

**RESOLUTION NO. 2020-11-04**

**RESOLUTION  
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

**(2021)**

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The Board of Directors of Inspiration Metropolitan District (the “**Board**”), City of Aurora, Colorado (the “**District**”) held a special meeting held via teleconference on Tuesday, November 10, 2020, at the hour of 5:30 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2021 BUDGET

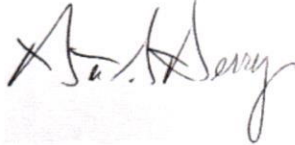
SENTINEL  
PROOF OF PUBLICATION

STATE OF COLORADO  
COUNTY OF ARAPAHOE }ss.

I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 15 A.D. 2020 and that the last publication of said notice was in the issue of said newspaper dated October 15 A.D. 2020.

I witness whereof I have hereunto set my hand this 15th day of October A.D. 2020



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 15th day of October A.D. 2020.



Notary Public

Isabella Perry  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID# 20194037562  
MY COMMISSION EXPIRES 10/1/2023

**NOTICE OF PUBLIC HEARING  
ON THE PROPOSED 2021 BUDGET  
AND NOTICE OF PUBLIC HEARING  
ON THE AMENDED 2020 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2021 budget has been submitted to the Board of Directors (the "Board") of the INSPIRATION METROPOLITAN DISTRICT (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111 where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2020 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111 where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a special meeting of the District to be held on Tuesday, November 10, 2020 at 5:30 P.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

RSVP for the meeting at  
<https://us02web.zoom.us/meeting/register/tZEvd-mvpzsjGtBgavuw0tTrPFY5DRVL-Np7e>

Meeting Link: <https://us02web.zoom.us/j/85200790904>

Call-In Number: 346-248-7799

Meeting ID: 852 0079 0904

Call In Number: 346-248-7799

Please submit any questions to: [inspirationdistrict@dmbcommunitylife.com](mailto:inspirationdistrict@dmbcommunitylife.com) or 303-627-2632

Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE  
BOARD OF DIRECTORS:  
INSPIRATION  
METROPOLITAN DISTRICT  
/s/ White Bear Ankele Tanaka & Waldron  
Attorneys at Law

Publication: October 15, 2020  
Sentinel

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 10, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 11.132 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

55.664 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2021 budget year, there is hereby levied a tax of 1.112 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.


Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED THIS 10<sup>th</sup> DAY OF NOVEMBER, 2020.

INSPIRATION METROPOLITAN DISTRICT

  
\_\_\_\_\_  
Officer of the District

ATTEST:

  
\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

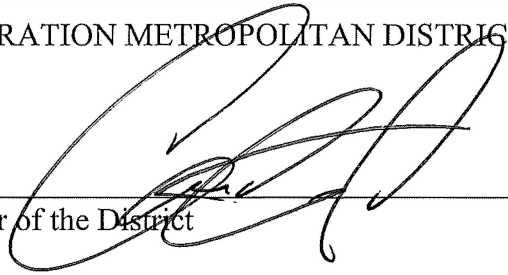
  
\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF DOUGLAS  
INSPIRATION METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on November 10, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 10th day of November, 2020.

INSPIRATION METROPOLITAN DISTRICT

  
\_\_\_\_\_  
Officer of the District

**INSPIRATION METROPOLITAN  
DISTRICT**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2021**

**INSPIRATION METROPOLITAN DISTRICT  
SUMMARY  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 1,083,414	\$ 2,358,953	\$ 3,241,038
REVENUES			
Property taxes	2,059,204	3,270,196	4,071,307
Property taxes- Regional ARI	34,304	54,441	67,778
Specific ownership tax	210,925	270,700	331,127
Interest Income	47,666	27,694	33,640
Operating Assessments	915,292	1,117,135	1,377,096
Operating Fees - Builders	225,366	215,352	139,356
Late Fees	-	700	2,400
Legal - Collections Fees	-	6,000	12,600
Returned Deposit Fees	-	250	-
System development fees	385,000	1,120,000	756,000
Transfer Fees	125,500	109,500	137,000
Reimbursed expenditures	15,000	6,000	-
Event Revenue	-	1,000	4,000
Adopt-A-Tree Sponsorship	-	12,000	-
Other revenue	123,722	21,239	100
Total revenues	<u>4,141,979</u>	<u>6,232,207</u>	<u>6,932,404</u>
TRANSFERS IN	<u>301,739</u>	<u>375,600</u>	<u>460,000</u>
Total funds available	<u>5,527,132</u>	<u>8,966,760</u>	<u>10,633,442</u>
EXPENDITURES			
General Fund	227,144	300,000	265,000
Operations Fund	1,051,265	1,319,400	1,500,000
Debt Service Fund	1,460,477	3,160,722	3,180,400
Capital Projects Fund	127,554	570,000	310,000
Total expenditures	<u>2,866,440</u>	<u>5,350,122</u>	<u>5,255,400</u>
TRANSFERS OUT	<u>301,739</u>	<u>375,600</u>	<u>460,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,168,179</u>	<u>5,725,722</u>	<u>5,715,400</u>
ENDING FUND BALANCES	<u>\$ 2,358,953</u>	<u>\$ 3,241,038</u>	<u>\$ 4,918,042</u>
EMERGENCY RESERVE - TABOR	\$ 53,900	\$ 62,800	\$ 72,600
AVAILABLE FOR OPERATIONS	335,152	427,867	513,972
OPERATING RESERVE	120,000	220,000	650,000
COMMITTED FOR REIMBURSED EXPENSES	112,489	6,500	-
DEBT SERVICE RESERVE	1,488,988	2,415,362	3,680,183
CAPITAL PROJECTS RESERVE	248,424	108,509	1,287
TOTAL RESERVE	<u>\$ 2,358,953</u>	<u>\$ 3,241,038</u>	<u>\$ 4,918,042</u>

No assurance provided. See summary of significant assumptions.



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

12/12/20

ACTUAL	ESTIMATED	BUDGET
2019	2020	2021

**ASSESSED VALUATION**

Residential	\$ 19,356,750	\$ 32,499,890	\$ 41,161,690
Commercial	-	-	560,880
Agricultural	2,040	1,220	120
State assessed	1,400	100	2,500
Vacant land	11,356,590	15,508,130	18,395,120
Personal property	465,950	301,390	829,940
Other	1,110	1,110	1,110
Certified Assessed Value	<b>\$ 31,183,840</b>	<b>\$ 48,311,840</b>	<b>\$ 60,951,360</b>

**MILL LEVY**

General	11.055	11.132	11.132
Debt Service	55.277	55.664	55.664
Contractual Obligations	1.105	1.112	1.112
Total mill levy	<b>67.437</b>	<b>67.908</b>	<b>67.908</b>

**PROPERTY TAXES**

General	\$ 344,736	\$ 537,807	\$ 678,510
Debt Service	1,723,749	2,689,230	3,392,797
ARI	34,458	53,723	67,778
Levied property taxes	2,102,943	3,280,760	4,139,085
Adjustments to actual/rounding	5,747	43,877	-
Refunds and abatements	(15,182)	-	-
Budgeted property taxes	<b>\$ 2,093,508</b>	<b>\$ 3,324,637</b>	<b>\$ 4,139,085</b>

**BUDGETED PROPERTY TAXES**

General	\$ 343,190	\$ 545,000	\$ 678,510
Debt Service	1,716,014	2,725,196	3,392,797
ARI	34,304	54,441	67,778
	<b>\$ 2,093,508</b>	<b>\$ 3,324,637</b>	<b>\$ 4,139,085</b>

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

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 13,000	\$ 14,382	\$ 19,232
<b>REVENUES</b>			
Property taxes	343,190	545,000	678,510
Specific ownership tax	38,033	48,800	59,703
Interest Income	8,476	6,000	6,000
Other revenue	1,737	50	100
Total revenues	391,436	599,850	744,313
Total funds available	404,436	614,232	763,545
<b>EXPENDITURES</b>			
General and administrative			
Accounting	54,821	90,000	96,000
Audit	5,000	5,150	5,300
Contingency	-	10,809	7,022
County Treasurer's fee	5,155	8,179	10,178
Dues and licenses	5,594	-	500
Election expense	-	33,500	-
Insurance and bonds	33,361	31,362	25,000
Legal services	122,184	120,000	120,000
Miscellaneous	1,029	1,000	1,000
Total expenditures	227,144	300,000	265,000
<b>TRANSFERS OUT</b>			
Transfers to other fund	162,910	295,000	460,000
Total expenditures and transfers out requiring appropriation	390,054	595,000	725,000
ENDING FUND BALANCE	\$ 14,382	\$ 19,232	\$ 38,545
EMERGENCY RESERVE - TABOR	\$ 11,800	\$ 18,000	\$ 22,300
AVAILABLE FOR OPERATIONS	2,582	1,232	16,245
TOTAL RESERVE	\$ 14,382	\$ 19,232	\$ 38,545

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

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 389,358	\$ 607,159	\$ 697,935
<b>REVENUES</b>			
Operating Assessments	915,292	1,117,135	1,377,096
Operating Fees - Builders	225,366	215,352	139,356
Late Fees	-	700	2,400
Legal - Collections Fees	-	6,000	12,600
Returned Deposit Fees	-	250	-
Interest Income	923	1,650	2,640
Reimbursed expenditures	15,000	6,000	-
Event Revenue	-	1,000	4,000
Transfer Fees	125,500	109,500	137,000
Adopt-A-Tree Sponsorship	-	12,000	-
Other revenue	121,985	21,189	-
Total revenues	<u>1,404,066</u>	<u>1,490,776</u>	<u>1,675,092</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	-	-	325,000
Total funds available	<u>1,793,424</u>	<u>2,097,935</u>	<u>2,698,027</u>
<b>EXPENDITURES</b>			
Administrative			
Accounting	-	950	-
Bad Debt Expense	-	-	6,885
Bank Charges	-	160	180
Computer Service & Supplies	-	2,300	-
Computer Software	-	125	2,280
Coupons & Statements	-	2,700	4,042
Dues and subscriptions	-	1,632	-
General Administration	4,020	-	-
Governance Mailing	-	750	650
Insurance and bonds	174	-	10,000
Legal - Covenant Enforcement	-	8,667	9,000
Legal - Liens & Collections	-	5,446	3,600
Legal - Other	3,579	13,769	8,760
Licenses, fees, permits	1,740	-	-
Management Fee	206,006	230,665	303,989
Mileage/Auto	-	100	-
Miscellaneous	4,924	-	-
Office Equipment	388	3,600	1,080
Office rental	3,000	3,600	3,600
Office supplies	3,906	4,000	3,600
Postage	4,015	400	3,532
Professional Services	-	660	-
Reserve study	-	4,800	-
Storage	768	2,367	1,980
Telephone	10,048	4,426	2,700
Uniforms	-	200	300
Web hosting	2,725	-	-
Total Administrative	<u>245,293</u>	<u>291,317</u>	<u>366,178</u>

No assurance provided. See summary of significant assumptions.

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

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
<b>Utilities</b>			
Electric - Landscape & Facilities	5,056	7,500	6,150
Gas	4,657	1,300	6,000
Trash Collection	96,676	132,180	165,327
Water & Sewer	129,097	153,000	158,500
Total Utilities	235,486	293,980	335,977
<b>Landscaping</b>			
Irrigation System	86,171	54,000	55,000
Landscape Extras	-	183,653	172,016
Landscape Maintenance	263,019	238,668	265,752
Landscape P&S	-	1,000	-
Landscape supplies / repairs	53,777	-	-
Seasonal color	14,791	9,500	8,356
Tree Maintenance	-	39,155	20,000
Tree Removal & Replacement	-	30,000	-
Winter Water	-	25,000	31,000
Total Landscaping	417,758	580,976	552,124
<b>Community Engagement</b>			
Collaborative Visioning	-	-	2,400
Community Education	-	-	500
Community Support	-	-	1,200
Community Wide Program	-	11,730	7,500
Fitness Instructor	-	-	1,650
Philanthropy	-	-	1,000
Signature Event	31,539	8,004	35,000
Supplies	-	1,573	-
Welcome Program	-	-	750
Total Community Engagement	31,539	21,307	50,000
<b>Facility Maintenance</b>			
Amenities	-	8,000	24,600
Building Maintenance & Repairs	-	300	7,000
Facility Security Access System	-	4,000	8,000
Holiday lights	-	2,260	5,975
Internet	-	7,000	1,400
Janitorial	-	-	4,718
Lighting & Electric	-	1,100	800
Pest control	-	-	1,000
Plumbing	-	256	-
Pool Maintenance	65,732	61,000	56,900
Pool Repairs	-	1,400	2,000
Pool Supplies	-	1,500	3,000
Snow Removal	37,303	17,864	26,000
Sports Court P&S	-	500	-
Vandalism	-	3,300	3,000
Wall & Fence	18,154	9,000	18,000
Waste Services	-	1,300	1,300
Total Facility Maintenance	121,189	118,780	163,693

No assurance provided. See summary of significant assumptions.

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

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
Communications			
Communication Tools & Development	-	-	12,000
Digital Tools & Support	-	5,000	2,280
Total Communications	-	5,000	14,280
Other Expense			
Contingency	-	8,040	17,748
Total Other Expense	-	8,040	17,748
Total expenditures	1,051,265	1,319,400	1,500,000
TRANSFERS OUT			
Transfers to other fund	135,000	80,600	-
Total expenditures and transfers out requiring appropriation	1,186,265	1,400,000	1,500,000
ENDING FUND BALANCE	\$ 607,159	\$ 697,935	\$ 1,198,027
EMERGENCY RESERVE - TABOR	\$ 42,100	\$ 44,800	\$ 50,300
OPERATING RESERVE	120,000	220,000	650,000
COMMITTED - REIMBURSEMENT EXPENSES	112,489	6,500	-
AVAILABLE FOR OPERATIONS	332,570	426,635	497,727
TOTAL FUND BALANCE	\$ 607,159	\$ 697,935	\$ 1,198,027

**INSPIRATION METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 641,121	\$ 1,488,988	\$ 2,415,362
<b>REVENUES</b>			
Property taxes	1,716,014	2,725,196	3,392,797
Specific ownership tax	172,892	221,900	271,424
System Development Fees	385,000	1,120,000	756,000
Interest Income	38,267	20,000	25,000
Other revenue	-	-	-
Total revenues	<u>2,312,173</u>	<u>4,087,096</u>	<u>4,445,221</u>
Total funds available	<u>2,953,294</u>	<u>5,576,084</u>	<u>6,860,583</u>
<b>EXPENDITURES</b>			
General and administrative			
Contingency	-	-	4,683
County Treasurer's fee	25,777	40,897	50,892
Paying agent fees	10,000	10,000	15,000
Debt Service			
2014A Bond Interest	1,424,700	1,424,700	1,424,700
2014B Bond interest	-	1,685,125	1,685,125
Total expenditures	<u>1,460,477</u>	<u>3,160,722</u>	<u>3,180,400</u>
<b>TRANSFERS OUT</b>			
Transfers to other fund	<u>3,829</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,464,306</u>	<u>3,160,722</u>	<u>3,180,400</u>
ENDING FUND BALANCE	<u>\$ 1,488,988</u>	<u>\$ 2,415,362</u>	<u>\$ 3,680,183</u>
SENIOR MAXIMUM SURPLUS AMOUNT	\$ 1,425,000	\$ -	\$ -
2014B MAXIMUM SURPLUS AMOUNT	1,690,000	1,690,000	1,690,000
2014C MAXIMUM SURPLUS AMOUNT	2,000,000	2,000,000	2,000,000
TOTAL RESERVE	<u>\$ 5,115,000</u>	<u>\$ 3,690,000</u>	<u>\$ 3,690,000</u>

**INSPIRATION METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 39,935	\$ 248,424	\$ 108,509
REVENUES			
Property Taxes- Regional ARI	34,304	54,441	67,778
Interest Income	-	44	-
Total revenues	<u>34,304</u>	<u>54,485</u>	<u>67,778</u>
TRANSFERS IN			
Transfers from other funds	<u>301,739</u>	<u>375,600</u>	<u>135,000</u>
Total funds available	<u>375,978</u>	<u>678,509</u>	<u>311,287</u>
EXPENDITURES			
Treasurer's Fee- Regional ARI	515	817	1,017
Capital Projects			
Channel Settlement	93,250	460,000	-
Contingency	-	8,559	12,756
Mailbox Reconfiguration	-	27,000	-
Regional Trail Connection	-	20,000	230,000
Regional ARI Expense	33,789	53,624	66,227
Total expenditures	<u>127,554</u>	<u>570,000</u>	<u>310,000</u>
Total expenditures and transfers out requiring appropriation	<u>127,554</u>	<u>570,000</u>	<u>310,000</u>
ENDING FUND BALANCE	<u>\$ 248,424</u>	<u>\$ 108,509</u>	<u>\$ 1,287</u>
RESERVED FOR REGIONAL IMPROVEMENTS	\$ 39,935	\$ 39,935	\$ -
AVAILABLE FOR DISTRICT IMPROVEMENTS	208,489	68,574	1,287
TOTAL RESERVE	<u>\$ 248,424</u>	<u>\$ 108,509</u>	<u>\$ 1,287</u>

**INSPIRATION METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, 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 Aurora on March 4, 2002 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). On February 10, 2017, the District formally changed its name from RockingHorse Metropolitan District No. 2 to Inspiration Metropolitan District. The District's service area is located in the City of Aurora (the "City") in Douglas County (the "County"). The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

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.

**Revenues**

**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 Summary page of the budget using the adopted mill levy imposed by the District.

**Property Taxes – Regional ARI**

Pursuant to the District's Service Plan, the District is required to impose the Aurora Regional Improvement (ARI) Mill Levy upon the District's residents. This mill levy is 1.000 mill for 20 years, which for this purpose begins the first year that the District certifies a debt service mill levy. The levy increases to 5.000 mills for years 21 through 40 or the date of repayment of the debt incurred for public improvements, other than regional improvements, whichever occurs first. For the 10 years subsequent to the period where the 5.000 mills is imposed, the ARI mill levy is the average of the debt service mill levy for the previous 10 years. The mill levies may be adjusted for changes in the method of calculating assessment valuation.



**INSPIRATION METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes – Regional ARI (Continued)**

The District entered into the South Aurora Regional Improvement Authority (SARIA) Establishment Agreement (SARIA Agreement) with the City. SARIA was formed to provide functions and services necessary to acquire, construct, finance, maintain, and manage certain regional improvements that are identified and agreed upon by the City and the member districts.

In order to fund these projects, SARIA may issue revenue bonds secured by the pledged revenues of the ARI Mill Levies by each of the districts. The District remits the property taxes generated from the District imposed ARI mill levy, net of the cost of collections, to SARIA.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within 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 all 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 0.8%.

**System Development Fees**

On October 20, 2015, the District established a one-time system development fee of \$3,500 per residential unit for the overall cost of providing amenities and facilities benefitting property and inhabitants within the District. The system development fee is calculated to defray the cost of funding Development Costs and reasonably distributes the burden in a manner based on the benefits received by persons paying and using the Facilities. The fees are payable by homebuilders at the time of issuance of a building permit.

**Assessment Fees**

The District adopted a Resolution Concerning the Imposition of an Operations Fee on October 20, 2015, which has been subsequently updated. The Board does not expect to raise the current Operations Fees for 2021. The Fee for each residential unit and each vacant lot is \$294 per quarter and \$147 per quarter, respectively. The District also imposes a Transfer Fee on each residential unit transfer and each vacant lot transfer of \$500.

**INSPIRATION METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating 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 and operations and maintenance of the District owned public facilities such as legal, accounting, insurance, utilities, landscaping, facilities management, snow plowing, and other expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule for the Series 2014A Senior Bonds and the Series 2014B Subordinate Bonds (discussed under Debt and Leases). The debt to maturity schedules for the Series 2014A Bonds, the Series 2014B Bonds, and the Series 2014C Bonds are attached.

**Debt and Leases**

**Senior Limited Tax (Convertible to Unlimited Tax) General Obligation Convertible Capital Appreciation Refunding Bonds, Series 2014A ("Series 2014A Bonds")** in the amount of \$20,000,650 with an accreted value of \$23,745,000 at current interest conversion date. Prior to December 1, 2016, the Bonds shall pay no current interest and accrete in value in accordance with the Accretion Table, compounding semi-annually on each June 1 and December 1, commencing June 1, 2014.

On December 1, 2016 and until the maturity date of December 1, 2051 or prior redemption, the Bonds shall bear interest at the rate of 6.00% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available semi-annually, on each June 1 and December 1, commencing June 1, 2017.

The Series 2014A Bonds are payable from pledged revenue including property taxes, specific ownership taxes, and development fees and are subject to redemption prior to maturity, at the option of the District, on and after January 1, 2024, upon payment of par plus accrued interest, without redemption premium. The mandatory redemption begins on December 1, 2026.

**Subordinate (Convertible to Senior) Limited Tax (Convertible to Unlimited Tax) General Obligation Convertible Capital Appreciation Refunding and Improvement Bonds, Series 2014B ("Series 2014B Bonds")** in the original principal amount of \$17,771,846.75 with an accreted value of \$25,925,000 at current interest conversion date. Prior to December 1, 2019, the Series 2014B Bonds shall pay no current interest and accrete in value in accordance with the Accretion Table, compounding semi-annually on each June 1 and December 1, commencing June 1, 2014.

**INSPIRATION METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

On December 1, 2019 and until the maturity date of December 1, 2051, or prior redemption, the Series 2014B Bonds shall bear interest at the rate of 6.50% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available semi-annually, on each June 1 and December 1, commencing June 1, 2020.

The Series 2014B Bonds are payable from pledged revenue including property taxes, specific ownership taxes, and development fees and are subject to redemption prior to maturity, at the option of the District, on and after January 1, 2024, upon payment of par plus accrued interest, without redemption premium. The mandatory redemption begins on December 1, 2026.

**Junior Lien (Convertible to Senior) Limited Tax (Convertible to Unlimited Tax) General Obligation Convertible Capital Appreciation Refunding Bonds, Series 2014C (Drawdown) in the amount up to \$9,785,000 (“Series 2014C Bonds”).** The Series 2014C Bonds were issued with no balance, and were “filled-up” as infrastructure costs were accepted by the District under the Facility Acquisition Agreement. On November 12, 2015 bonds in the amount of \$4,272,225 with an accreted value of \$7,435,000 at current interest conversion date, were issued (Series 2014C-1 and Series 2014C-2). Permitted Draws were issued solely for the purpose of paying amounts then due and payable by the District under the 2014 Reimbursement Agreement and for no other purpose. No additional Permitted Draws and additional Bonds were delivered after January 1, 2017.

Prior to the December 1, 2023, the Series 2014C Bonds shall pay no current interest and accrete in value in accordance with the Accretion Table, compounding semi-annually on each June 1 and December 1, commencing June 1, 2014. On December 1, 2023 and until the maturity date of December 1, 2051, or prior redemption, the Series 2014C bonds shall bear interest at the rate of 7.00% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available semi-annually, on each June 1 and December 1, commencing June 1, 2024.

The Series 2014C Bonds are payable from pledged revenue including property taxes, specific ownership taxes, and development fees and are subject to redemption prior to maturity, at the option of the District, on and after January 1, 2024, upon payment of par plus accrued interest, without redemption premium. The mandatory redemption begins on December 1, 2026.

**Fourth Tier Limited Tax General Obligation Bonds, Series 2017D (“Series 2017D Bonds”)**, in the amount of \$9,949,000 were issued on December 12, 2017 to finance certain public improvements. The Bonds bear interest at the rate of 7.50% per annum, until paid in full or discharged, such interest to be calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available therefor annually on each December 15, commencing on December 15, 2018.

The Bonds are structured as cash flow bonds and payments will be made when funds are available, with the exception of \$82,500 which was repaid in 2018 from the first \$82,500 in Pledged Revenue received by the District. As such, a debt to maturity schedule is not presented as the timing of payment is unknown. The Service 2017D Bonds are payable from Pledged Revenue including property taxes, specific ownership taxes, and development fees.

**Developer Advances.** The district has entered into Funding and Reimbursement Agreements with the Developer.

**INSPIRATION METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

The following is an analysis of the estimated changes in the District's Series 2017D Bonds and Developer Advances.

	Balance - December 31, 2020	Additions	Reductions	Compounding of Unpaid Interest	Balance - December 31, 2021
<b>Governmental Activities:</b>					
General Obligation					
Bonds Payable:					
Series 2017D	9,949,000	-	-	-	9,949,000
Accrued Interest on 2017D	1,593,344	746,175	-	119,501	2,459,020
Developer Advance - Operations	53,970	-	-	-	53,970
Interest on Developer Advance - Operations	15,101	3,778	-	-	18,879
Developer Advance - Capital	691,979	-	-	-	691,979
Interest on Developer Advance - Capital	147,837	48,439	-	-	196,276
Total Long-Term Liabilities	<u>\$ 12,451,231</u>	<u>\$ 798,392</u>	<u>\$ -</u>	<u>\$ 119,501</u>	<u>\$ 13,369,124</u>

The District has no operating or capital leases.

**Reserve Funds**

**Emergency Reserve**

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

**Debt Service Reserve**

A Maximum Surplus Amount of \$1,690,000 is required to be maintained for the Series 2014B Bonds, which is expected to be achieved in 2020. A Maximum Surplus Amount of \$2,000,000 is also required to be maintained for the Series 2014C Bonds. The 2021 budget does not anticipate that the Surplus Fund for the Series 2014C Bonds will reach that amount in 2021.

**Operations Reserve**

The Board is accumulating an operating reserve for future repairs and replacements of District owned public facilities.

**This information is an integral part of the accompanying budget.**

**INSPIRATION METROPOLITAN DISTRICT**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**December 31, 2020**

Year Ending December 31,	\$23,745,000 (at Full Accretion) Senior Limited Tax (Convertible to Unlimited Tax) General Obligation Convertible Capital Appreciation Refunding Bonds Series 2014A, Interest Rate of 6.00% Payable June 1 and December 1 Principal Due December 1			\$25,925,000 (at Full Accretion) Subordinate (Convertible to Senior) Limited Tax (Convertible to Unlimited Tax) General Obligation Convertible Capital Appreciation Refunding and Improvement Bonds Series 2014B, Interest Rate of 6.50% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ -	\$ 1,424,700	\$ 1,424,700	\$ -	\$ 1,685,125	\$ 1,685,125
2022	-	1,424,700	1,424,700	-	1,685,125	1,685,125
2023	-	1,424,700	1,424,700	-	1,685,125	1,685,125
2024	-	1,424,700	1,424,700	-	1,685,125	1,685,125
2025	-	1,424,700	1,424,700	-	1,685,125	1,685,125
2026	95,000	1,424,700	1,519,700	65,000	1,685,125	1,750,125
2027	100,000	1,419,000	1,519,000	70,000	1,680,900	1,750,900
2028	170,000	1,413,000	1,583,000	140,000	1,676,350	1,816,350
2029	180,000	1,402,800	1,582,800	150,000	1,667,250	1,817,250
2030	250,000	1,392,000	1,642,000	235,000	1,657,500	1,892,500
2031	265,000	1,377,000	1,642,000	250,000	1,642,225	1,892,225
2032	350,000	1,361,100	1,711,100	340,000	1,625,975	1,965,975
2033	370,000	1,340,100	1,710,100	365,000	1,603,875	1,968,875
2034	460,000	1,317,900	1,777,900	465,000	1,580,150	2,045,150
2035	485,000	1,290,300	1,775,300	500,000	1,549,925	2,049,925
2036	590,000	1,261,200	1,851,200	610,000	1,517,425	2,127,425
2037	625,000	1,225,800	1,850,800	650,000	1,477,775	2,127,775
2038	735,000	1,188,300	1,923,300	780,000	1,435,525	2,215,525
2039	780,000	1,144,200	1,924,200	830,000	1,384,825	2,214,825
2040	905,000	1,097,400	2,002,400	970,000	1,330,875	2,300,875
2041	955,000	1,043,100	1,998,100	1,035,000	1,267,825	2,302,825
2042	1,095,000	985,800	2,080,800	1,195,000	1,200,550	2,395,550
2043	1,160,000	920,100	2,080,100	1,270,000	1,122,875	2,392,875
2044	1,310,000	850,500	2,160,500	1,455,000	1,040,325	2,495,325
2045	1,390,000	771,900	2,161,900	1,545,000	945,750	2,490,750
2046	1,560,000	688,500	2,248,500	1,745,000	845,325	2,590,325
2047	1,655,000	594,900	2,249,900	1,860,000	731,900	2,591,900
2048	1,845,000	495,600	2,340,600	2,080,000	611,000	2,691,000
2049	1,955,000	384,900	2,339,900	2,220,000	475,800	2,695,800
2050	2,165,000	267,600	2,432,600	2,470,000	331,500	2,801,500
2051	2,295,000	137,700	2,432,700	2,630,000	170,950	2,800,950
	<u>\$ 23,745,000</u>	<u>\$ 33,918,900</u>	<u>\$ 57,663,900</u>	<u>\$ 25,925,000</u>	<u>\$ 40,685,125</u>	<u>\$ 66,610,125</u>

No assurance provided. See summary of significant assumptions.

**INSPIRATION METROPOLITAN DISTRICT**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**December 31, 2020**

\$7,435,000 (at Full Accretion)  
Junior Lien (Convertible to Senior)  
Limited Tax (Convertible to Unlimited Tax)  
General Obligation Convertible Capital Appreciation  
Series 2014C, Interest Rate of 7.00%  
Payable June 1 and December 1  
Principal Due December 1

Year Ending December 31,	Principal Due December 1			Total of all Series 2019 Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ -	\$ -	\$ -	\$ -	\$ 3,109,825	\$ 3,109,825
2022	-	-	-	-	3,109,825	3,109,825
2023	-	-	-	-	3,109,825	3,109,825
2024	-	520,450	520,450	-	3,630,275	3,630,275
2025	-	520,450	520,450	-	3,630,275	3,630,275
2026	10,000	520,450	530,450	170,000	3,630,275	3,800,275
2027	10,000	519,750	529,750	180,000	3,619,650	3,799,650
2028	30,000	519,050	549,050	340,000	3,608,400	3,948,400
2029	30,000	516,950	546,950	360,000	3,587,000	3,947,000
2030	55,000	514,850	569,850	540,000	3,564,350	4,104,350
2031	60,000	511,000	571,000	575,000	3,530,225	4,105,225
2032	85,000	506,800	591,800	775,000	3,493,875	4,268,875
2033	90,000	500,850	590,850	825,000	3,444,825	4,269,825
2034	125,000	494,550	619,550	1,050,000	3,392,600	4,442,600
2035	135,000	485,800	620,800	1,120,000	3,326,025	4,446,025
2036	165,000	476,350	641,350	1,365,000	3,254,975	4,619,975
2037	180,000	464,800	644,800	1,455,000	3,168,375	4,623,375
2038	215,000	452,200	667,200	1,730,000	3,076,025	4,806,025
2039	230,000	437,150	667,150	1,840,000	2,966,175	4,806,175
2040	275,000	421,050	696,050	2,150,000	2,849,325	4,999,325
2041	295,000	401,800	696,800	2,285,000	2,712,725	4,997,725
2042	340,000	381,150	721,150	2,630,000	2,567,500	5,197,500
2043	370,000	357,350	727,350	2,800,000	2,400,325	5,200,325
2044	420,000	331,450	751,450	3,185,000	2,222,275	5,407,275
2045	450,000	302,050	752,050	3,385,000	2,019,700	5,404,700
2046	515,000	270,550	785,550	3,820,000	1,804,375	5,624,375
2047	545,000	234,500	779,500	4,060,000	1,561,300	5,621,300
2048	620,000	196,350	816,350	4,545,000	1,302,950	5,847,950
2049	655,000	152,950	807,950	4,830,000	1,013,650	5,843,650
2050	735,000	107,100	842,100	5,370,000	706,200	6,076,200
2051	795,000	55,650	850,650	5,720,000	364,300	6,084,300
	<u>\$ 7,435,000</u>	<u>\$ 11,173,400</u>	<u>\$ 18,608,400</u>	<u>\$ 57,105,000</u>	<u>\$ 85,777,425</u>	<u>\$ 142,882,425</u>

No assurance provided. See summary of significant assumptions.