

ESTANCIA METROPOLITAN DISTRICT

2020 ANNUAL REPORT

Pursuant to Paragraph B, of Section VII of the Service Plan for the Estancia Metropolitan District, dated and approved August 23, 2004, and pursuant to § 32-1-207(3)(c), C.R.S., the Estancia Metropolitan District (the “District”) is submitting this 2020 Annual Report to the City of Centennial, Board of County Commissioners for Arapahoe County, the Colorado Division of Local Government in the Department of Local Affairs, the Colorado State Auditor, and the Arapahoe County Clerk and Recorder’s Office for public inspection.

For the year ending December 31, 2020, the District makes the following report:

1. Boundary changes made or proposed

This District had no boundary changes in 2020. However, the Board did propose an inclusion of 6730 S. Espana Way in 2020. The Order granting that inclusion was recorded on April 5, 2021 and is attached hereto as **Exhibit A**.

2. Intergovernmental Agreements with other governmental entities entered into or proposed

The District did not enter into any new Intergovernmental Agreements in 2020.

3. Changes or proposed changes in the District’s policies

The District adopted an Amendment to the Community Design Standards on August 3, 2020, to increase the floor area minimums and to formalize the requirement that the front exterior of newly built homes.

4. Changes or proposed changes in the District’s operations

There were no changes or proposed changes in the District’s operations in 2020.

5. Summary of litigation and/or notices of claim which involve the District

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado, there is no litigation involving the District’s Public Improvements as of December 31, 2020.

6. Proposed construction plans for the year immediately following the report year

There will be no major construction projects in 2021 because the public infrastructure has been completed in accordance with the schedule set forth in the District’s service plan.

7. Current status of construction of public improvements

The District is not currently constructing any public improvements.

8. A current District budget

The District's adopted 2021 Budget is attached hereto as **Exhibit B**.

9. A schedule of all fees, charges and assessments imposed in the report year and proposed to be imposed in the following year as well as a summary of the revenues raised or proposed to be raised therefrom

The District imposes a development fee and operations fee pursuant to Resolution No. 2018-10-02: Concerning the Imposition of Operations Fee and Capital Facilities Fee, recorded at the Arapahoe County Clerk and Recorder at Reception No. B7137931. A copy of the fee resolution and updated fee schedule is attached hereto as **Exhibit C**. The revenues raised are provided in Exhibit A attached.

Respectfully submitted,

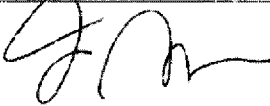

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Jennifer Gruber Tanaka, Esq.
Attorney for the District

EXHIBIT A
Order for Inclusion

SO ORDERED BY COURT

03/17/2021

DISTRICT COURT, ARAPAHOE COUNTY, COLORADO Court Address: 7325 S. Potomac Street Centennial, CO 80112 Telephone: (303) 645-6600	 JOHN E SCIPIONE District Court Judge
Petitioners: ESTANCIA METROPOLITAN DISTRICT	
By the Court: COMBINED COURT STATE OF COLORADO } ARAPAHOE COUNTY } ss CERTIFIED to be a full, true and cor- rect copy of the original in the custody	▲ COURT USE ONLY ▲ Case Number: 2004CV004579 Division: 402 Courtroom: _____
APR 01 2021  ORDER FOR INCLUSION (6730 S. ESPANA WAY) DATED _____ SHANA KLOEK Clerk of the County Court By <u>Dani Kline</u> Deputy (3pgs)	

THIS MATTER comes before the Court pursuant to § 32-1-401(1), C.R.S., on Motion for an Order for Inclusion of property into the boundaries of the Estancia Metropolitan District, City of Centennial, Arapahoe County, Colorado (the "District"). This Court, being fully advised in the premises, and there being no objection filed by any person, hereby ORDERS:

1. That the real property set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property"), shall be and is hereby included within the boundaries of the District.
2. That in accordance with § 32-1-402(1)(b), C.R.S., after the date of this Order, the Property shall be subject to all of the taxes and charges imposed by the District and shall be liable for its proportionate share of existing bonded indebtedness of the District, except as owners may be exempt by law.
3. In accordance with § 32-1-402(1)(c), C.R.S., the Property shall be liable for its proportionate share of annual operation and maintenance charges and the cost of facilities of the District and taxes, rates, fees, tolls or charges shall be certified and levied or assessed therefor.
4. In accordance with § 32-1-402(1)(f), C.R.S., the District's facility and service standards which are applied within the included area shall be compatible with the facility and service standards of adjacent municipalities.

5. The District shall file this order in accordance with the provisions of § 32-1-105,
C.R.S.

DONE AND EFFECTIVE THIS _____ DAY OF _____, 2021.

BY THE COURT:

District Court Judge

EXHIBIT A
(Legal Description of Inclusion Property)

LOT 4, BLOCK 1, ESTANCIA SUBDIVISION FILING NO. 2, COUNTY OF ARAPAHOE,
STATE OF COLORADO.

EXHIBIT B
2021 Budget

ESTANCIA METROPOLITAN DISTRICT
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for the Estancia Metropolitan District.

The Estancia Metropolitan District has adopted two separate funds, a General Fund to provide for the payment of general operating and maintenance expenditures and the repayment of developer advances; 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 sources of revenue for the District in 2021 will be development fees, homeowner fees and property taxes. The District intends to impose a 55.664 mill levy on the property within the District for 2021, of which 8.906 mills will be dedicated to the General Fund and the balance of 46.758 mills will be allocated to the Debt Service Fund.

Estancia Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>8/31/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 89,719	\$ 74,883	\$ 97,218	\$ 97,218	\$ 120,426
Revenues:					
Property taxes	28,963	37,744	37,743	37,744	41,146
Specific ownership taxes	2,322	2,641	1,749	3,500	2,852
Operations Fee	48,520	50,750	63,665	65,000	50,750
Capital Facilities Fee	-	23,625	3,514	7,000	23,625
Miscellaneous income	3,808	500	2,778	5,000	500
Interest income	<u>3</u>	<u>100</u>	<u>75</u>	<u>150</u>	<u>100</u>
Total revenues	<u>83,616</u>	<u>115,360</u>	<u>109,524</u>	<u>118,394</u>	<u>118,973</u>
Total funds available	<u>173,335</u>	<u>190,243</u>	<u>206,742</u>	<u>215,612</u>	<u>239,399</u>
Expenditures:					
Accounting / audit	4,588	5,700	2,935	6,000	5,700
Legal	27,913	30,000	15,121	30,000	30,000
Collections	4,182	9,000	2,692	5,000	9,000
Elections	-	3,000	-	-	-
Insurance	6,949	7,400	7,218	7,218	7,400
District Management	4,800	4,800	5,209	8,000	12,000
Other - Administrative	2,667	4,000	2,784	4,000	-
Utilities	17,998	-	-	-	-
Gas - Electric	-	4,000	1,946	4,000	4,000
Water	-	4,000	910	2,000	4,000
Septic System	-	5,000	450	1,000	4,000
Trash removal	-	5,000	3,796	6,500	6,500
Landscape Maintenance	-	-	415	1,000	3,000
Grounds expense	6,586	15,000	6,316	12,000	15,000
Holiday lighting	-	2,200	-	2,200	2,200
Snow removal	-	2,000	640	1,200	2,000
Miscellaneous	-	-	2,379	4,500	2,000
Treasurer fees	434	566	568	568	617
Contingency	-	50,527	-	-	93,759
Repay developer advances	-	35,000	-	-	35,000
Emergency reserve (3%)	<u>-</u>	<u>3,050</u>	<u>-</u>	<u>-</u>	<u>3,223</u>
Total expenditures	<u>76,117</u>	<u>190,243</u>	<u>53,379</u>	<u>95,186</u>	<u>239,399</u>
Ending fund balance	<u>\$ 97,218</u>	<u>\$ -</u>	<u>\$ 153,363</u>	<u>\$ 120,426</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 4,237,957</u>			<u>\$ 4,620,122</u>
Mill Levy		<u>8.906</u>			<u>8.906</u>

Estancia Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>8/31/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 26,862	\$ -	\$ 17,049	\$ 17,049	\$ -
Revenues:					
Property taxes	152,064	198,158	198,157	198,157	216,028
Specific ownership taxes	12,192	13,870	9,184	15,000	15,121
Development fees	18,225	7,025	14,500	14,500	7,025
Interest income	2,587	1,000	926	1,500	1,000
Deficiency for debt payment	-	95,317	-	69,166	72,014
Total revenues	<u>185,068</u>	<u>315,370</u>	<u>222,767</u>	<u>298,323</u>	<u>311,188</u>
Total funds available	<u>211,930</u>	<u>315,370</u>	<u>239,816</u>	<u>315,372</u>	<u>311,188</u>
Expenditures:					
Interest expense	191,100	225,900	-	225,900	216,300
Bond principal	-	85,000	-	85,000	90,000
Treasurer's fees	2,281	2,970	2,980	2,972	3,240
Trustee / paying agent fees	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total expenditures	<u>194,881</u>	<u>315,370</u>	<u>4,480</u>	<u>315,372</u>	<u>311,040</u>
Ending fund balance	<u>\$ 17,049</u>	<u>\$ -</u>	<u>\$ 235,336</u>	<u>\$ -</u>	<u>\$ 148</u>
Assessed valuation		<u>\$ 4,237,957</u>			<u>\$ 4,620,122</u>
Mill Levy		<u>46.758</u>			<u>46.758</u>
Total Mill Levy		<u>55.664</u>			<u>55.664</u>

EXHIBIT C
Updated Fee Resolution

After Recording, Return to:
WHITE BEAR ANKELE TANAKA & WALDRON
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

RESOLUTION NO. 2018-10-02

**AMENDMENT TO THE
FIFTH AMENDED AND RESTATED RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
ESTANCIA METROPOLITAN DISTRICT**

**CONCERNING THE IMPOSITION OF OPERATIONS FEE AND CAPITAL
FACILITIES FEE**

(Adoption of New Fee Schedule)

WHEREAS, Estancia Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) shall have the management, controls and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix, impose and, from time to time to increase or decrease, fees, rates, tolls, charges and penalties for services of facilities provided by the District which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, on October 26, 2016, the Board adopted the Fifth Amended and Restated Resolution of the Board of Directors of the Estancia Metropolitan District Concerning the Imposition of Operations Fee and Capital Facilities Fee, which was recorded in the real property records of the Arapahoe County Clerk and Recorder’s Office on May 25, 2017 at Reception No. D7058330 (the “**2016 Fee Resolution**”); and

WHEREAS, the Board has determined that modification of the schedule of fees in the 2016 Fee Resolution is necessary and in the best interests of the District, present and future property owners within the District and the properties served by the District.

NOW, THEREFORE, be it resolved by the Board as follows:

1. AMENDMENT. The schedule of fees set forth in Exhibit A of the 2016 Fee Resolution is hereby repealed and replaced in its entirety by the schedule of fees set forth in **Exhibit A** to this Resolution, which is attached hereto and incorporated herein by this reference.
2. PRIOR PROVISIONS EFFECTIVE. Except as specifically amended hereby, all the terms and provisions of the 2016 Fee Resolution shall remain in full force and effect.

3. PRIOR FEES. Any fees, rates, tolls, penalties or charges due under the 2016 Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby.

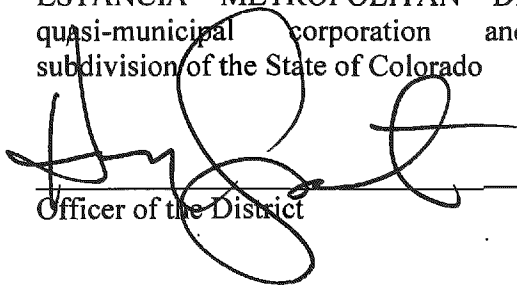
4. THE PROPERTY. This Resolution shall apply to all property within the District's boundaries, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included in the District after the date of this Resolution.

5. EFFECTIVE DATE. This Resolution shall become effective October 3, 2018.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

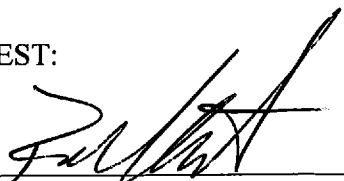
ADOPTED this 3rd day of October, 2018.

ESTANCIA METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado



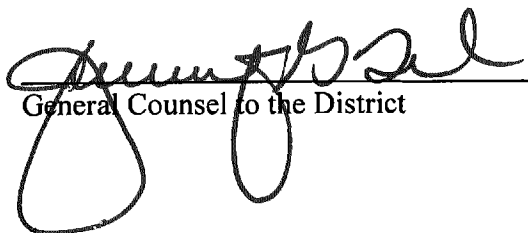
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law



General Counsel to the District

Signature page to Amendment to the Resolution Concerning the Imposition of Operations Fee and Capital Facilities Fee – Adoption of New Fee Schedule

EXHIBIT A**ESTANCIA METROPOLITAN DISTRICT****Schedule of Fees****Effective October 3, 2018**

Schedule of Fees		
Fee Type	Classifications	Rate
Operations Fee	Residential Unit	\$875 twice annually
The Due Date for each Operations Fee is the 1 st day of January and July of each year. The Operations Fee for each Lot shall commence upon the initial transfer of a Lot to a builder and is 50% of the rate until the Lot is transferred to an End User at which point going forward 100% of the Operations Fee is due and owing.		
Capital Facilities Fee*	Single Family Residence	\$6,075/ Residential Unit
*Amount to increase by 5% on January 1, 2019, rounded to the nearest twenty-five dollars (\$25.00), and increased by 5%, compounded, on each January 1 thereafter until no Residential Units remain to be constructed within the District.		
The Due Date for each Capital Facilities Fee is: 1) the date of Transfer to an End User; or 2) when a Residential Unit is occupied for residential use, whichever shall first occur.		

PAYMENTS:

Payments for the Operations Fee shall be made payable to the Estancia Metropolitan District and sent to the following address for receipt by the Due Date:

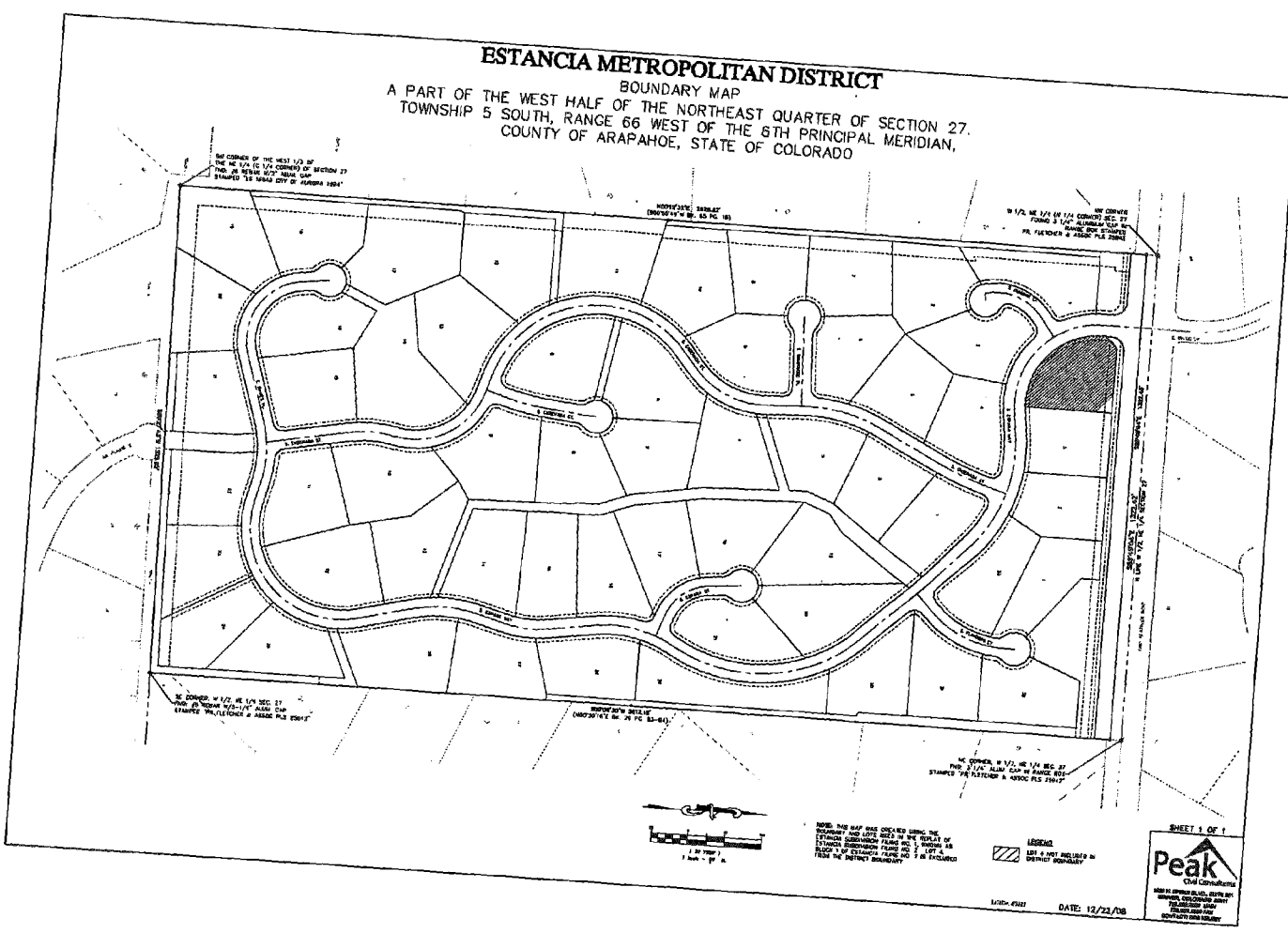
Summit Management and Consulting, LLC
 4950 S. Yosemite Street, F2-506
 Greenwood Village, Colorado 80111
 Phone: (303) 459-4919
 Fax: (303) 484-9742

Payments for the Capital Facilities Fee shall be made payable to the Estancia Metropolitan District and sent to the following address for receipt by the Due Date:

Simmons & Wheeler, P.C.
 304 Inverness Way South, Suite 490
 Englewood, Colorado 80112
 Phone: (303) 689-0833
 Fax: (303) 689-0834

EXHIBIT B
ESTANCIA METROPOLITAN DISTRICT
District Boundaries

ESTANCIA METROPOLITAN DISTRICT
 BOUNDARY MAP
 A PART OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 27,
 TOWNSHIP 5 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN,
 COUNTY OF ARAPAHOE, STATE OF COLORADO



NOTE: THIS MAP WAS PREPARED USING THE POLYMER AND LITHO COPY METHOD. THE DISTRICT BOUNDARY IS SHOWN IN THE ORIGINAL RECORDS OF THE COUNTY ENGINEER'S OFFICE AND IS SHOWN IN RED ON THIS MAP. THE DISTRICT BOUNDARY IS SHOWN IN RED ON THIS MAP.

LEGEND
 DISTRICT BOUNDARY

12/22/08

SHEET 1 OF 1
Peak
 Civil Consultants
 1000 S. 10TH AVENUE, SUITE 200
 DENVER, CO 80202
 TEL: 303.733.1111
 WWW.PEAKCIVIL.COM