

**THE RETREAT METROPOLITAN DISTRICT NO.1**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**DRAFT - SUBJECT TO REVISION**

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 152	\$ -	\$ -	\$ -
REVENUES					
Property taxes	167	17,564	17,564	17,606	33,055
Specific ownership tax	20	1,756	882	1,764	3,305
Interest income	-	18,000	20	38	-
Developer advance	-	10,000,000	4,373	4,373	-
Bond proceeds	-	11,500,000	-	-	-
Other revenue	-	5,162	-	5,162	12,000
Intergovernmental revenues - District 2	-	-	69,339	69,339	-
Total revenues	<u>187</u>	<u>21,542,482</u>	<u>92,178</u>	<u>98,282</u>	<u>48,360</u>
TRANSFERS IN	<u>-</u>	<u>2,875,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>187</u>	<u>24,417,634</u>	<u>92,178</u>	<u>98,282</u>	<u>48,360</u>
EXPENDITURES					
General Fund	35	9,026	17,803	23,085	13,272
Debt Service Fund	152	500,002	14,915	15,737	35,088
Capital Projects Fund	-	18,625,000	59,460	59,460	-
Total expenditures	<u>187</u>	<u>19,134,028</u>	<u>92,178</u>	<u>98,282</u>	<u>48,360</u>
TRANSFERS OUT	<u>-</u>	<u>2,875,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>187</u>	<u>22,009,028</u>	<u>92,178</u>	<u>98,282</u>	<u>48,360</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 2,408,606</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RESERVE	-	1,150,000	-	-	-
CAPITAL INTEREST	-	1,245,833	-	-	-
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 2,395,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Residential	\$ -	\$ -	\$ -	\$ -	\$ 66,050
Agricultural	2,990	580	580	580	530
Vacant land	350	348,270	348,270	348,270	588,000
	<u>3,340</u>	<u>348,850</u>	<u>348,850</u>	<u>348,850</u>	<u>654,580</u>
Adjustments	-	-	-	-	-
Certified Assessed Value	<u>\$ 3,340</u>	<u>\$ 348,850</u>	<u>\$ 348,850</u>	<u>\$ 348,850</u>	<u>\$ 654,580</u>
<b>MILL LEVY</b>					
General	10.000	10.069	10.069	10.069	10.099
Debt Service	40.000	40.279	40.279	40.279	40.399
Total mill levy	<u>50.000</u>	<u>50.348</u>	<u>50.348</u>	<u>50.348</u>	<u>50.498</u>
<b>PROPERTY TAXES</b>					
General	\$ 33	\$ 3,513	\$ 3,513	\$ 3,513	\$ 6,611
Debt Service	134	14,051	14,051	14,051	26,444
Levied property taxes	167	17,564	17,564	17,564	33,055
Adjustments to actual/rounding	-	-	-	-	-
Budgeted property taxes	<u>\$ 167</u>	<u>\$ 17,564</u>	<u>\$ 17,564</u>	<u>\$ 17,564</u>	<u>\$ 33,055</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ 33</u>	<u>\$ 3,513</u>	<u>\$ 3,513</u>	<u>\$ 3,513</u>	<u>\$ 6,611</u>
Debt Service	<u>134</u>	<u>14,051</u>	<u>14,051</u>	<u>14,051</u>	<u>26,444</u>
	<u>\$ 167</u>	<u>\$ 17,564</u>	<u>\$ 17,564</u>	<u>\$ 17,564</u>	<u>\$ 33,055</u>

No assurance provided. See summary of significant assumptions.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	33	3,513	3,471	3,513	6,611
Specific ownership tax	2	351	78	156	661
Interest income	-	-	2	2	-
Other revenue	-	5,162	-	5,162	6,000
Intergovernmental revenues - District 2	-	-	9,879	9,879	-
Developer advance	-	-	4,373	4,373	-
Total revenues	<u>35</u>	<u>9,026</u>	<u>17,803</u>	<u>23,085</u>	<u>13,272</u>
Total funds available	<u>35</u>	<u>9,026</u>	<u>17,803</u>	<u>23,085</u>	<u>13,272</u>
EXPENDITURES					
General and administrative					
Intergovernmental expenditures	34	3,811	3,499	3,619	7,173
Organization costs	-	-	4,373	4,373	-
Repay developer advance	-	-	9,879	9,879	-
Contingency	-	5,162	-	5,162	6,000
County Treasurer's fee	1	53	52	52	99
Total expenditures	<u>35</u>	<u>9,026</u>	<u>17,803</u>	<u>23,085</u>	<u>13,272</u>
Total expenditures and transfers out requiring appropriation	<u>35</u>	<u>9,026</u>	<u>17,803</u>	<u>23,085</u>	<u>13,272</u>
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 152	\$ -	\$ -	\$ -
REVENUES					
Property taxes	134	14,051	14,093	14,093	26,444
Specific ownership tax	18	1,405	804	1,608	2,644
Interest income	-	18,000	18	36	-
Other revenue	-	-	-	-	6,000
Total revenues	<u>152</u>	<u>33,456</u>	<u>14,915</u>	<u>15,737</u>	<u>35,088</u>
TRANSFERS IN					
Transfers from other funds	-	2,875,000	-	-	-
Total funds available	<u>152</u>	<u>2,908,608</u>	<u>14,915</u>	<u>15,737</u>	<u>35,088</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	2	211	211	211	397
Intergovernmental expenditures	150	-	14,704	15,526	28,691
Contingency	-	20,624	-	-	6,000
Debt Service					
Bond interest	-	479,167	-	-	-
Total expenditures	<u>152</u>	<u>500,002</u>	<u>14,915</u>	<u>15,737</u>	<u>35,088</u>
Total expenditures and transfers out requiring appropriation	<u>152</u>	<u>500,002</u>	<u>14,915</u>	<u>15,737</u>	<u>35,088</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 2,408,606</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RESERVE	\$ -	1,150,000	\$ -	\$ -	\$ -
CAPITAL INTEREST	-	1,245,833	-	-	-
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 2,395,833</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Developer advance	-	10,000,000	-	-	-
Bond proceeds	-	11,500,000	-	-	-
Intergovernmental revenues - District 2	-	-	59,460	59,460	-
Total revenues	-	21,500,000	59,460	59,460	-
Total funds available	-	21,500,000	59,460	59,460	-
EXPENDITURES					
General and Administrative					
Repay developer advance	-	8,165,000	59,460	59,460	-
Intergovernmental expenditures	-	10,000,000	-	-	-
Bond issue costs	-	460,000	-	-	-
Total expenditures	-	18,625,000	59,460	59,460	-
TRANSFERS OUT					
Transfers to other fund	-	2,875,000	-	-	-
Total expenditures and transfers out requiring appropriation	-	21,500,000	59,460	59,460	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Retreat Metropolitan District No. 1 (the “District”) and The Retreat Metropolitan District No. 2 (“District No. 2”) (collectively the “Districts”) were formed under a Service Plan approved by El Paso County, Colorado (the “County”). The Districts’ service area is located entirely within the County. The primary purpose of the Districts will be to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of public improvements and services as listed below. The District was organized by El Paso County Court Order on December 17, 2019.

At an election held on November 5, 2019, the voters approved general indebtedness of \$1,250,000,000 at a maximum interest rate of 18% for each of the following improvements and services: streets, water supply, sanitary sewer, traffic and safety controls, parks and recreation, mosquito control, television relay and translation, public transportation, security services, and fire protection/medical emergency services.

The District has no employees and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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 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 calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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%.

**THE RETREAT METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (Continued)**

**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 10% of the property taxes collected.

**Investment Income**

Interest earned on the District's available funds has been estimated based on historical interest earnings.

**Expenditures**

**Intergovernmental Expenditures**

All administrative expenditures such as legal, accounting, management, insurance, including costs for snow removal and landscape maintenance, are paid through and by District No. 2, the Operating District. The District will transfer net revenues collected from its operational mill levy, as well as the current, unpledged revenue from its debt service fund, to District No. 2 to cover a portion of these costs.

**County Treasurer's Collection Fees**

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

**Capital Outlay**

The District anticipated infrastructure improvements in 2022 as noted in the capital Projects Fund. There is not anticipated infrastructure improvement in 2023.

**Debt and Leases**

The District is not anticipating to issue bonds during 2023.

**Developer Advances**

The District entered into a Reimbursement Agreement (Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 8% beginning on the date the advance were made to the date of repayment. The Agreement does not constitute a multiple-fiscal year obligation.



**THE RETREAT METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (Continued)**

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
Developer Advances -				
Operating	\$ 4,339	\$ 4,373	\$ 8,712	\$ -
Accrued Interest:				
Developer Advances -				
Operating	967	200	1,167	-
Developer Advances -				
Capital	49,470	-	49,470	-
Accrued Interest:				
Developer Advances -				
Capital	8,873	1,117	9,990	-
Total	<u>\$ 63,649</u>	<u>\$ 5,690</u>	<u>\$ 69,339</u>	<u>\$ -</u>
	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advances -				
Operating	\$ -	\$ -	\$ -	\$ -
Accrued Interest:				
Developer Advances -				
Operating	-	-	-	-
Developer Advances -				
Capital	-	-	-	-
Accrued Interest:				
Developer Advances -				
Capital	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2023 budget.

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