

**DEER CREEK VILLAS METROPOLITAN DISTRICT
2021 ANNUAL REPORT**

Pursuant to the Service Plan for Deer Creek Villas Metropolitan District (the “District”), the District is required to provide an annual report to the Clerk of the Board of County Commissioners. For the year ending December 31, 2021, the District makes the following report:

1. Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year.

There were no boundary changes made or proposed in the year ending December 31, 2021.

2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.

None.

3. A summary of any litigation which involves the Public Improvements as of December 31 of the prior year.

On December 8, 2020, Foothills Park and Recreation District (“Foothills”) filed an action in Jefferson County District Court to challenge the Board of County Commissioners prior denial of Foothills’ request that the property in the District be included within the boundaries of Foothills pursuant to the County’s Land Development Regulations (Case No. 2020CV31493). On February 22, 2021, the case was stayed pending the outcome of a separate case with similar facts and circumstances before the Colorado Court of Appeals. The Court of Appeals entered a ruling on May 5, 2022, dismissing Foothills’ appeal, but Case No. 2020CV31493 remains stayed as of the date of this report.

The District is not currently a party to the foregoing litigation, but the District may seek to join at a later date. The foregoing case does not directly involve any of the Public Improvements to be provided by the District, but the outcome could potentially impact development within the District’s boundaries.

4. Status of the District’s construction of the Public Improvements as of December 31 of the prior year.

The majority of the street, water, sewer, stormwater and park and recreation improvements in the District have been completed by the developer/builder consistent with County land use approvals. No public improvements were completed by the District in 2021.

5. A list of all Public Improvements constructed by the District that have been dedicated to and accepted by the County as of December 31 of the prior year.

No facilities or improvements were dedicated to or accepted by the County in the year ending December 31, 2021.

6. The assessed valuation of the District for the current year.

The District assessed valuation for 2021 was \$1,056,746.

7. Current year budget including a description of the Public Improvements to be constructed in such year.

The District's 2022 budget is attached hereto as **Exhibit A**.

8. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

None.

9. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

None.

The foregoing filing and accompanying exhibits, if any, are submitted this 29th day of July 2022.

DEER CREEK VILLAS METROPOLITAN DISTRICT

BY: Thomas N. George, General Counsel

EXHIBIT A

2022 Budget

DEER CREEK VILLAS METROPOLITAN DISTRICT
2022
BUDGET MESSAGE

Attached please find a copy of the adopted 2022 budget for Deer Creek Villas Metropolitan District.

The Deer Creek Villas Metropolitan District has adopted a budget for three funds, a General Fund to provide for general operating expenditures, a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2022 will be developer advances, bond proceeds and property taxes. The district intends to impose a 68.164 mill levy on property within the district for 2022, all of which will be dedicated to the General Fund.

Deer Creek Villas Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2022

| | Actual <u>2020</u> | Adopted Budget <u>2021</u> | Actual <u>10/31/2021</u> | Estimate <u>2021</u> | Adopted Budget <u>2022</u> |
|--------------------------------|-----------------------|----------------------------------|-----------------------------|-------------------------|----------------------------------|
| Beginning fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues: | | | | | |
| Property taxes | - | - | - | - | 72,032 |
| Specific ownership taxes | - | - | - | - | 4,322 |
| Developer Advance | - | 49,000 | - | 18,400 | 35,905 |
| Interest income | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenues | - | 49,000 | - | 18,400 | 112,259 |
| | <u>-</u> | <u>49,000</u> | <u>-</u> | <u>18,400</u> | <u>112,259</u> |
| Total funds available | - | 49,000 | - | 18,400 | 112,259 |
| | <u>-</u> | <u>49,000</u> | <u>-</u> | <u>18,400</u> | <u>112,259</u> |
| Expenditures: | | | | | |
| Accounting/Audit | - | 5,000 | - | 500 | 7,500 |
| Legal | - | 25,000 | - | 15,000 | 15,000 |
| Insurance | - | 2,500 | - | 2,900 | 3,500 |
| Management | - | - | - | - | 5,000 |
| General Admin | - | - | - | - | 1,500 |
| Miscellaneous Expense | - | 500 | - | - | 500 |
| Treasurer's Fees | - | - | - | - | 1,080 |
| Engineering verification costs | - | 5,000 | - | - | 5,000 |
| Contingency | - | 9,860 | - | - | 72,189 |
| Emergency reserve (3%) | - | 1,140 | - | - | 990 |
| | <u>-</u> | <u>1,140</u> | <u>-</u> | <u>-</u> | <u>990</u> |
| Total expenditures | - | 49,000 | - | 18,400 | 112,259 |
| | <u>-</u> | <u>49,000</u> | <u>-</u> | <u>18,400</u> | <u>112,259</u> |
| Ending fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Assessed valuation | | \$ - | | | \$ 1,056,746 |
| | | <u>\$ -</u> | | | <u>\$ 1,056,746</u> |
| Mill Levy | | - | | | 68.164 |
| | | <u>-</u> | | | <u>68.164</u> |

Deer Creek Villas Metropolitan District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2022

| | Actual <u>2020</u> | Adopted Budget <u>2021</u> | Actual <u>10/31/2021</u> | Estimate <u>2021</u> | Adopted Budget <u>2022</u> |
|--------------------------|-----------------------|----------------------------------|-----------------------------|-------------------------|----------------------------------|
| Beginning fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues: | | | | | |
| Bond proceeds | - | - | - | - | 8,000,000 |
| Total revenues | - | - | - | - | 8,000,000 |
| Total funds available | - | - | - | - | 8,000,000 |
| Expenditures: | | | | | |
| Issuance costs | - | - | - | - | 240,000 |
| Capital expenditures | - | - | - | - | 6,560,000 |
| Transfer to Debt Service | - | - | - | - | 1,200,000 |
| Total expenditures | - | - | - | - | 8,000,000 |
| Ending fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |

Deer Creek Villas Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2022

| | Actual <u>2020</u> | Adopted Budget <u>2021</u> | Actual <u>10/31/2021</u> | Estimate <u>2021</u> | Adopted Budget <u>2022</u> |
|--------------------------------|-----------------------|----------------------------------|-----------------------------|-------------------------|----------------------------------|
| Beginning fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues: | | | | | |
| Transfer from Capital Projects | - | - | - | - | 1,200,000 |
| Interest income | - | - | - | - | - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,200,000</u> |
| Total funds available | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,200,000</u> |
| Expenditures: | | | | | |
| Bond interest | - | - | - | - | 400,000 |
| Trustee / paying agent fees | - | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>400,000</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 800,000</u> |
| Assessed valuation | | <u>\$ -</u> | | | <u>\$ 1,056,746</u> |
| Mill Levy | | <u>-</u> | | | <u>-</u> |
| Total Mill Levy | | <u>-</u> | | | <u>68.164</u> |