

**CIELO METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2021**

**CIELO METROPOLITAN DISTRICT  
SUMMARY  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ (2,104)	\$ (8,373)	\$ 75,603
REVENUES			
Property taxes	237	146,901	147,076
Specific ownership tax	24	12,200	11,766
Bond proceeds	-	-	10,000,000
Developer advance	37,395	-	9,960,000
Total revenues	<u>37,656</u>	<u>159,101</u>	<u>20,118,842</u>
TRANSFERS IN	<u>-</u>	<u>25,000</u>	<u>-</u>
Total funds available	<u>35,552</u>	<u>175,728</u>	<u>20,194,445</u>
EXPENDITURES			
General Fund	43,925	75,125	60,000
Capital Projects Fund	-	-	19,960,000
Total expenditures	<u>43,925</u>	<u>75,125</u>	<u>20,020,000</u>
TRANSFERS OUT	<u>-</u>	<u>25,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>43,925</u>	<u>100,125</u>	<u>20,020,000</u>
ENDING FUND BALANCES	<u>\$ (8,373)</u>	<u>\$ 75,603</u>	<u>\$ 174,445</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>

No assurance provided. See summary of significant assumptions.

**CIELO METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
<b>ASSESSED VALUATION</b>			
Agricultural	\$ 2,840	\$ -	\$ -
State assessed	-	-	2,500
Vacant land	740	2,199,210	2,199,210
Oil and Gas	-	-	120
	<u>3,580</u>	<u>2,199,210</u>	<u>2,201,830</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 3,580</u>	<u>\$ 2,199,210</u>	<u>\$ 2,201,830</u>
<b>MILL LEVY</b>			
General	66.333	66.797	66.797
Total mill levy	<u>66.333</u>	<u>66.797</u>	<u>66.797</u>
<b>PROPERTY TAXES</b>			
General	237	146,901	147,076
Levied property taxes	\$ 237	\$ 146,901	\$ 147,076
Budgeted property taxes	<u>\$ 237</u>	<u>\$ 146,901</u>	<u>\$ 147,076</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<u>\$ 237</u>	<u>\$ 146,901</u>	<u>\$ 147,076</u>
	<u>\$ 237</u>	<u>\$ 146,901</u>	<u>\$ 147,076</u>

No assurance provided. See summary of significant assumptions.

**CIELO METROPOLITAN DISTRICT  
GENERAL FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (2,104)	\$ (8,373)	\$ 75,603
REVENUES			
Property taxes	237	146,901	147,076
Specific ownership tax	24	12,200	11,766
Developer advance	37,395	-	-
Total revenues	<u>37,656</u>	<u>159,101</u>	<u>158,842</u>
Total funds available	<u>35,552</u>	<u>150,728</u>	<u>234,445</u>
EXPENDITURES			
General and Administrative			
Accounting	3,012	9,000	15,000
County Treasurer's fee	4	2,204	2,206
Dues and licenses	-	500	525
District management	11,802	6,500	15,000
Insurance and bonds	1,074	3,290	5,000
Legal	27,979	15,000	17,500
Election	-	9,125	-
Miscellaneous	54	-	-
Contingency	-	4,506	4,769
Total expenditures	<u>43,925</u>	<u>50,125</u>	<u>60,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>25,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>43,925</u>	<u>75,125</u>	<u>60,000</u>
ENDING FUND BALANCE	<u>\$ (8,373)</u>	<u>\$ 75,603</u>	<u>\$ 174,445</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>

No assurance provided. See summary of significant assumptions.

**CIELO METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/29/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	-	9,960,000
Bond Proceeds	-	-	10,000,000
Total revenues	<u>-</u>	<u>-</u>	<u>19,960,000</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>25,000</u>	<u>-</u>
Total funds available	<u>-</u>	<u>25,000</u>	<u>19,960,000</u>
EXPENDITURES			
General and Administrative			
Accounting	-	-	10,000
Legal services	-	-	5,000
Capital Projects			
Repay developer advance	-	-	9,960,000
Engineering	-	25,000	25,000
Capital outlay	-	-	9,960,000
Total expenditures	<u>-</u>	<u>25,000</u>	<u>19,960,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>25,000</u>	<u>19,960,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**CIELO METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized on March 30, 2016, to provide financing for the design, acquisition, construction, installation, relocation, operation and maintenance of essential public-purpose facilities such as water, sanitation, streets, safety protection, park and recreation, mosquito control, and covenant control. The District will serve the public improvement needs of a development generally located east of Chambers Road, north of Scott Avenue, and south of Pinery Parkway in Douglas County, Colorado.

Under the Service Plan, the District will provide essential public improvements and services for a new residential community located entirely within Douglas County. The District may, with agreement by the County, engage in other activities. The property in the District is anticipated to be developed consistent with the terms, requirements and provisions of a Development Agreement.

On November 3, 2015, the electorate authorized general obligation debt in the amount of \$11,280,000. The total authorized debt limit per the Service Plan is \$11,280,000. The initial debt service mill levy will be 50 mills, with a maximum debt service mill levy of 50 mills. The initial operations and maintenance mill levy will be 60 mills as adjusted which is also the maximum total mill levy for the District.

The District anticipates receiving Developer advances to help fund initial operating and administrative expenditures until other revenues are available to the District. The current construction of District improvements is expected to be financed by Developer advances until bonded debt is issued to repay the Developer.

The District has no employees and all 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**CIELO METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues** (continued)

Under the Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. After September 8, 2015, the date of the approval of the Service Plan, the ratio of actual valuation to assessed valuation for residential property was 7.96% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was adjusted to 66.797 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the mill levy adopted by the District.

**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 8% of the property taxes collected.

**Expenditures**

**Capital Outlay**

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

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 1.5% of property taxes collected.

**General and Administrative**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants of costs of services necessary to maintain the District's administrative viability such as legal, accounting, management, insurance, meeting expense, and other administrative expenses.

**Debt and Leases**

The District has no debt, or operating or capital leases.

**CIELO METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**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.**