

FLYING HORSE METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

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

11/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 27,442	\$ 123,677	\$ 142,664	\$ 142,664	\$ 135,675
REVENUES					
Developer Advance	-	-	-	-	11,000,000
Intergovernmental revenues - District 2	796,000	895,000	883,528	903,926	924,809
Intergovernmental revenues - District 3	205,000	255,000	255,440	261,453	261,159
Other revenue	1,330	-	900	2,000	-
Total revenues	<u>1,002,330</u>	<u>1,150,000</u>	<u>1,139,868</u>	<u>1,167,379</u>	<u>12,185,968</u>
TRANSFERS IN	-	-	-	-	20,000
Total funds available	<u>1,029,772</u>	<u>1,273,677</u>	<u>1,282,532</u>	<u>1,310,043</u>	<u>12,341,643</u>
EXPENDITURES					
General Fund	887,109	1,123,677	726,761	1,174,368	1,224,392
Capital Projects Fund	-	-	-	-	11,020,000
Total expenditures	<u>887,109</u>	<u>1,123,677</u>	<u>726,761</u>	<u>1,174,368</u>	<u>12,244,392</u>
TRANSFERS OUT	-	-	-	-	20,000
Total expenditures and transfers out requiring appropriation	<u>887,109</u>	<u>1,123,677</u>	<u>726,761</u>	<u>1,174,368</u>	<u>12,264,392</u>
ENDING FUND BALANCES	<u>\$ 142,663</u>	<u>\$ 150,000</u>	<u>\$ 555,771</u>	<u>\$ 135,675</u>	<u>\$ 77,251</u>
EMERGENCY RESERVE	\$ 30,100	\$ 34,500	\$ 34,200	\$ 35,100	\$ 35,600
OPERATIONAL RESERVE	112,563	115,500	521,571	100,575	41,651
TOTAL RESERVE	<u>\$ 142,663</u>	<u>\$ 150,000</u>	<u>\$ 555,771</u>	<u>\$ 135,675</u>	<u>\$ 77,251</u>

No assurance provided. See summary of significant assumptions.

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

11/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Vacant land	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Adjustments	60	60	60	60	60
Certified Assessed Value	-	-	-	-	-
	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>
 MILL LEVY					
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
 PROPERTY TAXES					
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED PROPERTY TAXES					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

11/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 27,442	\$ 123,677	\$ 142,664	\$ 142,664	\$ 135,675
REVENUES					
Other revenue	1,330	-	900	2,000	-
Intergovernmental revenues - District 2	796,000	895,000	883,528	903,926	924,809
Intergovernmental revenues - District 3	205,000	255,000	255,440	261,453	261,159
Total revenues	<u>1,002,330</u>	<u>1,150,000</u>	<u>1,139,868</u>	<u>1,167,379</u>	<u>1,185,968</u>
Total funds available	<u>1,029,772</u>	<u>1,273,677</u>	<u>1,282,532</u>	<u>1,310,043</u>	<u>1,321,643</u>
EXPENDITURES					
General and administrative					
Accounting	24,978	36,000	24,218	36,000	41,400
Auditing	13,258	13,650	-	13,650	15,000
Banking fees	12	250	126	250	250
District management	5,475	6,575	5,271	6,575	6,875
Dues and licenses	1,451	1,500	2,409	2,409	2,500
Insurance and bonds	16,475	18,000	18,650	18,650	20,000
Intergovernmental expenditures	10,500	-	-	-	-
Election expense	-	10,000	49,360	49,360	50,000
Legal services	8,463	15,000	18,786	25,000	32,000
CORA Expense	-	-	474	474	-
Website	-	-	-	2,000	5,000
Operations and maintenance					
Contingency	-	7,977	-	-	14,650
Landscape improvements	37,660	225,000	68,151	250,000	225,000
Stormwater fees	35,053	30,000	31,183	40,000	40,000
Utilities	357,930	400,000	205,947	375,000	400,000
Repair and Maintenance	373,754	326,600	294,802	325,000	338,592
Snow removal/Winter watering	2,100	33,125	7,384	30,000	33,125
Total expenditures	<u>887,109</u>	<u>1,123,677</u>	<u>726,761</u>	<u>1,174,368</u>	<u>1,224,392</u>
TRANSFERS OUT					
Transfers to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Total expenditures and transfers out requiring appropriation	<u>887,109</u>	<u>1,123,677</u>	<u>726,761</u>	<u>1,174,368</u>	<u>1,244,392</u>
ENDING FUND BALANCE	<u>\$ 142,663</u>	<u>\$ 150,000</u>	<u>\$ 555,771</u>	<u>\$ 135,675</u>	<u>\$ 77,251</u>
EMERGENCY RESERVE	\$ 30,100	\$ 34,500	\$ 34,200	\$ 35,100	\$ 35,600
OPERATIONAL RESERVE	112,563	115,500	521,571	100,575	41,651
TOTAL RESERVE	<u>\$ 142,663</u>	<u>\$ 150,000</u>	<u>\$ 555,771</u>	<u>\$ 135,675</u>	<u>\$ 77,251</u>

No assurance provided. See summary of significant assumptions.

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

11/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Developer advance	-	-	-	-	11,000,000
Total revenues	-	-	-	-	11,000,000
TRANSFERS IN					
Transfers from Other Funds	-	-	-	-	20,000
Total funds available	-	-	-	-	11,020,000
EXPENDITURES					
General and Administrative					
Accounting	-	-	-	-	5,000
Legal services	-	-	-	-	5,000
Capital Projects					
Engineering	-	-	-	-	10,000
Capital outlay	-	-	-	-	11,000,000
Total expenditures	-	-	-	-	11,020,000
Total expenditures and transfers out requiring appropriation	-	-	-	-	11,020,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**FLYING HORSE METROPOLITAN DISTRICT NO.1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Flying Horse Metropolitan District No.1 ("District No. 1"), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs, El Paso County, Colorado on November 8, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Consolidated Service Plan, approved by the City of Colorado Springs on August 24, 2004, formed the Flying Horse Metropolitan Districts Nos 1 – 3 ("The Districts")

The District was organized to provide planning, acquisition, construction, installation and financing of public improvements, including streets, water, wastewater, traffic and safety, park and recreation, mosquito control, television relay and transportation facilities, primarily for residential and commercial development. The District was organized in conjunction with Flying Horse Metropolitan District No. 2 ("District No. 2") and Flying Horse Metropolitan District No. 3 ("District No. 3") to serve the needs of the Flying Horse development for the purpose of financing, construction and operation of improvements and infrastructure serving the three districts. District No. 1 is responsible for managing the construction, operation and maintenance of all improvements not transferred to the City of Colorado Springs. District No. 2 and District No. 3 are responsible for providing the funding and tax base needed to support the financing plan for capital improvements and to fund ongoing operations.

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 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 between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Intergovernmental Revenue

The intergovernmental revenue represents transfers from Flying Horse Metropolitan District Nos. 2 and 3 to provide funding for the overall administrative and operating costs for the Districts.

Expenditures

Administrative and Operations and Maintenance Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, landscaping, utilities, and other administrative expenses.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**FLYING HORSE METROPOLITAN DISTRICT NO.1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

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 8.00% beginning on the date the advance were made to the date of repayment. The Agreement does not constitute a multiple-fiscal year obligation.

Schedule of Long Term Obligations

	Balance at December 31, 2021	Additions*	Repayments*	Balance at December 31, 2022*
Developer Advances - Operating	\$ 3,193,375	\$ -	\$ -	\$ 3,193,375
Accrued Interest - Operating	2,147,583	255,470	-	2,403,053
Developer Advances - Capital	173,401	-	-	173,401
Accrued Interest - Capital	16,258	13,872	-	30,130
	<u>\$ 5,530,617</u>	<u>\$ 269,342</u>	<u>\$ -</u>	<u>\$ 5,799,959</u>
	Balance at December 31, 2022*	Additions*	Repayments*	Balance at December 31, 2023*
Developer Advances - Operating	\$ 3,193,375	\$ -	\$ -	\$ 3,193,375
Accrued Interest - Operating	2,403,053	255,470	-	2,658,523
Developer Advances - Capital	173,401	11,000,000	-	11,173,401
Accrued Interest - Capital	30,130	453,872	-	484,002
	<u>\$ 5,799,959</u>	<u>\$ 11,709,342</u>	<u>\$ -</u>	<u>\$ 17,509,301</u>

*Estimate

The District has no operating or capital leases.

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

Operational Reserves

The District has adopted an operational reserve policy equivalent to a minimum of ninety (90) days of annually budgeted District expenditures.

This information is an integral part of the accompanying budget.