

**BUFFALO RIDGE METROPOLITAN DISTRICT**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2023**

**BUFFALO RIDGE METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 13,060,566	\$ 13,326,555	\$ 13,379,723
REVENUES			
Property Taxes	2,121,385	2,637,648	2,710,202
Specific Ownership Tax	159,894	152,715	189,714
Interest Income	4,901	265,149	197,000
Building Permit Fee Rebate	91,622	25,000	50,000
Sales/use Tax Rebate	206,263	80,000	80,000
Drainage Fee Rebate	48,653	10,000	20,000
System Development Fees	386,240	150,000	150,000
System Development Fees - Commercial	-	-	50,000
ERU Sales	881,250	75,000	75,000
Road Impact Fee Rebate	105,631	25,000	25,000
Reimbursed expenditures - construction	-	-	4,900,000
Reimbursed expenditures - design	-	-	250,000
Other Revenue	-	8,640	-
Total revenues	<u>4,005,839</u>	<u>3,429,152</u>	<u>8,696,916</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>8,000,000</u>
Total funds available	<u>17,066,405</u>	<u>16,755,707</u>	<u>30,076,639</u>
EXPENDITURES			
General Fund	97,680	112,731	235,002
Debt Service Fund	3,396,321	2,768,956	8,608,313
Capital Projects Fund	245,849	494,297	11,117,000
Total expenditures	<u>3,739,850</u>	<u>3,375,984</u>	<u>19,960,315</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>8,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,739,850</u>	<u>3,375,984</u>	<u>27,960,315</u>
ENDING FUND BALANCES	<u>\$ 13,326,555</u>	<u>\$ 13,379,723</u>	<u>\$ 2,116,324</u>
EMERGENCY RESERVE	\$ 21,600	\$ 15,200	\$ 16,900
2018A SURPLUS FUND RESERVE	1,058,200	1,058,200	1,058,200
CONSERVATION TRUST FUND RESERVE	146,393	146,393	146,393
TOTAL RESERVE	<u>\$ 1,226,193</u>	<u>\$ 1,219,793</u>	<u>\$ 1,221,493</u>

No assurance provided. See summary of significant assumptions.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

**ASSESSED VALUATION - ADAMS COUNTY**

Residential	\$ 39,965,040	\$ 49,173,690	\$ -
Residential - single-family	-	-	50,096,630
Residential - multi-family	-	-	2,272,640
Commercial	2,976,580	1,502,170	1,502,170
Agricultural	10	10	770
Vacant land	3,010,430	4,768,660	1,099,270
Personal property	798,070	577,080	1,007,990
State assessed	20,510	2,510	23,390
Certified Assessed Value	\$ 46,770,640	\$ 56,024,120	\$ 56,002,860

**MILL LEVY**

General	5.484	5.497	5.649
Debt Service	41.489	41.588	42.745
Total mill levy	46.973	47.085	48.394

**PROPERTY TAXES**

General	\$ 256,490	\$ 307,965	\$ 316,360
Debt Service	1,940,467	2,329,931	2,393,842
Levied property taxes	2,196,957	2,637,896	2,710,202
Adjustments to actual/rounding	(2,823)	-	-
Refunds and abatements	(72,749)	(248)	-
Budgeted property taxes	\$ 2,121,385	\$ 2,637,648	\$ 2,710,202

**BUDGETED PROPERTY TAXES**

General	\$ 247,667	\$ 307,936	\$ 316,360
Debt Service	1,873,718	2,329,712	2,393,842
	\$ 2,121,385	\$ 2,637,648	\$ 2,710,202

No assurance provided. See summary of significant assumptions.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,123,535	\$ 1,745,109	\$ 2,136,383
<b>REVENUES</b>			
Property taxes	247,667	307,936	316,360
Specific ownership tax	18,667	17,830	22,145
Building permit fee rebate	91,622	25,000	50,000
Sales/use tax rebate	206,263	80,000	80,000
Interest income	751	38,000	47,000
Drainage fee rebate	48,653	10,000	20,000
Road impact fee rebate	105,631	25,000	25,000
Other revenue	-	240	-
Total revenues	719,254	504,006	560,505
Total funds available	1,842,789	2,249,115	2,696,889
<b>EXPENDITURES</b>			
General and administrative			
Accounting	45,206	50,000	57,500
Audit	4,700	5,200	5,800
County Treasurer's fee	3,719	4,619	4,745
Dues and licenses	439	500	550
Insurance and bonds	6,519	6,912	7,500
District management	16,425	20,000	23,000
Legal services	19,612	20,000	25,000
Miscellaneous	336	500	3,000
Election expense	-	3,500	50,000
Contingency	-	-	20,907
Operations and maintenance			
Water - irrigation	724	1,500	2,000
Maintenance	-	-	35,000
Total expenditures	97,680	112,731	235,002
<b>TRANSFERS OUT</b>			
Transfers to Capital Projects Fund	-	-	2,000,000
Total transfers out	-	-	2,000,000
Total expenditures and transfers out requiring appropriation	97,680	112,731	2,235,002
ENDING FUND BALANCE	\$ 1,745,109	\$ 2,136,383	\$ 461,886
EMERGENCY RESERVE	\$ 21,600	\$ 15,200	\$ 16,900
TOTAL RESERVE	\$ 21,600	\$ 15,200	\$ 16,900

No assurance provided. See summary of significant assumptions.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,311,490	\$ 1,197,811	\$ 1,141,012
<b>REVENUES</b>			
Property taxes	1,873,718	2,329,712	2,393,842
Specific ownership tax	141,227	134,885	167,569
System development fees	386,240	150,000	150,000
System Development Fees - Commercial	-	-	50,000
ERU sales	881,250	75,000	75,000
Interest income	207	22,560	30,000
Total revenues	3,282,642	2,712,157	2,866,411
<b>TRANSFERS IN</b>			
Transfers from Capital Projects Fund	-	-	6,000,000
Total transfers in	-	-	6,000,000
Total funds available	4,594,132	3,909,968	10,007,423
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	28,136	34,949	35,908
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	28,780
Debt Service			
Bond Interest - 2018A	1,213,081	1,208,082	1,193,581
Bond Interest - 2018B	1,373,104	977,925	934,044
Bond principal - 2018A	100,000	290,000	410,000
Bond principal - 2018B	676,000	252,000	6,000,000
Total expenditures	3,396,321	2,768,956	8,608,313
Total expenditures and transfers out requiring appropriation	3,396,321	2,768,956	8,608,313
ENDING FUND BALANCE	\$ 1,197,811	\$ 1,141,012	\$ 1,399,111
2018A SURPLUS FUND RESERVE	\$ 1,058,200	\$ 1,058,200	\$ 1,058,200
TOTAL RESERVE	\$ 1,058,200	\$ 1,058,200	\$ 1,058,200

No assurance provided. See summary of significant assumptions.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 10,625,541	\$ 10,383,635	\$ 10,102,327
REVENUES			
Interest income	3,943	204,589	120,000
Reimbursed expenditures - construction	-	-	4,900,000
Reimbursed expenditures - design	-	-	250,000
Other revenue	-	8,400	-
Total revenues	<u>3,943</u>	<u>212,989</u>	<u>5,270,000</u>
TRANSFERS IN			
Transfers from General Fund	-	-	2,000,000
Total transfers in	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Total funds available	<u>10,629,484</u>	<u>10,596,624</u>	<u>17,372,327</u>
EXPENDITURES			
General and Administrative			
Accounting	2,720	597	-
District management	6,253	2,200	-
Legal services	4,512	15,000	-
Miscellaneous	150	-	5,000
Capital Projects			
Construction management	120,245	131,000	100,000
120th & Chambers - Landscaping	8,485	-	-
120th Ave Widening - design	-	200,000	-
BR Village Center - design	1,200	2,000	2,000
BR Village Center - Lights	4,775	-	10,000
BR Village Center - Landscaping	-	1,000	-
120th Widening - South Side	80,161	83,000	4,100,000
120th Widening - North Side	17,348	59,500	4,900,000
120th & Buckley - comm. site imprments	-	-	2,000,000
Total expenditures	<u>245,849</u>	<u>494,297</u>	<u>11,117,000</u>
TRANSFERS OUT			
Transfers to Debt Service Fund	-	-	6,000,000
Total expenditures and transfers out requiring appropriation	<u>245,849</u>	<u>494,297</u>	<u>17,117,000</u>
ENDING FUND BALANCE	<u>\$ 10,383,635</u>	<u>\$ 10,102,327</u>	<u>\$ 255,327</u>
CONSERVATION TRUST FUND RESERVE	\$ 146,393	\$ 146,393	\$ 146,393
TOTAL RESERVE	<u>\$ 146,393</u>	<u>\$ 146,393</u>	<u>\$ 146,393</u>

No assurance provided. See summary of significant assumptions.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Buffalo Ridge Metropolitan District was organized on November 19, 1996 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in the City of Commerce City, Adams County, Colorado. The District expects development to occur within three parcels of property known as the "Chambers, Buckley and Northwood Parcels." The District was established to finance and construct water, sanitation, street, fire and safety protection, park and recreation improvements and transportation services.

On November 5, 1996, the District's electors authorized initial indebtedness of \$24,000,000. Additional indebtedness of \$16,200,000 was authorized on May 5, 1998, and \$73,400,000 on November 7, 2000. All authorizations provided that the bonds would be subject to a maximum net interest rate of 12% per annum. The District's electors also authorized the District to increase taxes annually by \$350,000 (\$250,000 on November 5, 1996, and \$100,000 on November 7, 2000) for operations, maintenance and other expenses without regard to any limitations under TABOR.

The District has no employees and all operations and administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's debt service Required Mill Levy is 42.717 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable and to make up any deficiencies in the Reserve Fund.

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget using the adopted mill levy imposed by the District.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues** (continued)

**Property Taxes (continued)**

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected by the District.

**System Development Fees**

The District has a system development fee rate, which for 2023 range between \$1,800 and \$3,600 for single-family detached residential units, \$900 to \$1,350 single-family attached or multi-family units and \$17,200 per acre for all other structures.

**Drainage Fees**

The District anticipates receiving \$20,000 in drainage fees from the City of Commerce City in accordance with the city's subdivision ordinances.

**Sales/Use Tax, Building Permit and Road Impact Fee Rebates**

The annexation agreement and related agreements provide that the City of Commerce City will rebate to the District an amount not to exceed 33% of the City Sales and Use Tax and Building Permit Fees collected on development within the District. The City's obligation will continue until all debt instruments to fund the public improvements have been retired, but not later than 15 years from the date construction is first initiated in the Chambers Parcel and not later than 20 years from the date construction is first initiated in the Northwood Village and Buckley Parcels.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2.0%.

**ERU Sales**

The District sells ERU's to homebuilders for \$7,500 each. In 2023, the District anticipates ERU revenue of approximately \$75,000.



**BUFFALO RIDGE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, meeting expense and other administrative expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2018A Bonds and the Series 2018B Bonds (discussed under Debt and Leases).

**Capital Outlay**

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

**Series 2018A – General Obligation Refunding and Improvements Bonds**

On May 30, 2018, the District issued Series 2018A General Obligation Refunding and Improvements Bonds ("Series 2018A Bonds") in the amount of \$29,000,000, with interest rates ranging between 3.00% and 5.00%. The proceeds of the Series 2018A Bonds are for the purpose of redeeming the Series 2010A Bonds, prepaying and cancelling the Series 2013 Loan, prepaying and cancelling the Series 2016 Loan, financing or reimbursing the costs of public improvements, and paying the costs of issuing the Series 2018A Bonds. The Series 2018A Bonds are serial bonds and a term bond. The serial bonds mature on December 1 for 2021 through 2035; thereafter, the term bond has annual mandatory sinking fund principal fund principal payments due on December 1, beginning on December 1, 2036, with a final maturity on December 1, 2047.

**Series 2018B – Subordinate Limited Tax General Obligation Bonds**

On May 30, 2018, the District issued Series 2018B Subordinate Limited Tax General Obligation Bonds ("Series 2018B Bonds") in the amount of \$13,936,000, with an interest rate of 7.375%. The proceeds of the Series 2018B Bonds are for the purpose of financing or reimbursing the costs of public improvements, and paying the costs of issuing the Series 2018B Bonds. The Series 2018B Bonds are payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047.

The Series 2018B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event that any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available on December 15, 2057, the Subordinate Bonds shall be deemed discharged.

The District has no operating or capital leases.

**BUFFALO RIDGE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Surplus Fund Reserve**

The District maintain a surplus fund reserve as required with the issuance of the Series 2018A Bonds. Senior Pledged Revenue that is not needed to pay debt service on the Series 2018A Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$1,058,200. Pursuant to the Indenture for the Series 2018A Bonds, the Surplus Fund is to be maintained as long as any Series 2018A Bonds remain outstanding. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Series 2018A Bonds shall be applied to the payment of the Series 2018A Bonds in accordance with the Indenture for the Series 2018A Bonds.

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**BUFFALO RIDGE METROPOLITAN DISTRICT  
DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$29,000,000 General Obligation Refunding and  
Improvement Bonds - Series 2018A**

**Interest Rate 3.00 - 5.00%**

**Date: May 30, 2018**

**Interest Payable June 1 and December 1**

<b>Year Ending December 31,</b>	<b>Principal Payable December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 410,000	\$ 1,193,581	\$ 1,603,581
2024	510,000	1,173,081	1,683,081
2025	555,000	1,147,581	1,702,581
2026	615,000	1,119,832	1,734,832
2027	650,000	1,089,081	1,739,081
2028	710,000	1,060,956	1,770,956
2029	745,000	1,025,456	1,770,456
2030	805,000	1,003,107	1,808,107
2031	830,000	977,950	1,807,950
2032	905,000	936,450	1,841,450
2033	950,000	891,200	1,841,200
2034	1,020,000	857,950	1,877,950
2035	1,075,000	806,950	1,881,950
2036	1,165,000	753,200	1,918,200
2037	1,210,000	706,600	1,916,600
2038	1,300,000	658,200	1,958,200
2039	1,350,000	606,200	1,956,200
2040	1,440,000	552,200	1,992,200
2041	1,500,000	494,600	1,994,600
2042	1,600,000	434,600	2,034,600
2043	1,665,000	370,600	2,035,600
2044	1,770,000	304,000	2,074,000
2045	1,840,000	233,200	2,073,200
2046	1,955,000	159,600	2,114,600
2047	2,035,000	81,400	2,116,400
	<b>\$ 28,610,000</b>	<b>\$ 18,637,575</b>	<b>\$ 47,247,575</b>

No assurance provided. See summary of significant assumptions.