

EAST CREEK METROPOLITAN DISTRICT NO.1

2019 Budget Message

Introduction

The District was formed in 2018 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements. Some of these improvements will be dedicated to the City of Aurora, Arapahoe County, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

In June 2018, the District entered into a Memorandum of Understanding (the “MOU”) with East Creek Metropolitan District No. 2 (“District No. 2”). Under the MOU, the District “shall provide for the financing, construction, design, operation and maintenance of the Improvements, as well as overall administration of the Districts.” District No. 2 is to reimburse District No. 1 for all costs incurred by District No. 1 pursuant to the MOU, on an allocable basis.

The 2019 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2019 fiscal year based on available revenues.

The District’s assessed value is \$480,625. The District certified 65.277 mills in the General Fund for taxes collected in the 2019 fiscal year.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax, developer advances, operations and maintenance and working capital fees, and expenditures which include district administration, legal services, operations and maintenance of landscape, parks and open space, and other expenses related to statutory operations of a local government.

Emergency Reserve

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues

in the General Fund.

East Creek Metropolitan District No. 1
Assessed Value, Property Tax and Mill Levy Information

	2017	2018	2019
	Actual	Adopted Budget	Adopted Budget

Assessed Valuation	\$	-	\$	-	\$	480,625
Mill Levy						
General Fund		0.000		0.000		65.277
Debt Service Fund		0.000		0.000		0.000
Temporary Mill Levy Reduction		0.000		0.000		0.000
Refunds and Abatements		0.000		0.000		0.000
Total Mill Levy		0.000		0.000		65.277
Property Taxes						
General Fund	\$	-	\$	-	\$	31,374
Debt Service Fund	\$	-	\$	-	\$	-
Temporary Mill Levy Reduction	\$	-	\$	-	\$	-
Refunds and Abatements	\$	-	\$	-	\$	-
Actual/Budgeted Property Taxes	\$	-	\$	-	\$	31,374

EAST CREEK METROPOLITAN DISTRICT NO. 1
Budget
General Fund
2019 Adopted Budget
With 2018 Adopted Budget and 2018 Estimated

	2018 Adopted	2018 Estimated	2019 Adopted
Beginning Funds Available	\$ -	\$ -	\$ -
Revenue			
Property Taxes	\$ -	\$ -	\$ 31,374
Specific Ownership Taxes	\$ -	\$ -	\$ -
Developer Advance	\$ 50,000	\$ 50,000	\$ 77,440
O&M Fees	\$ -	\$ -	\$ 4,410
Miscellaneous Income	\$ -	\$ -	\$ -
Total Revenue	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 113,224</u>
Total Funds Available	<u><u>\$ 50,000</u></u>	<u><u>\$ 50,000</u></u>	<u><u>\$ 113,224</u></u>
Expenditures			
Audit/Exemption	\$ 1,000	\$ 1,000	\$ 1,000
Election	\$ -	\$ -	\$ -
Insurance/SDA Dues	\$ 3,500	\$ 3,500	\$ 3,500
Accounting	\$ 8,000	\$ 8,000	\$ 8,000
Legal	\$ 15,000	\$ 15,000	\$ 15,000
Management	\$ 15,000	\$ 15,000	\$ 15,000
Miscellaneous	\$ 3,000	\$ 3,000	\$ 3,000
Contingency	\$ 3,000	\$ 3,000	\$ 3,000
Treasurer's Fees	\$ -	\$ -	\$ 471
Covenant Control/Community Management	\$ -	\$ -	\$ 14,345
Drainage	\$ -	\$ -	\$ 2,000
Landscaping	\$ -	\$ -	\$ 28,480
Fencing	\$ -	\$ -	\$ 1,500
Park	\$ -	\$ -	\$ 4,680
Utilities	\$ -	\$ -	\$ 7,500
Monuments	\$ -	\$ -	\$ 1,000
Mailboxes	\$ -	\$ -	\$ 750
Total Expenditures	<u>\$ 48,500</u>	<u>\$ 48,500</u>	<u>\$ 109,226</u>
Emergency Reserve	\$ 1,500	\$ 1,500	\$ 1,500
Total Expenditures Requiring Appropriation	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 110,726</u>
Ending Funds Available	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,498</u></u>