

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)

BASIC FINANCIAL STATEMENTS

For the Years Ended December 31, 2021 and 2020

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Sheridan Redevelopment Agency
Sheridan, Colorado

Opinions

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 years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the SRA's basic financial statements as listed in the table of contents.

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, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the SRA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the SRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 SRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the SRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

Management is responsible for the other information included in the annual report. The other information comprises the SEC Rule 15c2-12 continuing disclosures but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The Adams Group, LLC

Denver, Colorado
June 23, 2022

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, 2021. 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 2021 by \$117,412,665. 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. Over time, the Bonds will be repaid through incremental revenues: property tax, sales tax, and public improvement fee (PIF) revenues.
- At December 31, 2021, the Agency's governmental funds reported a combined ending fund balance of \$11,878,189. This combined fund balance includes \$10,964,798 of Debt Service Fund balance, and \$913,391 of General Fund balance.
- The unassigned fund balance for the General Fund of \$913,391 is 65.9% of the total General Fund expenditures.
- Sales Tax revenues and PIF revenue combined, the Agency's largest sources of revenue, were \$10,018,759 for 2021 as compared to \$8,990,115 for the prior year, an increase of 11.44%, resulting from stores being closed in 2020 due to the pandemic, 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*.

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.

SHERIDAN REDEVELOPMENT AGENCY
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MANAGEMENT'S DISCUSSION & ANALYSIS

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.

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

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MANAGEMENT'S DISCUSSION & ANALYSIS

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 \$117,412,665 at the close of 2021.

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

Sheridan Redevelopment Agency
Condensed Statement of Net Position
December 31,

	Governmental Activities	
	2021	2020
Assets		
Current and other assets	\$ 15,264,857	\$ 14,500,813
Total Assets	15,264,857	14,500,813
Deferred Outflows of Resources		
Deferred loss on refunding	4,119,975	4,645,482
Derivative instruments	7,352,843	10,828,290
Total Deferred Outflows of Resources	11,472,818	15,473,772
Liabilities		
Current liabilities	331,907	350,559
Noncurrent liabilities	140,593,107	148,532,738
Total Liabilities	140,925,014	148,883,297
Deferred Inflows of Resources		
Unavailable revenue - property taxes	3,225,326	3,071,916
Total Deferred Inflows of Resources	3,225,326	3,071,916
Net Position		
Restricted for debt service	9,976,862	9,605,967
Unrestricted	(127,389,527)	(131,586,595)
Total Net Position	\$ (117,412,665)	\$ (121,980,628)

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

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

	Governmental Activities	
	2021	2020
Revenues		
General Revenues		
Public improvement fees	\$ 3,047,538	\$ 2,872,796
Tax increment financing	3,067,471	3,000,293
Sales taxes	6,971,221	6,117,319
Investment income	4,184	47,383
Total Revenues	13,090,414	12,037,791
Program Expenses		
General government	1,405,045	1,413,693
Redevelopment projects	1,663,971	1,648,946
Interest expense	5,453,435	5,591,048
Total Program Expenses	8,522,451	8,653,687
Change in Net Position	4,567,963	3,384,104
Net Position, Beginning	(121,980,628)	(125,364,732)
Net Position, Ending	\$ (117,412,665)	\$ (121,980,628)

The Sheridan Redevelopment Agency's net position increased \$4,567,963 due primarily to the payment of interest and principal on the bonds.

Governmental Activities

Property tax revenues increased 2.24% between 2020 and 2021 due to an increase in assessed valuations when comparing the same period. Sales tax revenues increased 13.96% between 2020 to 2021, as a result of business re-opening subsequent to the Covid pandemic.

Financial Analysis of the Agency's Funds

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

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

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 2021, the Agency's General Fund reported an ending fund balance of \$913,391, an increase of \$138,028 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 2021, due to principal payments made on the 2011A and B Bonds. Total debt outstanding at December 31, 2021 is \$109,674,856, 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.

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

Agency expenditures for 2022 are estimated at \$1,451,314 in General Fund and \$11,192,201 in the Debt Service Fund.

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

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
YEAR ENDED DECEMBER 31, 2021

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash and investments	\$ 777,410
Restricted cash and investments	10,147,427
Taxes receivable	4,340,020
Total Assets	15,264,857
 <u>Deferred Outflows of Resources</u>	
Deferred loss on refunding	4,119,975
Derivative instruments	7,352,843
Total Deferred Outflow of Resources	11,472,818
 <u>Liabilities</u>	
Current Liabilities	
Accounts payable	8,936
Accrued remarketing fees	5,274
Accrued facility fees	121,760
Accrued interest payable	170,565
Unearned revenue	14,210
Due to City of Sheridan	11,162
Noncurrent Liabilities	
Due in one year	8,190,491
Due in more than one year	125,049,773
Liability for derivative instruments	7,352,843
Total Liabilities	140,925,014
 <u>Deferred Inflows of Resources</u>	
Unavailable revenue - property taxes	3,225,326
Total Deferred Inflows of Resources	3,225,326
 <u>Net Position</u>	
Restricted for debt service	9,976,862
Unrestricted	(127,389,527)
Total Net Position	\$ (117,412,665)

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

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenue Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Governmental Activities					Governmental Activities
General government	\$ 1,405,045	\$ -	\$ -	\$ -	\$ (1,405,045)
Redevelopment projects	1,663,971	-	-	-	(1,663,971)
Interest expense	5,453,435	-	-	-	(5,453,435)
Total Primary Government	<u>8,522,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,522,451)</u>
General revenues:					
Public improvement fees					3,047,538
Tax increment financing					3,067,471
Sales taxes					6,971,221
Investment income					4,184
Total General Revenues					<u>13,090,414</u>
Change in Net Position					4,567,963
Net Position - Beginning of year					<u>(121,980,628)</u>
Net Position - End of year					<u>\$ (117,412,665)</u>

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

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
BALANCE SHEET – GOVERNMENTAL FUNDS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	General Fund	Debt Service Fund	Totals	
			2021	2020
<u>Assets</u>				
Cash and investments	\$ 765,193	\$ 12,217	\$ 777,410	\$ 641,251
Restricted cash and investments	-	10,147,427	10,147,427	9,790,184
Taxes receivable	160,738	4,179,282	4,340,020	4,069,378
Total assets	<u>\$ 925,931</u>	<u>\$ 14,338,926</u>	<u>\$ 15,264,857</u>	<u>\$ 14,500,813</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 8,936	\$ -	\$ 8,936	\$ 13,796
Accrued facility fees	-	121,760	121,760	130,620
Accrued remarketing fees	-	5,274	5,274	5,680
Unearned revenue	1,989	12,221	14,210	780
Due to other governments	-	-	-	4,519
Due to City of Sheridan	1,615	9,547	11,162	10,947
Total liabilities	<u>12,540</u>	<u>148,802</u>	<u>161,342</u>	<u>166,342</u>
<u>Deferred inflows of resources:</u>				
Unavailable revenue - property taxes	-	3,225,326	3,225,326	3,071,916
<u>Fund balances:</u>				
Restricted for debt service	-	10,964,798	10,964,798	10,487,192
Assigned for subsequent appropriation	-	-	-	16,195
Unassigned	913,391	-	913,391	759,168
Total fund balances	<u>913,391</u>	<u>10,964,798</u>	<u>11,878,189</u>	<u>11,262,555</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 925,931</u>	<u>\$ 14,338,926</u>	<u>\$ 15,264,857</u>	<u>\$ 14,500,813</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
YEAR ENDED DECEMBER 31, 2021

Fund balance - governmental funds	\$ 11,878,189
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>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:</p>	
Deferred derivative instruments	7,352,843
Bonds payable	(109,674,856)
Accreted interest	(23,565,408)
Accrued interest	(170,565)
Deferred loss on refunding	4,119,975
Liability for derivative instruments	<u>(7,352,843)</u>
Net Position of Governmental Activities	<u>\$ (117,412,665)</u>

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, 2021 AND 2020

	General Fund	Debt Service Fund	Totals	
			2021	2020
<u>Revenues</u>				
Property tax increment revenue	\$ -	\$ 3,067,471	\$ 3,067,471	\$ 3,000,293
Sales tax increment revenue	-	6,971,221	6,971,221	6,117,319
Public improvement fees	1,523,769	1,523,769	3,047,538	2,872,796
Investment earnings	321	3,863	4,184	47,383
Total revenues	<u>1,524,090</u>	<u>11,566,324</u>	<u>13,090,414</u>	<u>12,037,791</u>
<u>Expenditures</u>				
General Government				
Accounting and administration	106,450	-	106,450	178,246
City support costs	1,122,144	-	1,122,144	1,074,012
Trustee fee expense	-	3,500	3,500	4,200
Collection and treasurer fees	17,550	140,047	157,597	142,085
Draw fee expense	-	6,000	6,000	6,000
Other general government	9,354	-	9,354	9,150
Total General Government	<u>1,255,498</u>	<u>149,547</u>	<u>1,405,045</u>	<u>1,413,693</u>
Redevelopment Projects				
Salaries and benefits	122,569	-	122,569	111,108
Rent	7,560	-	7,560	7,560
Legal	360	-	360	6,114
Other expenses	75	-	75	95
Total Redevelopment Projects	<u>130,564</u>	<u>-</u>	<u>130,564</u>	<u>124,877</u>
Debt Service				
Principal payments	-	7,250,000	7,250,000	6,353,035
City public improvement fee allocation	-	963,452	963,452	916,425
Interest expense	-	2,155,764	2,155,764	2,607,701
Facility fee expense	-	492,015	492,015	528,064
Rating service fees	-	8,500	8,500	8,000
LOC renewal fee	-	2,800	2,800	250
Remarketing fee expense	-	66,640	66,640	71,330
Total Debt Service	<u>-</u>	<u>10,939,171</u>	<u>10,939,171</u>	<u>10,484,805</u>
Total Expenditures	<u>1,386,062</u>	<u>11,088,718</u>	<u>12,474,780</u>	<u>12,023,375</u>
Net change in fund balances	138,028	477,606	615,634	14,416
Fund balances - beginning of year	<u>775,363</u>	<u>10,487,192</u>	<u>11,262,555</u>	<u>11,248,139</u>
Fund balances - end of year	<u>\$ 913,391</u>	<u>\$ 10,964,798</u>	<u>\$ 11,878,189</u>	<u>\$ 11,262,555</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, 2021

Net change in fund balances - governmental funds: \$ 615,634

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	7,250,000
Change in accreted interest	(2,785,816)
Change in accrued interest	13,652
	13,652

Change in Net Position of Governmental Activities \$ 4,567,963

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

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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, 2021, 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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2021, follows:

Cash deposits	\$ 16,828
Investments	<u>10,908,009</u>
Total Cash and Investments	<u><u>\$ 10,924,837</u></u>

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

Cash and investments	\$ 777,410
Restricted cash and investments	<u>10,147,427</u>
Total Cash and Investments	<u><u>\$ 10,924,837</u></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, 2021, 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 \$16,828 with a carrying value of \$16,828 at December 31, 2021.

Investments

Credit Risk

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

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

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
- 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, 2021, 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, 2021, the SRA had \$760,582 invested in COLOTRUST PLUS +. COLOTRUST is rated AAAM 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, 2021, the SRA investments in Fidelity Government Portfolio CL II (the fund), a money market fund in the amount of \$10,147,427. The goals of the fund are a stable \$1 share price, maintenance of liquidity, and income.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 AAAM by Standard & Poor's. The Fund does not have any unfunded commitments, redemption restrictions or redemption notice periods. At December 31, 2021, the SRA invested \$10,147,427 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, 2021, the SRA had the following restricted cash balances:

Restricted for:	
Debt service reserves	\$ 7,407,500
Debt repayment	2,739,927
Total Governmental Activities	<u>\$ 10,147,427</u>

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 4 - LONG-TERM DEBT

Following is a summary of long-term debt transactions for governmental activities for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Due in One Year
<u>Tax Increment Revenue Bonds</u>					
Series 2011A-1	\$ 47,080,000	\$ -	\$ 3,485,000	\$ 43,595,000	\$ 3,705,000
Series 2011A-2	6,570,000	-	490,000	6,080,000	520,000
Series 2011B-1	18,273,936	-	1,310,000	16,963,936	1,561,242
Series 2011B-2	27,537,654	-	1,965,000	25,572,654	2,404,249
Series 2011C	17,463,266	-	-	17,463,266	-
Series 2011B-1 Accreted Interest	2,442,016	274,144	-	2,716,160	-
Series 2011B-2 Accreted Interest	3,674,535	412,510	-	4,087,045	-
Series 2011C Accreted Interest	14,663,041	2,099,162	-	16,762,203	-
Total	<u>\$ 137,704,448</u>	<u>\$ 2,785,816</u>	<u>\$ 7,250,000</u>	<u>\$ 133,240,264</u>	<u>\$ 8,190,491</u>

Colorado Urban Renewal Law states that the City has no obligation to repay the SRA's debt. For the year ended December 31, 2021, two retailers comprised approximately 72% of public improvement fees and 62% 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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 4 - LONG-TERM DEBT (CONTINUED)

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

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.

During the year ended December 31, 2021, amounts borrowed and repaid under the letters of credit totaled \$48,773.

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, 2021, 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, 2021, 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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 4 - LONG-TERM DEBT (CONTINUED)

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

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.

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, 2021, the market value of this contract is estimated to be a negative \$7,352,843. During the year ended December 31, 2021, the contract value decreased \$3,475,447. During the year ended December 31, 2021, under the swap agreement, the SRA paid the counterparty \$2,106,991.

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, 2021, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	4,735,000	1,081,278	5,816,278
2027-2029	22,570,000	2,072,586	24,642,586
Total	<u>\$ 43,595,000</u>	<u>\$ 9,144,888</u>	<u>\$ 52,739,888</u>

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 4 - LONG-TERM DEBT (CONTINUED)

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

Projected annual debt service requirements for the outstanding Series 2011A-2 Bonds at December 31, 2021, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	660,000	200,524	860,524
2027-2029	3,145,000	384,537	3,529,537
Total	<u>\$ 6,080,000</u>	<u>\$ 1,696,437</u>	<u>\$ 7,776,437</u>

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.

SHERIDAN REDEVELOPMENT AGENCY
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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 - LONG-TERM DEBT (CONTINUED)

Subordinate Tax Increment Refunding Revenue Bonds Series 2011B

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, 2021, \$2,500,000 of current requirements remains unpaid and therefore is due in 2022.

Projected annual debt service requirements for the outstanding Series 2011B-1 Bonds at December 31, 2021, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,561,242	\$ 123,984	\$ 1,685,226
2023	686,242	133,758	820,000
2024	676,607	143,393	820,000
2025	667,103	152,897	820,000
2026	657,738	162,262	820,000
2027 - 2031	4,195,300	1,289,700	5,485,000
2032 - 2036	5,452,971	2,157,029	7,610,000
2037 - 2039	3,066,733	1,463,265	4,529,998
Total	<u>\$ 16,963,936</u>	<u>\$ 5,626,288</u>	<u>\$ 22,590,224</u>

Projected annual debt service requirements for the outstanding Series 2011B-2 Bonds at December 31, 2021, are as follows:

SHERIDAN REDEVELOPMENT AGENCY
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YEAR ENDED DECEMBER 31, 2021

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>
2022	\$ 2,404,249	\$ 188,244	\$ 2,592,493
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	998,639	246,361	1,245,000
2027 - 2031	6,337,114	1,947,886	8,285,000
2032 - 2036	8,124,212	3,215,788	11,340,000
2037 - 2039	4,630,565	2,209,435	6,840,000
Total	<u>\$ 25,572,654</u>	<u>\$ 8,459,839</u>	<u>\$ 34,032,493</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, 2021, the outstanding principal balance is \$17,463,266.

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.

SHERIDAN REDEVELOPMENT AGENCY
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YEAR ENDED DECEMBER 31, 2021

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.

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.

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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, 2021, the SRA had a deficit net position of (\$117,412,665). 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, 2021. All balances are expected to be repaid within one year. There were no internal balances at December 31, 2021. At December 31, 2021, the SRA owed the City \$11,162.

NOTE 10 - RELATED PARTY TRANSACTIONS

During the year, the SRA transferred \$1,252,273 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, 2021, for such services and collected fees.

REQUIRED SUPPLEMENTARY INFORMATION

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED DECEMBER 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	
<u>Revenues</u>				
Public improvement fees	\$ 1,414,939	\$ 1,523,769	\$ 108,830	\$ 1,436,398
Investment earnings	5,579	321	(5,258)	3,747
Total revenues	<u>1,420,518</u>	<u>1,524,090</u>	<u>103,572</u>	<u>1,440,145</u>
<u>Expenditures</u>				
General Government				
Accounting and administration	117,565	106,450	11,115	178,246
Collection and treasurer fees	15,599	17,550	(1,951)	14,862
Payments to the City of Sheridan	1,105,967	1,122,144	(16,177)	1,074,012
Other general government	50,500	9,354	41,146	9,150
Total General Government	<u>1,289,631</u>	<u>1,255,498</u>	<u>34,133</u>	<u>1,276,270</u>
Redevelopment Projects				
Salaries and benefits	116,822	122,569	(5,747)	111,108
Rent and utilities	7,560	7,560	-	7,560
Legal	2,500	360	2,140	6,114
Other expenses	200	75	125	95
Total Redevelopment Projects	<u>127,082</u>	<u>130,564</u>	<u>(3,482)</u>	<u>124,877</u>
Contingency	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total Expenditures	<u>1,436,713</u>	<u>1,386,062</u>	<u>50,651</u>	<u>1,401,147</u>
Net change in fund balance	<u>\$ (16,195)</u>	138,028	<u>\$ 154,223</u>	38,998
Fund balances - beginning of year		<u>775,363</u>		<u>736,365</u>
Fund balances - end of year		<u>\$ 913,391</u>		<u>\$ 775,363</u>

OTHER SUPPLEMENTARY INFORMATION

SHERIDAN REDEVELOPMENT AGENCY
(SHERIDAN, COLORADO)
BUDGETARY COMPARISON SCHEDULE – DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2021
With Comparative Totals for the Year Ended December 31, 2020

	2021				2020
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues					
Tax increment financing	\$ 3,125,570	\$ 3,067,471	\$ 3,067,471	\$ -	\$ 3,000,293
Sales tax	6,138,321	6,971,221	6,971,221	-	6,117,319
Public improvement fees	1,414,939	1,523,769	1,523,769	-	1,436,398
Investment earnings	75,000	3,863	3,863	-	43,636
Total revenues	<u>10,753,830</u>	<u>11,566,324</u>	<u>11,566,324</u>	<u>-</u>	<u>10,597,646</u>
Expenditures					
General Government					
Trustee fee expense	3,500	3,500	3,500	-	4,200
Collection & treasurer fees	126,816	140,047	140,047	-	127,223
Draw fee expense	6,000	6,000	6,000	-	6,000
Total General Government	<u>136,316</u>	<u>149,547</u>	<u>149,547</u>	<u>-</u>	<u>137,423</u>
Debt Service					
Bond principal payment	6,487,717	7,250,000	7,250,000	-	6,353,035
City public improvement fee allocation	916,460	963,452	963,452	-	916,425
Interest expense	2,497,890	2,155,764	2,155,764	-	2,607,701
Facility fee expense	490,070	492,015	492,015	-	528,064
Rating service fee	8,250	8,500	8,500	-	8,000
LOC renewal fee	-	2,800	2,800	-	250
Remarketing fee expense	66,641	66,640	66,640	-	71,330
Total Debt Service	<u>10,467,028</u>	<u>10,939,171</u>	<u>10,939,171</u>	<u>-</u>	<u>10,484,805</u>
Contingency	<u>50,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total Expenditures	<u>10,653,344</u>	<u>11,188,718</u>	<u>11,088,718</u>	<u>100,000</u>	<u>10,622,228</u>
Net change in fund balance	<u>\$ 100,486</u>	<u>\$ 377,606</u>	477,606	<u>\$ 100,000</u>	(24,582)
Fund balances - beginning of year			<u>10,487,192</u>		<u>10,511,774</u>
Fund balances - end of year			<u>\$ 10,964,798</u>		<u>\$ 10,487,192</u>

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

TABLE I
Assessed Valuation in the Urban Renewal Area

Levy/ Collection Year	Total Assessed Valuation	Assessed Valuation Property Tax Base	Assessed Valuation Property Tax Increment Value
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
2021/2022	42,741,599	6,916,811	35,824,788

Source: Arapahoe County Assessor's Office

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

Collection Year	Pledged Incremental Property Taxes Due from Taxes Levied	Pledged Incremental Property Tax Revenues Collected(1)	Collection as Percent of Levy
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%
2020/2021	3,071,916	3,067,471	100%

(1) Property tax increment revenues also include some revenues for property tax payments due in 2020 but received in 2021.

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

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

Table III
2021 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	\$ 41,082,999	96.12%	\$ 141,665,514	96.12%
Vacant	1,498,077	3.50%	5,165,783	3.50%
Industrial	64,473	0.15%	222,321	0.15%
Residential	-	0%	-	0%
State Assessed	96,050	0%	331,207	0%
Total	\$ 42,741,599	100.00%	\$ 147,384,824	100%

Source: Arapahoe County Assessor's Office

Table IV
Total Mill Levy

<u>Name</u>	<u>2021 Mill Levy¹</u>
Arapahoe County	12.013
Arapahoe Library District	5.810
Development Disabilities	1.000
Sheridan (City of)	20.640
Sheridan Sanitation District No. 2B	0.643
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	<u>94.394</u>

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

Source: Arapahoe County Assessor's Office

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

Table V
Largest Property Taxpayers Within the Urban Renewal Area

<u>Name</u>	<u>Assessed Valuation</u>	<u>Percent of Assessed Valuation¹</u>
Weingarten Miller Sheridan LLC	\$ 17,992,912	46.64%
Target Corporation	5,632,497	14.60%
Costco Wholesale Corporation	4,570,980	11.85%
WPC Hampden Park LLC	3,901,080	10.11%
American National Insurance Co	3,163,320	8.20%
Metro Express Sheridan	1,867,862	4.84%
River Point MOB LLC	1,274,287	3.30%
Lochness Properties, Inc.	963,363	2.50%
Kube-Carrasco	730,510	1.89%
Stateserve Medical	525,112	1.36%
	<u>\$ 40,621,923</u>	<u>105.29%</u>

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</u>			<u>Pledged Incremental Sales Tax</u>
	<u>Tax From Urban Renewal Area</u>	<u>Collection and Enforcement Costs</u>	<u>Sales Tax Base</u>	
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
2021	7,341,180	76,460	369,959	6,894,761

Source: SRA Finance Department

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

Table VII

Pledged Public Improvement Fee Revenue Collections Within the Urban Renewal Area

Calendar	Total Public	City Collection	Pledged Public
Year	Improvement	and Enforcement	Improvement
	Fee	Costs	Fees
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
2021	3,047,538	35,100	1,506,219

Source: SRA Finance Department

Table VIII

Pledged Revenue Collections for the Urban Renewal Area

Levy/	Pledged	Pledged	Pledged Public	Total
Collection	Incremental	Incremental	Improvement	Pledged
Year	Sales Tax	Property Tax	Fees	Revenues
2016/2017	\$ 5,237,605	\$ 2,236,149	\$ 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
2020/2021	6,894,761	3,067,471	1,506,219	11,468,451

Source: SRA Finance Department

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

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

	2018	2019	2020	2021
Revenues				
Public Improvement Fee	\$ 1,288,249	\$ 1,332,174	\$ 1,436,398	\$ 1,523,769
Investment Earnings	10,207	13,335	3,747	321
Total Operating Revenues	<u>1,298,456</u>	<u>1,345,509</u>	<u>1,440,145</u>	<u>1,524,090</u>
Expenses				
General Government				
Accounting and Administration	174,035	181,118	178,246	106,450
City Support Costs	891,168	981,996	1,074,012	1,122,144
Collection and Treasurers Fees	13,153	16,960	14,862	17,550
Other General Government	7,559	7,962	9,150	9,354
Total Government	<u>1,085,915</u>	<u>1,188,036</u>	<u>1,276,270</u>	<u>1,255,498</u>
Redevelopment Project				
Salaries and Benefits	88,907	94,356	111,108	122,569
Rent	7,560	7,560	7,560	7,560
Legal	9,230	1,328	6,114	360
Other Expenses	1,814	72	95	75
Total Redevelopment Project	<u>107,511</u>	<u>103,316</u>	<u>124,877</u>	<u>130,564</u>
Total Expenditures	<u>1,193,426</u>	<u>1,291,352</u>	<u>1,401,147</u>	<u>1,386,062</u>
Excess of Revenue Over (Under)				
Expenditures	<u>105,030</u>	<u>54,157</u>	<u>38,998</u>	<u>138,028</u>
Beginning Fund Balance	<u>577,178</u>	<u>682,208</u>	<u>736,365</u>	<u>775,363</u>
Ending Fund Balance	<u>\$ 682,208</u>	<u>\$ 736,365</u>	<u>\$ 775,363</u>	<u>\$ 913,391</u>

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

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

	2018	2019	2020	2021
Revenues				
Property Tax Increment	\$ 2,738,584	\$ 3,220,158	\$ 3,000,293	\$ 3,067,471
Sales Taxes Increment	5,769,824	6,043,346	6,117,319	6,971,221
Public Improvement Fee	1,288,249	1,332,175	1,436,398	1,523,769
Investment Earnings	191,753	261,526	43,636	3,863
Total Operating Revenues	<u>9,988,410</u>	<u>10,857,205</u>	<u>10,597,646</u>	<u>11,566,324</u>
Expenditures				
General Government				
Trustee fee expense	3,025	3,025	4,200	3,500
Collection and Treasurers Fees	113,300	136,283	127,223	140,047
Draw fee expense	6,000	6,000	6,000	6,000
Total Government	<u>122,325</u>	<u>145,308</u>	<u>137,423</u>	<u>149,547</u>
Debt Service				
Principal Payments	5,362,817	6,368,723	6,353,035	7,250,000
City public improvement fee allocation	832,797	858,148	916,425	963,452
Interest expenses	2,805,978	2,703,564	2,607,701	2,155,764
Facility fee expense	624,823	580,410	528,314	494,815
Rating service fee	7,500	7,700	8,000	8,500
Remarketing fee expense	79,837	75,751	71,330	66,640
Total Debt Service	<u>9,713,752</u>	<u>10,594,296</u>	<u>10,484,805</u>	<u>10,939,171</u>
Total Expenditures	<u>9,836,077</u>	<u>10,739,604</u>	<u>10,622,228</u>	<u>11,088,718</u>
Excess of Revenue Over (Under) Expenditures	<u>152,333</u>	<u>117,601</u>	<u>(24,582)</u>	<u>477,606</u>
Fund Balance, Beginning	<u>10,241,840</u>	<u>10,394,173</u>	<u>10,511,774</u>	<u>10,487,192</u>
Fund Balance, Ending	<u>\$ 10,394,173</u>	<u>\$ 10,511,774</u>	<u>\$ 10,487,192</u>	<u>\$ 10,964,798</u>

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

Table XVI
Agency General Fund Budget Summary and Comparison

	2021 Final Budget	2021 Actual Year End	2022 Budget
Revenues			
Public Improvement Fee	\$ 1,409,939	\$ 1,522,021	\$ 1,479,000
Interest Income	5,579	321	500
Audit	5,000	1,748	5,000
Total Revenues	<u>1,420,518</u>	<u>1,524,090</u>	<u>1,484,500</u>
Expenses			
Personnel	116,822	122,569	126,245
Supplies	200	75	200
Accounting and Administration	105,560	94,250	98,960
Audit	12,005	12,200	13,200
Bank Fees	10,500	9,354	10,500
Collection and treasurer fees	15,599	17,550	16,340
Legal, SRA	2,500	360	2,500
Records Management/Storage System	40,000	-	-
City Reimbursables			
Other Personnel	1,105,967	1,122,144	1,155,808
Rent and utilities	7,560	7,560	7,560
Contingency	20,000		20,000
Total Expenditures	<u>1,436,713</u>	<u>1,386,062</u>	<u>1,451,313</u>
Excess of Revenue Over (Under)			
Expenditures	<u>(16,195)</u>	<u>138,028</u>	<u>33,187</u>
Beginning Fund Balance	<u>736,399</u>	<u>775,363</u>	<u>840,925</u>
Ending Fund Balance	<u>\$ 720,204</u>	<u>\$ 913,391</u>	<u>\$ 874,112</u>

SHERIDAN REDEVELOPMENT AGENCY
CONTINUING DISCLOSURE
YEAR ENDED DECEMBER 31, 2021

Table XIV
Agency Debt Service Budget Summary and Comparison

	2021 Final Budget	2021 Actual Year End	2022 Budget
Revenues			
Property Tax Increment	\$ 3,067,471	\$ 3,067,471	\$ 3,373,013
Sales Tax Increment	6,939,188	6,939,188	6,375,000
Public Improvement Fee	1,522,021	1,522,021	1,479,000
Audits	33,781	33,781	10,000
Interest Income	3,863	3,863	4,500
Total Revenues	<u>11,566,324</u>	<u>11,566,324</u>	<u>11,241,513</u>
Expenses			
General Government			
Trustee fee expense	3,500	3,500	5,000
Collection and treasurer fees	140,047	140,047	133,735
Draw fee expense	6,000	6,000	6,000
Total General Government	<u>149,547</u>	<u>149,547</u>	<u>144,735</u>
Debt Service			
Bond Principal A Series	3,975,000	3,975,000	4,225,000
Interest A Series	2,155,764	2,155,764	2,046,778
Bond Principal B Series	3,275,000	3,275,000	2,927,772
Interest B Series	-	-	312,228
Facility Fees/LOC Expense	494,815	494,815	453,802
Rating Service Fee	8,500	8,500	9,000
Remarketing Fee	66,640	66,640	61,536
City Public Improvement Fee Allocation	963,452	963,452	961,350
Contingency	100,000	-	50,000
Total Debt Service	<u>11,039,171</u>	<u>10,939,171</u>	<u>11,047,466</u>
Total Expenditures	<u>11,188,718</u>	<u>11,088,718</u>	<u>11,192,201</u>
Excess of Revenue Over (Under)			
Expenditures	<u>377,606</u>	<u>477,606</u>	<u>49,312</u>
Beginning Fund Balance	<u>10,964,798</u>	<u>10,487,192</u>	<u>10,495,466</u>
Ending Fund Balance	<u>\$ 11,342,404</u>	<u>\$ 10,964,798</u>	<u>\$ 10,544,778</u>