

GREENSPIRE METROPOLITAN DISTRICT
N0.3
2022 Budget Message

Introduction

The budget reflects the projected spending plan for the 2022 fiscal year based on available revenues. This budget provides for the general operation of the Greenspire Metropolitan District No. 3 (the “District”) and debt service expenditures. The District was formed in November 2002 for the primary purpose of financing the planning, design, acquisition, construction, and installation of a non-potable water system and park and recreation facilities.

Budgetary Basis of Accounting

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on longterm obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The *General Fund* is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which includes the District’s administration, legal services, and other expenses related to statutory operations of a local government. The primary expenditure in 2022 will be the transfer of funds to Greenspire Metropolitan District No. 1, (“District No. 1”). District No. 1 is the managing district paying the administrative and operational costs for District No. 3.

The *Debt Service Fund* is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. The primary expenditure in 2022 will be the transfer of funds to District No. 1. These funds are pledges to service existing debt in District No. 1.

Emergency Reserve

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

Greenspire Metropolitan District No. 3
2022 Budget
General Fund

| | 2020 Actual | 2021 Estimated | 2022 Approved Budget |
|----------------------------|------------------|-------------------|----------------------------|
| Revenue | | | |
| Property tax revenue | \$ 8,437 | \$ 8,835 | \$ 3,174 |
| Specific ownership taxes | 400 | 347 | 125 |
| Interest income | - | - | - |
| Total revenue | <u>8,837</u> | <u>9,182</u> | <u>3,299</u> |
| Expenditures | | | |
| Treasurer's fees | 125 | 133 | 48 |
| Miscellaneous | 35 | - | - |
| Interfund transfer | (13,205) | (13,597) | (4,885) |
| Transfer to District No. 1 | 57,852 | 22,646 | 8,136 |
| Transfer to District No. 2 | (55,000) | - | - |
| Total expenditures | <u>(10,193)</u> | <u>9,182</u> | <u>3,299</u> |
| Net change | <u>\$ 19,030</u> | <u>\$ 0</u> | <u>\$ 0</u> |

Greenspire Metropolitan District No. 3
Debt Fund

| | 2020 Actual | 2021 Estimated | 2022 Approved Budget |
|----------------------------|----------------|-------------------|----------------------------|
| Revenue | | | |
| Property tax revenue | \$ 12,835 | \$ 13,440 | \$ 4,829 |
| Specific ownership taxes | 609 | 359 | 129 |
| Interest income | - | - | - |
| Total revenue | <u>13,444</u> | <u>13,799</u> | <u>4,958</u> |
| Expenditures | | | |
| Treasurer's fees | 193 | 202 | 73 |
| Miscellaneous | - | - | - |
| Interfund transfer | 13,205 | 13,597 | 4,885 |
| Transfer to District No. 1 | - | - | - |
| Transfer to District No. 2 | - | - | - |
| Total expenditures | <u>13,398</u> | <u>13,799</u> | <u>4,958</u> |
| Net change | <u>46</u> | <u>0</u> | <u>(0)</u> |