

THE CANYONS METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**THE CANYONS METROPOLITAN DISTRICT NO. 5
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 39,843,808	\$ 13,618,918	\$ 6,905,294
REVENUES			
Property tax	602	399,600	841,387
Specific ownership tax	60	32,875	67,310
Interest income	545,370	60,000	15,000
Developer advance	52,394	80,670	7,486,133
Acceptance of reimbursable costs	25,322,906	19,053,454	19,554,126
Facilities fees	1,640,000	1,000,000	1,240,000
PIF revenue	183,715	448,000	1,127,450
Bond proceeds	-	14,010,000	12,222,000
Total revenues	<u>27,745,047</u>	<u>35,084,599</u>	<u>42,553,406</u>
Total funds available	<u>67,588,855</u>	<u>48,703,517</u>	<u>49,458,700</u>
EXPENDITURES			
General Fund	51,225	65,305	70,146
Debt Service Fund	2,901,273	3,221,678	3,269,008
Capital Projects Fund	51,017,439	38,511,240	39,214,252
Total expenditures	<u>53,969,937</u>	<u>41,798,223</u>	<u>42,553,406</u>
Total expenditures and transfers out requiring appropriation	<u>53,969,937</u>	<u>41,798,223</u>	<u>42,553,406</u>
ENDING FUND BALANCES	<u>\$ 13,618,918</u>	<u>\$ 6,905,294</u>	<u>\$ 6,905,294</u>
EMERGENCY RESERVE	\$ 1	\$ 400	\$ 700
RESERVE FUND	4,529,294	4,529,294	4,529,294
SURPLUS FUND	1,448,039	2,375,000	2,375,000
TOTAL RESERVE	<u>\$ 5,977,334</u>	<u>\$ 6,904,694</u>	<u>\$ 6,904,994</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION - DOUGLAS			
Residential	\$ -	\$ -	\$ 1,784,290
Commercial	-	-	510,790
Agricultural	12,020	7,920	8,100
Natural Resources	1,310	1,600	2,250
Vacant Land	-	8,725,250	16,101,460
State Assessed	-	20,100	27,200
Certified Assessed Value	<u>\$ 13,330</u>	<u>\$ 8,754,870</u>	<u>\$ 18,434,090</u>
MILL LEVY			
General	1.000	1.112	1.112
Debt Service	44.222	44.531	44.531
Total mill levy	<u>45.222</u>	<u>45.643</u>	<u>45.643</u>
PROPERTY TAXES			
General	\$ 13	\$ 9,735	\$ 20,499
Debt Service	589	389,863	820,888
Levied property taxes	<u>602</u>	<u>399,598</u>	<u>841,387</u>
Adjustments to actual/rounding	-	2	-
Budgeted property taxes	<u>\$ 602</u>	<u>\$ 399,600</u>	<u>\$ 841,387</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (5,010)	\$ (7,337)	\$ 1,000
REVENUES			
Property tax	13	9,736	20,499
Specific ownership tax	1	875	1,640
Developer advance	48,884	63,031	48,007
Total revenues	<u>48,898</u>	<u>73,642</u>	<u>70,146</u>
Total funds available	<u>43,888</u>	<u>66,305</u>	<u>71,146</u>
EXPENDITURES			
General and administrative			
Accounting	29,682	32,000	33,000
Auditing	4,500	4,500	4,500
County Treasurer's fee	-	146	310
Dues and licenses	312	314	500
Insurance and bonds	4,008	3,760	4,000
Legal services	12,723	24,000	25,000
Miscellaneous	-	-	1,000
Election expense	-	585	-
Contingency	-	-	1,836
Total expenditures	<u>51,225</u>	<u>65,305</u>	<u>70,146</u>
Total expenditures and transfers out requiring appropriation	<u>51,225</u>	<u>65,305</u>	<u>70,146</u>
ENDING FUND BALANCE	<u>\$ (7,337)</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
EMERGENCY RESERVE	<u>\$ 1</u>	<u>\$ 400</u>	<u>\$ 700</u>
TOTAL RESERVE	<u>\$ 1</u>	<u>\$ 400</u>	<u>\$ 700</u>

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 9,112,508	\$ 8,211,108	\$ 6,904,294
REVENUES			
Property tax	589	389,864	820,888
Specific ownership tax	59	32,000	65,670
Interest income	175,510	45,000	15,000
Facilities fees	1,640,000	1,000,000	1,240,000
PIF revenue	183,715	448,000	1,127,450
Total revenues	1,999,873	1,914,864	3,269,008
Total funds available	11,112,381	10,125,972	10,173,302
EXPENDITURES			
General and administrative			
Accounting	2,970	7,000	10,000
County Treasurer's fee	9	5,848	12,315
Paying agent fees	5,500	8,500	8,500
Debt Service			
Bond interest - Series 2017A	2,892,794	2,892,794	2,892,794
Bond interest - Series 2017B	-	307,536	345,399
Total expenditures	2,901,273	3,221,678	3,269,008
Total expenditures and transfers out requiring appropriation	2,901,273	3,221,678	3,269,008
ENDING FUND BALANCE	\$ 8,211,108	\$ 6,904,294	\$ 6,904,294
RESERVE FUND	\$ 4,529,294	\$ 4,529,294	\$ 4,529,294
SURPLUS FUND	1,448,039	2,375,000	2,375,000
TOTAL RESERVE	\$ 5,977,333	\$ 6,904,294	\$ 6,904,294

No assurance provided. See summary of significant assumptions.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 30,736,310	\$ 5,415,147	\$ -
REVENUES			
Interest income	369,860	15,000	-
Developer advance	3,510	17,639	7,438,126
Acceptance of reimbursable costs	25,322,906	19,053,454	19,554,126
Bond proceeds	-	14,010,000	12,222,000
Total revenues	<u>25,696,276</u>	<u>33,096,093</u>	<u>39,214,252</u>
Total funds available	<u>56,432,586</u>	<u>38,511,240</u>	<u>39,214,252</u>
EXPENDITURES			
General and Administrative			
Accounting	2,852	3,000	3,000
Legal services	1,200	3,000	5,000
Capital Projects			
Repay Developer advance	3,510	8,000	8,000
Repay interest	364,065	211,944	90,000
Recognition of costs	25,322,906	19,053,454	19,554,126
Repayment of reimbursable costs	25,322,906	19,053,454	19,554,126
Bond issue costs	-	178,388	-
Total expenditures	<u>51,017,439</u>	<u>38,511,240</u>	<u>39,214,252</u>
Total expenditures and transfers out requiring appropriation	<u>51,017,439</u>	<u>38,511,240</u>	<u>39,214,252</u>
ENDING FUND BALANCE	<u>\$ 5,415,147</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide financing for the design, acquisition, installation and construction of storm and sanitary sewers, water systems, streets, parks and recreation facilities, transportation systems, television relay and translator facilities, security, mosquito control and fire protection and operation and maintenance of the District. The District's service area is located in the City of Castle Pines in Douglas County, Colorado and the District operates in connection with Districts Nos. 1 - 4 and 6 - 11.

The District was formed by District Court Order on June 4, 2010, and held its organizational meeting on December 6, 2010. The relationship between the District No. 5, District No. 6, and District No. 7, including the means for approving, financing, constructing and operating the public services and improvements needed to serve the property are outlined in the Master Reimbursement Agreement executed December 29, 2015 by the District and District Nos. 6 and 7.

May 4, 2010, District voters approved authorization to increase property taxes up to \$100,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$100,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$1,300,000,000 for the above listed facilities and \$100,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

On November 4, 2014, District voters approved authorization to increase property taxes up to \$226,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$226,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$2,260,000,000 for the above listed facilities and \$226,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

Pursuant to the Amended and Restated Service Plan, the maximum mill levy for general obligation debt and operations and maintenance is 69.000 mills. This limit is to be adjusted for increases or decreases in the residential assessment ratio (for the debt portion of the mill levy only) so that the actual tax revenues derived from the mill levy, as adjusted, are neither diminished nor enhanced as a result.

The District has no employees and all administrative functions 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.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Developer Advances

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

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, if 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 page of the Budget and is pursuant to the Master Reimbursement Agreement. Collectively, Districts Nos. 5, 6, and 7 are permitted to levy 69.000 mills, subject to being adjusted for changes in the assessment ration which brings the total mill levy for all three districts to 76.812 mills. The total adopted mill levy is shown on the Property Tax Summary page of the budget.

Specific Ownership Tax

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing with 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 8% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.25%.

Facilities Fees

The District imposes a Facilities Fee in the amount of \$4,000 on each residential lot within the boundaries of the District. Such fees are allowed to increase the lesser of 5% annually or the percentage increase in the Denver-Boulder Consumer price index percentage increase for the prior year, effective January 1, 2017. The Facilities Fees are due and payable on the earlier to occur of (i) the initial transfer of a residential lot to a third party builder or (ii) the issuance of a building permit for a residential unit.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Public Improvement Fee (PIF)

The Mixed-Use Owner has imposed a Public Improvement Fee (“PIF”) through the Declaration of Covenants Imposing And Implementing The North Canyons Public Improvements Fee (“PIF Covenant”). The PIF rate applicable to Construction Activities is 50% of the applicable Use Tax rate pursuant to the City’s Sales/Use Tax Ordinance. Construction Activities is defined in the PIF Covenant as the use of building and construction materials for incorporation into the construction of any new building. Eighty percent (80%) of the PIF Revenue is collected by the District and pledged to the payment of the 2017 and 2016 Bonds. The PIF is due prior to obtaining a building permit.

Expenditures

County Treasurer’s Fees

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

General and Administrative

General and administrative expenditures have been provided based on estimates of the District’s Board of Directors and consultants and include the services necessary to maintain the District’s administrative viability such as accounting, legal, insurance, and other administrative expenditures.

Debt Service

Interest payments are provided based on the attached debt to maturity schedule for the Series 2017A bonds.

The District anticipates an interest payment on the Series 2017B bonds. A debt to maturity schedule is not attached due to the cash flow nature of these Bonds.

Capital Outlay

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

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2017A Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds

On May 24, 2017 the District issued \$47,500,000 of Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds. The proceeds from the sale of the 2017A Bonds were used to:

- (a) finance the acquisition, construction, and installation of certain public improvements;
- (b) refund the outstanding balance on the 2016 Bonds (defined below);
- (c) fund the Capitalized Interest Fund;
- (d) fund the Senior Reserve Fund; and
- (e) pay the costs of issuing the Bonds.

The Series 2017A Bonds bear interest at rates ranging from 6.000% to 6.125%, payable semi-annually on June 1 and December 1 each year, to the extent of Senior Pledged Revenue available therefor, beginning on December 1, 2017. Annual mandatory sinking fund principal payments on the Series 2017A Bonds are due on December 1, beginning on December 1, 2026. The Series 2017A Bonds mature on December 1, 2047.

The Series 2017A Bonds are secured by and payable solely from and to the extent of the Senior Pledged Revenue, net of any costs of collection, which is defined generally in the 2017A Indenture as:

- (a) the Senior Property Tax Revenues;
- (b) the Senior Specific Ownership Tax Revenues attributable to the Senior Required Mill Levy;
- (c) Capital Fees, including particularly and without limitation, the Facilities Fees;
- (d) Pledged PIF Revenues; and
- (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

Senior Pledged Revenue that is not needed to pay debt service on the Series 2017A Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$2,375,000. The Senior Surplus Fund is established and held as an account of the Trustee, and moneys therein are to be used solely for the purpose of paying the principal of and interest on the Series 2017A Bonds to the extent the moneys in the Senior Bond Fund are insufficient for such purpose. Amounts on deposit in the Senior Surplus Fund (if any) on the maturity date of the Series 2017A Bonds shall be applied to the payment of the Series 2017A Bonds.

The Series 2017A Bonds are further secured by amounts on deposit in the Senior Reserve Fund, which was funded with proceeds from the Series 2017A Bonds in the amount of the Required Reserve of \$4,529,294.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

The Series 2017A Indenture provides a Senior Required Mill Levy be imposed in an amount sufficient to pay the principal of, premium if any, and interest on the Series 2017A Bonds as the same become due and payable (less any amount thereof for which amounts are then on deposit in the Senior Bond Fund and, solely to the extent provided in the Senior Indenture, the Senior Surplus Fund and the Senior Reserve Fund) and to replenish the Senior Reserve Fund to the Senior Reserve Requirement, but not in excess of 40 mills (as adjusted). For so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy shall be equal to 40 mills (as adjusted to 44.531), or such lesser amount that will generate Senior Property Tax Revenues (i) sufficient to pay the principal of, premium if any, and interest on the Series 2017A.

Bonds as the same become due and payable, and to fully fund the Senior Surplus Fund to the Maximum Surplus Amount, or (ii) which, when combined with moneys then on deposit in the Senior Bond Fund, the Senior Surplus Fund and the Senior Reserve Fund, will pay the Series 2017A Bonds in full. Such maximum and minimum mill levies are subject to adjustment per changes in the residential assessment rate.

Series 2017B Subordinate Limited Tax General Obligation and Special Revenue Bonds

On May 24, 2017 the District issued \$11,925,000 of Limited Tax General Obligation and Special Revenue Bonds. The proceeds from the sale of the Series 2017B Bonds were used to finance the acquisition, construction, and installation of certain public improvements.

The Series 2017B Bonds bear an interest rate of 8.00% per annum and payable annually on December 15, but only to the extent of available Subordinate Pledged Revenue. The Series 2017B Bonds are structured as cash flow bonds, meaning that there are no scheduled payments of principal or interest thereof prior to the final maturity date. Rather, principal on the Series 2017B Bonds is payable on each December 15 (if at all) from, and solely to the extent of, Subordinate Pledged Revenue (if any) remaining after the payment of interest then due on the Series 2017B Bonds on December 15 of the then current year. Unpaid interest on the 2017B Bonds compounds annually on each December 15.

In the event that, on December 15, 2057 any amount of principal of or interest on the Series 2017B Bonds remains unpaid after application of all Subordinate Pledged Revenue available therefor in accordance with the Subordinate Indenture, the Series 2017B Bonds and the lien of the Subordinate Indenture securing payment thereof is to be deemed discharged.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

The Series 2017B Bonds are secured by and payable solely from the following sources, net of any costs of collection, to the extent not previously deducted by definition, (the “Subordinate Pledged Revenue”):

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Specific Ownership Tax Revenues attributable to the Subordinate Required Mill Levy;
- (c) all Subordinate Capital Fee Revenue, including particularly and without limitation, the Facilities Fees;
- (d) all Subordinate PIF Revenue; and
- (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

Pursuant to the Series 2017B Indenture, the District has further covenanted to levy a Subordinate Required Mill Levy each year in the amount equal to (i) 40 mills (as adjusted from January 1, 2009 to 44.531) less the Senior Required Mill Levy, or (ii) such lesser amount that will generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the 2017B Bonds in full.

Series 2016 Limited Tax General Obligation and Special Revenue Bonds

The District previously authorized its Limited Tax General Obligation and Special Revenue Bonds, Series 2016, in the aggregate principal amount of up to \$68,664,991 and, of such amount, the District has issued \$1,535,003 in aggregate principal amount. The Series 2016 Bonds were authorized to be issued from time to time in accordance with an Indenture of Trust between the District and UMB Bank, n.a., as trustee thereunder (the “2016 Trustee”) dated as of November 1, 2016, as amended by the First Supplemental Indenture of Trust between the District and the 2016 Trustee dated as of May 25, 2017 (the “2016 First Supplement”), and as further amended by the Second Supplemental Indenture of Trust between the District and the 2016 Trustee dated as of September 29, 2020 (the “2016 Second Supplement” and, as supplemented, the “2016 Indenture”).

Proceeds of the Series 2017A Bonds will be used to refund the outstanding balance of the Series 2016 Bonds in the principal amount of \$1,535,003. The 2016 First Supplement decreased the total authorized principal amount of the Series 2016 Bonds from \$68,664,991 to \$11,485,003 based on the then-anticipated residential development within the District. In 2020, the District was advised of changes to the anticipated residential development within the District which allowed the District to increase the amount of the Series 2016 Bonds that can be reasonably expected to be repaid from Pledged Revenue. The District entered into the 2016 Second Supplement to increase the total authorized aggregate principal amount to \$27,767,003 (including the previously issued bonds), to add a discharge provision to occur on December 15, 2067, and to allow additional draws to occur for a three year period.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

The 2016 Indenture and related documents allow additional draws on the Series 2016 Bonds of up to \$26,232,000 in aggregate principal amount for the purpose of paying the Original Landowner amounts due pursuant to the District's Reimbursement Obligation under the Master Reimbursement Agreement to the extent proceeds of the Series 2017A and 2017B Bonds are insufficient for such purpose. On May 11, 2020, the District issued \$9,950,000 of principal and on September 29, 2020, the District issued \$4,060,000 of principal, which has resulted in an authorized and unissued aggregate principal balance of \$12,222,000. Repayment of the Series 2016 Bonds is fully subordinate and junior to the payment of the 2017A Bonds and the 2017B Bonds.

The Series 2016 Bonds bear an interest rate of 7.00% per annum and are payable annually on December 15, but only to the extent of available Pledged Revenue. The Series 2016 Bonds mature on December 15, 2057. The Series 2016 Bonds are structured as cash flow bonds, meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Rather, principal on the Series 2016 Bonds is payable on each December 15 (if at all) from, and solely to the extent of, Pledged Revenue (if any) remaining after the payment of interest then due on the Series 2016 Bonds on December 15 of the then current year. Unpaid interest on the Series 2016 Bonds compounds annually on each December 15.

In the event that, on December 15, 2067, any amount of principal or interest on the Series 2016 Bonds remains unpaid after application of all Pledged Revenue available therefor in accordance with the 2016 Indenture, the Series 2016 Bonds and the lien of the 2016 Indenture securing payment thereof is to be deemed discharged.

Series 2016 Limited Tax General Obligation and Special Revenue Bonds

The Series 2016 Bonds are subject to optional redemption, prior to maturity, at the option of the District, on any date upon payment of par, and accrued interest, without redemption premium.

The Series 2016 Bonds are secured by and payable solely from and to the extent of the Pledged Revenue, net of any costs of collection, which is defined generally in the 2016 Indenture as the following, net of any costs of collection:

- (a) all Property Tax Revenues;
- (b) all Specific Ownership Tax Revenues;
- (c) all Capital Fees;
- (d) all Pledged PIF Revenues;
- (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2016 Bond Fund; and
- (f) to the extent not included in the foregoing, any other revenues pledged to the payment of Senior Obligations after deduction of any amount applied to the payment of any Senior Obligation Annual Debt Service Requirements.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Property Tax Revenues means all moneys derived from imposition by the District of the 2016 Bond Required Mill Levy and excludes Specific Ownership Tax Revenues. Property Tax Revenues are net of the costs of collection and any tax refunds or abatement authorized by or on behalf of the County.

Pursuant to the 2016 Indenture, the District has covenanted to impose a 2016 Bond Required Mill Levy upon all taxable property of the District in an amount equal to 40 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2009, but in no event in excess of 50 mills (without adjustment)) less the then applicable Senior Required Mill Levy. The Series 2017A Bonds and Series 2017B Bonds constitute Senior Obligations under the 2016 Indenture.

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, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2017A Bonds.

This information is an integral part of the accompanying budget.

**THE CANYONS METROPOLITAN DISTRICT NO. 5
SCHEDULE OF DEBT SERVICE CASH REQUIREMENTS TO MATURITY**

\$47,500,000

General Obligation and Refunding and Improvement Bonds , Series 2017A

Interest Rate 6.000% to 6.125% per annum

Interest Payable on June 1 and December 1

Principal Payable December 1

Dated May 24, 2017

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2021	\$ -	\$ 2,892,794	\$ 2,892,794
2022	-	2,892,794	2,892,794
2023	-	2,892,794	2,892,794
2024	-	2,892,794	2,892,794
2025	-	2,892,794	2,892,794
2026	20,000	2,892,794	2,912,794
2027	260,000	2,891,594	3,151,594
2028	560,000	2,875,994	3,435,994
2029	800,000	2,842,394	3,642,394
2030	1,040,000	2,794,394	3,834,394
2031	1,135,000	2,731,994	3,866,994
2032	1,280,000	2,663,894	3,943,894
2033	1,360,000	2,587,094	3,947,094
2034	1,520,000	2,505,494	4,025,494
2035	1,610,000	2,414,294	4,024,294
2036	1,785,000	2,317,694	4,102,694
2037	1,895,000	2,210,594	4,105,594
2038	2,090,000	2,096,894	4,186,894
2039	2,220,000	1,968,881	4,188,881
2040	2,440,000	1,832,906	4,272,906
2041	2,585,000	1,683,456	4,268,456
2042	2,830,000	1,525,125	4,355,125
2043	3,005,000	1,351,788	4,356,788
2044	3,275,000	1,167,731	4,442,731
2045	3,475,000	967,138	4,442,138
2046	3,775,000	754,294	4,529,294
2047	8,540,000	523,075	9,063,075
	<u>\$ 47,500,000</u>	<u>\$ 60,063,481</u>	<u>\$ 107,563,481</u>

No assurance provided. See summary of significant assumptions.

**The Canyons Metropolitan District No. 5
Schedule of Long-Term Obligations**

	Balance at December 31, 2019	Additions	Repayments	Balance at December 31, 2020	Additions*	Repayments*	Balance at December 31, 2021*
Limited Tax GO and Special Revenue Refunding and Improvement Bonds Series 2017A - Principal	\$ 47,500,000	\$ -	\$ -	\$ 47,500,000	\$ -	\$ -	\$ 47,500,000
Subordinate Limited Tax GO and Special Revenue Bonds Series 2017B - Principal	11,925,000	-	-	11,925,000	-	-	11,925,000
Discount on Series 2017	(418,267)	-	-	(418,267)	-	-	(418,267)
Total Bonds Payable	<u>59,006,733</u>	<u>-</u>	<u>-</u>	<u>59,006,733</u>	<u>-</u>	<u>-</u>	<u>59,006,733</u>
Subordinate Limited Tax GO and Special Revenue Bonds Series 2017B - Interest	2,602,512	1,162,201	307,536	3,457,177	1,230,574	345,399	4,342,352
Developer Advances - Operations - Principal	130,236	63,031	-	193,267	48,007	-	241,274
Developer Advances - Operations - Interest	11,632	10,042	-	21,674	13,778	-	35,452
Developer Advances - Capital - Principal	-	17,639	2,750	14,889	7,438,126	8,000	7,445,015
Developer Advances - Capital - Interest	-	527	527	-	244,873	-	244,873
Public Improvement Reimbursement Agreement	-	19,053,454	19,053,454	-	19,554,126	19,554,126	-
Public Improvement Reimbursement Agreement - Interest	-	211,417	211,417	-	90,000	90,000	-
Total Developer Advance Payable	<u>2,744,380</u>	<u>20,518,311</u>	<u>19,575,684</u>	<u>3,687,007</u>	<u>28,619,484</u>	<u>19,997,525</u>	<u>12,308,966</u>
Total	<u><u>\$ 61,751,113</u></u>	<u><u>\$ 20,518,311</u></u>	<u><u>\$ 19,575,684</u></u>	<u><u>\$ 62,693,740</u></u>	<u><u>\$ 28,619,484</u></u>	<u><u>\$ 19,997,525</u></u>	<u><u>\$ 71,315,699</u></u>

* Estimate

No assurance provided. See summary of significant assumptions.