

**TR RANCH METROPOLITAN DISTRICT
ANNUAL REPORT
TO
THE CITY OF COMMERCE CITY**

FISCAL YEAR ENDING DECEMBER 31, 2020

I. ANNUAL REPORT REQUIREMENT

Pursuant to Section VI of the TR Ranch Metropolitan District Service Plan, the District is required to provide an annual report to the City of Commerce City within one hundred twenty (120) days after conclusion of the District's fiscal year, commencing with fiscal year 2006. Such annual report shall include information concerning the following matters:

- A. Boundary changes made or proposed.
- B. Intergovernmental Agreements entered into or proposed.
- C. Changes or proposed changes in the District's policies.
- D. Changes or proposed changes in the District's operations.
- E. Any changes in the financial status of the District including revenue projections, or operating costs.
- F. A summary of any litigation involving the District.
- G. Proposed plans for the year immediately following the year summarized in the annual report.
- H. Status of construction of public improvements.
- I. The current assessed valuation in the District.

II. FOR THE YEAR ENDING DECEMBER 31, 2020 THE DISTRICT MAKES THE FOLLOWING REPORT:

- A. Boundary changes made or proposed.

There were no boundary changes made to the District in 2020.

- B. Intergovernmental Agreements entered into or proposed.

The District did not enter into any new IGAs in 2020.

- C. Changes or proposed changes in the District's policies.

There have been no changes in the District's policies in 2020.

D. Changes or proposed changes in the District's operations.

There were no changes in the District's operations in 2020.

E. Any changes in the financial status of the District including revenue projections or operating costs.

The current status of the financial condition of the District is reflected in the 2021 budget, attached as Exhibit A.

F. Summary of any litigation which involves the District.

There is no litigation of which we are aware currently pending or anticipated against the District.

G. Proposed plans for the year 2021.

The District has not made any plans for the construction or acquisition of public improvement projects in 2021.

H. Status of District's public improvement construction schedule.

Through the end of calendar year 2020, the District had not constructed nor acquired any public improvements.

I. Summary of the current assessed valuation in the District.

The District has received a certification of valuation from the Adams County Assessor that reports a taxable assessed valuation for the District for 2020 of \$208,380. The District has certified a mill levy of 0.000 mills to be assessed against the properties within the District, for collection in 2021.

**EXHIBIT A
2021 BUDGET
ATTACHED**

TR RANCH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

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

12/8/20

| | ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|---|-------------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ (403) | \$ (3,416) | \$ - |
| REVENUES | | | |
| Interest income | 23 | 7 | - |
| Developer advance | 5,959 | 14,409 | 50,000 |
| Total revenues | <u>5,982</u> | <u>14,416</u> | <u>50,000</u> |
| Total funds available | <u>5,579</u> | <u>11,000</u> | <u>50,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 3,807 | 5,000 | 15,000 |
| Dues and memberships | 300 | 285 | 500 |
| Insurance | 2,045 | 2,047 | 3,000 |
| Legal | 2,843 | 3,073 | 20,000 |
| Contingency | - | 595 | 11,500 |
| Total expenditures | <u>8,995</u> | <u>11,000</u> | <u>50,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>8,995</u> | <u>11,000</u> | <u>50,000</u> |
| ENDING FUND BALANCES | <u>\$ (3,416)</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

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

12/8/20

| ACTUAL 2019 | ESTIMATED 2020 | BUDGET 2021 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

| | | | |
|--------------------------|------------|------------|------------|
| Agricultural | 9,840 | 9,170 | 9,170 |
| State assessed | 92,760 | 93,750 | 109,540 |
| Personal property | 75,240 | 77,290 | 89,670 |
| Certified Assessed Value | \$ 177,840 | \$ 180,210 | \$ 208,380 |

MILL LEVY

| | | | |
|-----------------|-------|-------|-------|
| Total mill levy | 0.000 | 0.000 | 0.000 |
|-----------------|-------|-------|-------|

PROPERTY TAXES

| | | | |
|-------------------------|------|------|------|
| Budgeted property taxes | \$ - | \$ - | \$ - |
|-------------------------|------|------|------|

BUDGETED PROPERTY TAXES

| | | | |
|------|------|------|---|
| \$ - | \$ - | \$ - | - |
|------|------|------|---|

No assurance provided. See summary of significant assumptions.

**TR RANCH METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Order and Decree of the District Court of Adams County, Colorado on November 10, 2004, to provide financing for design, acquisition, construction and installation of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, sewer and drainage facilities, public transportation, mosquito control, and television relay and translation equipment, and the operation and maintenance of the District. The District's service area is located entirely within the boundaries of Commerce City in Adams County, Colorado.

The budget is in accordance with the TABOR Amendment limitations, which were modified by the voters in an election held on November 2, 2004. The election approved general obligation of \$35,615,086 for the listed improvements, \$35,615,086 for refunding District debt and \$100,000 for general operation and maintenance. District voters approved authorization to increase property tax up to \$70,000 annually to pay for the operations and maintenance expenditures of the District. Additionally, the election allows the District to collect, spend and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. On November 7, 2006, District voters approved authorization to increase property taxes \$1,000,000 annually to pay for the operation and maintenance expenditure of the District, again allowing the District to collect, spend, and retain all revenues, other than ad valorem taxes, without regard to the limitation contained in Article X, Section 20 of the Colorado constitution.

The District has no employees and all administrative function 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

Developer Advances

The District is in the development stage. As such, operating and administrative costs are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

TR RANCH METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and Administrative

General and administrative expenditures include services necessary to maintain the District's administrative viability such as legal, accounting, dues and insurance.

Debts and Leases

The following is the analysis of the anticipated changes in long-term obligations for the year ending December 31, 2020:

| | Balance December 31, 2019 | Additions | Deletions | Balance December 31, 2020 |
|-----------------------|---------------------------------|------------------|-------------|---------------------------------|
| Developer Advance: | | | | |
| Operations | \$ 149,953 | \$ 13,690 | \$ - | \$ 163,643 |
| Operations - Interest | 101,807 | 11,089 | - | 112,896 |
| Total | <u>\$ 251,760</u> | <u>\$ 24,779</u> | <u>\$ -</u> | <u>\$ 276,539</u> |

The District has no other outstanding debt or any operating or capital leases.

Reserve Funds

The District has not provided for an emergency reserve equal to at least 3% of the fiscal year spending (as defined under TABOR) because there is no revenue anticipated in 2021 other than advances from Developer.

This information is an integral part of the accompanying budget.