

CHERRYLANE METROPOLITAN DISTRICT
2021 BUDGET MESSAGE

Cherrylane Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act.

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

The following budget is prepared on the modified accrual basis of accounting.

Budget Strategy

The District was formed to provide for all or part of the Public Improvements, as defined in the District's Service Plan, for the use and benefit of all inhabitants and taxpayers of the District. The primary purpose of the district is to finance the construction of these Public Improvements.

Revenues

In 2021 the District will impose a mill levy of 15.000 mills that will generate property tax revenue to cover General Fund expenditures. This mill levy when combined with the beginning fund balance is budgeted to be sufficient to provide for administrative and operation expenditures for the budget year. The District will also impose a mill levy of 50 mills, adjusted per the Gallagher Amendment to 55.664 mills that will generate property tax revenue to fund debt service payments and fund the surplus fund related to tax exempt bonds issued in 2018 to pay for public infrastructure.

Expenditures

The District has adopted two separate funds: 1) a General Fund to provide for general operating expenditures and; 2) a Debt Service Fund to provide for debt service on debt issued by the District in.

The District has provided for an Emergency Reserve Fund in the amount of 3% of the total fiscal year expenditures in the General Fund in accordance with the TABOR Amendment.

Cherrylane Metropolitan District
Statement of Net Position
September 30, 2020

	General Fund	Debt Service Fund	Fixed Assets & LTD	Total
ASSETS				
CASH				
First Bank Checking	36,986			36,986
Colotrust	124,233			124,233
UMB Bank - Series A Bond Fund	-	95,448		95,448
UMB Bank - Series A Bond Reserve		286,984		286,984
UMB Bank - Series A Bond COI		-		-
UMB Bank - Series A Surplus		-		-
UMB Bank - Series B Bond Fund		6		6
Pooled Cash	(95,809)	95,809		-
TOTAL CASH	65,410	478,247	-	543,657
OTHER CURRENT ASSETS				
Due From County Treasurer	-	-		-
Property Taxes Receivable	454	1,942		2,395
Prepaid Expense	-			-
TOTAL OTHER CURRENT ASSETS	454	1,942	-	2,395
FIXED ASSETS				
Capital Assets, Net			-	-
TOTAL FIXED ASSETS	-	-	-	-
TOTAL ASSETS	65,864	480,189	-	546,052
LIABILITIES & DEFERED INFLOWS				
CURRENT LIABILITIES				
Accounts Payable	3,544			3,544
TOTAL CURRENT LIABILITIES	3,544	-	-	3,544
DEFERRED INFLOWS				
Deferred Property Taxes	454	1,942		2,395
TOTAL DEFERRED INFLOWS	454	1,942	-	2,395
LONG-TERM LIABILITIES				
General Obligation Bonds- Series A			3,190,000	3,190,000
General Obligation Bonds- Series B			574,000	574,000
Developer Advances - Capital			2,361,024	2,361,024
Developer Advances - Operations			90,600	90,600
Accrued But Unpaid Int - Series B Bonds			70,489	70,489
Accrued Interest - Series A & B Bonds			15,720	15,720
Accrued Interest - Dev Advance - Operations			19,815	19,815
Accrued Interest - Dev Advance - Capital			332,630	332,630
TOTAL LONG-TERM LIABILITIES	-	-	6,654,278	6,654,278
TOTAL LIAB & DEF INFLOWS	3,997	1,942	6,654,278	6,660,218
NET POSITION				
Inv in Capital Assets, Net of Debt			(6,654,278)	(6,654,278)
Fund Balance- Non-Spendable	-			-
Fund Balance- Restricted	1,213	478,247		479,460
Fund Balance- Unassigned	60,653			60,653
TOTAL NET POSITION	61,866	478,247	(6,654,278)	(6,114,165)

Cherrylane Metropolitan District
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 1/10/21

	2019 Audited Actual	2020 Adopted Budget	Variance Positive (Negative)	2020 Forecast	YTD Thru 09/30/20 Actual	YTD Thru 09/30/20 Budget	Variance Positive (Negative)	2021 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	2,368,090	4,090,780	-	4,090,780				4,090,780	Final AV from County
Mill Levy - Debt Service Fund	54.152	55.664	-	55.664				55.664	50 Mill Max Debt Service Levy, Gallagherized 15 mills (not capped per the service plan)
Mill Levy - General Fund	15.000	15.000	-	15.000				15.000	
Total	69.152	70.664	-	70.664				70.664	
Property Tax Revenue - Debt Service Fund	128,237	227,709	-	227,709				227,709	AV * Mills / 1,000
Property Tax Revenue - General Fund	35,521	61,362	-	61,362				61,362	AV * Mills / 1,000
Total	163,759	289,071	-	289,071				289,071	

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COMBINED FUNDS									
REVENUE									
Property taxes	163,753	289,071	-	289,071	286,935	289,071	(2,136)	289,071	15 mills for ops, 50 mills adjusted for debt
Specific ownership taxes	12,917	18,790	-	18,790	13,770	12,527	1,243	17,869	5.0% of property taxes
Interest & other income	8,348	6,000	(3,115)	2,885	2,560	4,500	(1,940)	1,139	.3% of Fund Balance
TOTAL REVENUE	185,017	313,861	(3,115)	310,746	303,264	306,098	(2,833)	308,079	
EXPENDITURES									
Adminstration									
Accounting	13,772	15,500	-	15,500	12,013	12,683	670	15,965	Qtrly financials, budgets, AP, audit, cert
Audit	5,200	5,500	100	5,400	5,400	5,500	100	5,670	Based on 2020
Legal	9,905	15,500	7,500	8,000	5,298	11,625	6,327	10,000	Legal & Administration
Treasurer's fees	2,456	4,336	-	4,336	4,297	4,336	39	4,336	1.5 % of property taxes
Election	-	3,500	2,221	1,279	1,279	3,500	2,221	-	Not an election year
Insurance, bonds & SDA dues	2,796	3,200	162	3,038	2,938	3,200	262	3,300	D&O, liability & ppty Insurance. SDA dues.
Miscellaneous	2	1,200	(100)	1,300	98	900	802	1,200	For potential needs
Contingency	-	15,000	5,000	10,000	-	-	-	15,000	Contingency
Debt Service									
Bond interest	167,475	167,475	-	167,475	83,738	83,738	-	166,688	Series A- Per Amortization Schedule
Bond principal	-	15,000	-	15,000	-	-	-	30,000	Series A- Per Amortization Schedule
Developer Note Repayment	-	25,000	(10,000)	35,000	15,000	18,750	3,750	20,000	Use available funds to pay down dev note
Debt issuance expense & trustee fees	6,889	6,900	-	6,900	6,241	6,675	434	6,900	Annual and monthly fees
Capital Outlay									
	-	-	-	-	-	-	-	-	Infrastructure complete
TOTAL EXPENDITURES	208,495	278,111	4,883	273,228	136,301	150,906	14,606	279,059	
REVENUE OVER / (UNDER) EXPENDITURES	(23,479)	35,750	1,768	37,517	166,964	457,004	(17,439)	29,021	
OTHER SOURCES / (USES)									
Developer advances, net of repayments	-	-	-	-	-	-	-	-	No funds available
Bond proceeds	-	-	-	-	-	-	-	-	Completed in 2018
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	(23,479)	35,750	1,768	37,517	166,964	151,441	15,523	29,021	
BEGINNING FUND BALANCE	396,628	368,641	4,508	373,149	373,149	368,641	4,508	410,667	
ENDING FUND BALANCE	373,149	404,391	6,276	410,667	540,113	520,082	20,031	439,688	
COMPONENTS OF FUND BALANCE	=	=	=	=	=	=	=	=	
Non-Spendable	-	3,360	(60)	3,300	-	3,360	-	3,465	Prepaid Insurance & SDA Dues
TABOR emergency reserve	1,150	1,660	(446)	1,213	1,213	1,660	(446)	1,412	3% of operating expenditures
Restricted For debt service	332,260	382,129	(2,349)	379,779	478,247	475,907	2,340	411,426	Reserve Fund + Bond Payment Fund
Unassigned	39,740	17,243	9,131	26,374	60,653	39,155	18,137	23,385	
TOTAL ENDING FUND BALANCE	373,149	404,391	6,276	410,667	540,113	520,082	20,031	439,688	
	=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

Cherrylane Metropolitan District
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 1/10/21

	2019 Audited Actual	2020 Adopted Budget	Variance Positive (Negative)	2020 Forecast	YTD Thru 09/30/20 Actual	YTD Thru 09/30/20 Budget	Variance Positive (Negative)	2021 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property taxes	35,520	61,362	-	61,362	60,908	61,362	(453)	61,362	15 mills (not capped per the service plan)
Specific ownership taxes	2,802	3,989	-	3,989	2,923	2,659	264	3,068	5.0% of property taxes
Interest income	0	-	85	85	83	-	83	-	
Other income	-	-	-	-	-	-	-	-	
Allowance for Uncollected Taxes	-	-	-	-	-	-	-	-	
TOTAL REVENUE	38,322	65,351	85	65,436	63,914	64,021	(107)	64,430	
EXPENDITURES									
<u>Administration</u>									
Accounting	13,772	15,500	-	15,500	12,013	12,683	670	15,965	Qtrly financials, budgets, AP, audit, cert
Audit	5,200	5,500	100	5,400	5,400	5,500	100	5,670	Based on 2020
Legal	9,905	15,500	7,500	8,000	5,298	11,625	6,327	10,000	Legal & Administration
Bank Fees	-	-	(100)	100	98	-	(98)	-	
Treasurer's fees	533	920	-	920	912	920	8	920	1.5 % of property taxes
Election	-	3,500	2,221	1,279	1,279	3,500	2,221	-	Not an election year
Insurance, bonds & SDA dues	2,796	3,200	162	3,038	2,938	3,200	262	3,300	D&O, liability & ppty Insurance. SDA dues.
Landscaping	-	-	-	-	-	-	-	-	
Snow removal	-	-	-	-	-	-	-	-	
Water & sewer	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	-	-	
Miscellaneous	2	1,200	-	1,200	-	900	900	1,200	For potential needs
Contingency	-	10,000	5,000	5,000	-	-	-	10,000	Unforeseen needs
<u>Debt Service</u>									
Repay Developer Advance - Interest	-	-	-	-	-	-	-	-	
Repay Developer Advance - Principal	-	25,000	(10,000)	35,000	15,000	18,750	3,750	20,000	Use available funds to pay down dev note
TOTAL EXPENDITURES	32,208	80,320	4,883	75,438	42,938	57,078	14,140	67,055	
REVENUE OVER / (UNDER) EXPENDITURES	6,114	(14,970)	4,968	(10,002)	20,976	6,943	14,034	(2,626)	
OTHER SOURCES / (USES)									
Transfers in/(out)	-	-	-	-	-	-	-	-	
Developer advances (repayments)	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	6,114	(14,970)	4,968	(10,002)	20,976	6,942	14,034	(2,626)	
BEGINNING FUND BALANCE	34,776	37,232	3,657	40,890	40,890	37,232	3,657	30,887	
ENDING FUND BALANCE	40,890	22,263	8,625	30,887	61,866	44,175	17,691	28,262	
	=	=	=	=	=	=	=	=	

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Cherrylane Metropolitan District
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

Print Date: 1/10/21

	2019 Audited Actual	2020 Adopted Budget	Variance Positive (Negative)	2020 Forecast	YTD Thru 09/30/20 Actual	YTD Thru 09/30/20 Budget	Variance Positive (Negative)	2021 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property taxes	128,232	227,709	-	227,709	226,027	227,709	(1,682)	227,709	50 Mill Max Debt Service Levy, Gallagherized
Specific ownership taxes	10,115	14,801	-	14,801	10,847	9,867	979	14,801	5.0% of property taxes
Interest income	8,348	6,000	(3,200)	2,800	2,477	4,500	(2,023)	1,139	.3% of Fund Balance
Allowance for Uncollected Taxes	-	-	-	-	-	-	-	-	
TOTAL REVENUE	146,695	248,510	(3,200)	245,310	239,350	242,077	(2,726)	243,650	
EXPENDITURES									
Treasurer's fees	1,923	3,416	-	3,416	3,385	3,416	31	3,416	1.5 % of property taxes
Series 2018A Bond interest	167,475	167,475	-	167,475	83,738	83,738	-	166,688	Series A- Per Amortization Schedule
Series 2018A Bond principal	-	15,000	-	15,000	-	-	-	30,000	Series A- Per Amortization Schedule
Series 2018B Bond interest	-	-	-	-	-	-	-	-	Expected to start in 2023
Series 2018B Bond principal	-	-	-	-	-	-	-	-	Expected to start in 2040
Developer advance interest	-	-	-	-	-	-	-	-	
Developer advance principal	-	-	-	-	-	-	-	-	
Paying agent / trustee fees	6,889	6,900	-	6,900	6,241	6,675	434	6,900	Annual and monthly fees
Debt issuance expense	-	-	-	-	-	-	-	-	
Contingency	-	5,000	-	5,000	-	3,750	3,750	5,000	Contingency
TOTAL EXPENDITURES	176,287	197,791	-	197,791	93,363	97,578	4,215	212,003	
REVENUE OVER / (UNDER) EXPENDITURES	(29,593)	50,720	(3,200)	47,520	145,987	144,498	1,489	31,646	
OTHER SOURCES / (USES)									
Transfers in/(out)	-	-	-	-	-	-	-	-	
Bond proceeds	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	-	
CHANGE IN FUND BALANCE	(29,593)	50,720	(3,200)	47,520	145,987	144,498	1,489	31,646	
BEGINNING FUND BALANCE	361,852	331,409	851	332,260	332,260	331,409	851	379,779	
ENDING FUND BALANCE	332,260	382,129	(2,349)	379,779	478,247	475,907	2,340	411,426	
COMPONENTS OF FUND BALANCE:	=	=	=	=	=	=	=	=	
Series 2018 A Reserve Fund	251,750	251,750	-	251,750	251,750	251,750	-	251,750	Required by Indenture
Series 2018 A Surplus Fund	80,510	130,379	(2,349)	128,029	226,497	224,157	2,340	159,676	Build until reaches \$319,000
Series 2018 B Surplus Fund	-	-	-	-	-	-	-	-	Only once Series A reaches \$319,000
TOTAL ENDING FUND BALANCE	332,260	382,129	(2,349)	379,779	478,247	475,907	2,340	411,426	
=	=	=	=	=	=	=	=	=	

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