	-
Supplies	-	-	-	-
Other Expenses	63	1,814	72	95
Total Redevelopment Project	<u>96,183</u>	<u>107,511</u>	<u>103,316</u>	<u>124,877</u>
Debt Service				
Total Expenditures	<u>1,179,099</u>	<u>1,193,426</u>	<u>1,291,352</u>	<u>1,401,147</u>
Excess of Revenue Over (Under)				
Expenditures	<u>86,513</u>	<u>105,030</u>	<u>54,157</u>	<u>38,998</u>
Other Financing Sources (Uses)				
Debt Proceeds	-	-	-	-
Bond Discounts	-	-	-	-
Bond Issuance Costs	-	-	-	-
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>86,513</u>	<u>105,030</u>	<u>54,157</u>	<u>38,998</u>
Beginning Fund Balance	<u>490,665</u>	<u>577,178</u>	<u>682,208</u>	<u>736,365</u>
Ending Fund Balance	<u>\$ 577,178</u>	<u>\$ 682,208</u>	<u>\$ 736,365</u>	<u>\$ 775,363</u>

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

## CONTINUING DISCLOSURE

December 31, 2020

**Table XIII**

### History of Agency Debt Service Fund Statement of Revenues, Expenditures and Changes in Fund Balance

	2017	2018	2019	2020
<b>Revenues</b>				
Property Tax Increment	\$ 2,512,506	\$ 2,738,584	\$ 3,220,158	\$ 3,000,293
Sales Taxes Increment	5,525,228	5,769,824	6,043,346	6,117,319
Public Improvement Fee	1,261,112	1,288,249	1,332,175	1,436,398
Investment Earnings	61,135	191,753	261,526	43,636
Total Operating Revenues	9,359,981	9,988,410	10,857,205	10,597,646
<b>Expenditures</b>				
<b>General Government</b>				
Accounting and Administration	-	-	-	-
City Support Costs	-	-	-	-
Trustee fee expense	2,750	3,025	3,025	4,200
Collection and Treasurers Fees	106,785	113,300	136,283	127,223
Draw fee expense	6,000	6,000	6,000	6,000
Other General Government	-	-	-	-
Total Government	115,535	122,325	145,308	137,423
<b>Debt Service</b>				
Principal Payments	4,791,070	5,362,817	6,368,723	6,353,035
Current refunding principal payments	-	-	-	-
Debt issuance costs	2,000	-	-	-
Swap termination agreement	-	-	-	-
City public improvement fee allocation	808,199	832,797	858,148	916,425
Interest expenses	2,877,876	2,805,978	2,703,567	2,607,701
Facility fee expense	651,386	627,823	580,410	528,314
Rating service fee	7,500	7,500	7,700	8,000
Remarketing fee expense	83,590	79,837	75,751	71,330
Total Debt Service	9,221,621	9,713,752	10,594,296	10,484,805
Total Expenditures	9,337,156	9,836,077	10,739,604	10,622,228
<b>Excess of Revenue Over (Under) Expenditures</b>	22,825	152,333	117,601	(24,582)
<b>Other financing sources (Uses)</b>				
Refunding bonds and notes issued	-	-	-	-
Transfers in (out)	-	-	-	-
Payment for refunding notes and bond escrow agents	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)</b>	22,825	152,333	117,601	(24,582)
Fund Balance, Beginning	10,219,015	10,241,840	10,394,173	10,511,774
Fund Balance, Ending	\$ 10,241,840	\$ 10,394,173	\$ 10,511,774	\$ 10,487,192

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

## CONTINUING DISCLOSURE

December 31, 2020

**Table XVI**  
**Agency General Fund Budget Summary and Comparison**

	<b>2020 Final Budget</b>	<b>2020 Actual Year End</b>	<b>2021 Budget</b>
<b>Revenues</b>			
Public Improvement Fee	\$ 1,376,537	\$ 1,435,623	\$ 1,409,939
Interest Income	10,000	3,747	5,579
Audit	5,000	775	5,000
Total Revenues	<u>1,391,537</u>	<u>1,440,144</u>	<u>1,420,518</u>
<b>Expenses</b>			
Personnel	97,706	111,108	116,822
Supplies	500	133	200
Accounting and Administration	105,560	105,569	105,560
Audit	11,655	11,355	12,005
Bank Fees	8,652	9,111	10,500
Collection and treasurer fees	15,265	14,862	15,599
Legal, SRA	2,500	6,114	2,500
River Point Amenities Cost Sharing	-	-	-
Records Management Storage System	69,096	56,600	40,000
Records Management - IT	10,000	4,723	-
<b>City Reimbursables</b>			
Other Personnel	1,074,394	1,074,012	1,105,967
Rent and utilities	7,560	7,560	7,560
Contingency	20,000	-	20,000
Total Expenditures	<u>1,422,888</u>	<u>1,401,147</u>	<u>1,436,713</u>
<b>Excess of Revenue Over (Under)</b>			
Expenditures	<u>(31,351)</u>	<u>38,998</u>	<u>(16,195)</u>
Beginning Fund Balance	<u>710,389</u>	<u>736,365</u>	<u>736,399</u>
Ending Fund Balance	<u>\$ 679,038</u>	<u>\$ 775,363</u>	<u>\$ 720,204</u>

# SHERIDAN REDEVELOPMENT AGENCY (SRA)

## CONTINUING DISCLOSURE

December 31, 2020

**Table XIV**  
**Agency Debt Service Budget Summary and Comparison**

	<b>2020 Final Budget</b>	<b>2020 Actual Year End</b>	<b>2021 Budget</b>
<b>Revenues</b>			
Property Tax Increment	\$ 3,299,588	\$ 3,000,293	\$ 3,125,570
Sales Tax Increment	6,298,905	6,091,304	6,133,321
Public Improvement Fee	1,376,537	1,435,623	1,409,929
Audits	7,000	26,790	10,000
Interest Income	175,000	43,636	75,000
<b>Total Revenues</b>	<u>11,157,030</u>	<u>10,597,645</u>	<u>10,753,830</u>
<b>Expenses</b>			
<b>General Government</b>			
Treasury fee expense	3,500	1,200	3,500
Collection and treasurer fees	130,748	127,223	126,816
Draw fee expense	6,000	6,000	6,000
<b>Total General Government</b>	<u>140,248</u>	<u>137,423</u>	<u>136,316</u>
<b>Debt Service</b>			
Bond Principal A Series	3,730,000	3,730,000	3,975,000
Interest A Series	2,370,819	2,623,034	2,210,607
Bond Principal B Series	2,963,034	2,345,735	2,512,717
Interest B Series	261,966	261,966	287,283
Facility Fees LOC Expense	527,055	528,317	490,070
Rating Service Fee	8,000	8,000	8,250
Remarketing Fee	71,329	71,330	66,641
City Public Improvement Fee Allocation	897,749	916,425	916,760
Contingency	50,000	-	50,000
<b>Total Debt Service</b>	<u>10,876,952</u>	<u>10,484,806</u>	<u>10,517,028</u>
<b>Total Expenditures</b>	<u>11,017,200</u>	<u>10,622,229</u>	<u>10,653,344</u>
<b>Excess of Revenue Over (Under)</b>			
Expenditures	139,830	(24,584)	100,486
<b>Other financing sources (uses)</b>			
Transfers in (out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)</b>	<u>139,830</u>	<u>(24,584)</u>	<u>100,486</u>
Beginning Fund Balance	10,469,677	10,511,774	10,569,244
<b>Ending Fund Balance</b>	<u>\$ 10,609,507</u>	<u>\$ 10,487,190</u>	<u>\$ 10,669,730</u>