

HORSE CREEK METROPOLITAN DISTRICT

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Horse Creek Metropolitan District, Adams County, Colorado, has been scheduled to take place on Wednesday, December 6, 2023 at 6:15 p.m.

Buffalo Run Golf Course, 15700 E 112th Ave, Commerce City, CO 80022

AGENDA

1. Call to Order
2. Annual Meeting Presentation required by SB 23-110
 - a. Review of Public Infrastructure Projects
 - b. Status of Outstanding Debt
 - c. Review Year to Date Financial Statements
3. Public Comment
4. Adjourn

HORSE CREEK METROPOLITAN DISTRICT

2023 Annual Meeting Presentation required by SB23-110 December 6, 2023

1. Review of Public Infrastructure Projects

No additional public improvements are anticipated to be financed, constructed or accepted by the District.

The Board of Directors passed a Resolution on June 19, 2023 forming the Horse Creek Metropolitan District Crestwood Estates Subdistrict to finance public infrastructure consisting of street and water improvements to be build in the Crestwood Estates Subdivision. The amount of debt to be issued and repaid by the Subdistrict is limited by the maximum debt issuance cap contained in the District's Service Plan of \$4,200,000, of which \$510,000 is authorized and remains unissued. Repayment of any debt issued by the Subdistrict shall be limited by the Service Plan's maximum debt service cap of 50 mills. A TABOR Election for the Subdistrict voters was held on November 7, 2023 to authorize issuance of up to \$510,000 in debt to finance, in part, the installation of a public roadway and to extend a water main within the Subdistrict's boundaries.

2. Outstanding Bonds

- a. The District has an outstanding General Obligation Refunding Bond, Series 2017. The total principal outstanding as of December 31, 2022 was \$945,000.
- b. A Developer Note for the Horse Creek Metropolitan District Subdistrict in the principal amount of \$570,000 was issued on September 26, 2019 as a subordinate debt obligation to the District's GO Refunding Bond Series 2017. The first interest-only payment was made in 2022.

3. Review of year-to-date Financial Statements

See accompanying Financial Statements.



PINNACLE
CONSULTING GROUP, INC.

Management Financial Statements

BOARD OF DIRECTORS
HORSE CREEK METROPOLITAN DISTRICT

We have prepared the accompanying management financial statements for the periods ending as of December 31, 2022, and June 30, 2023.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the financial position and results of operations.

Pinnacle Consulting Group, Inc.
August 2, 2023

HORSE CREEK METROPOLITAN DISTRICT		
BALANCE SHEET		
December 31, 2022 and June 30, 2023		
	Unaudited	Unaudited
	Actual	Actual
	<u>12/31/2022</u>	<u>6/30/2023</u>
Assets		
Current Assets		
Cash - Operating	\$ 361,206	\$ 419,597
Cash - Debt Service	45,499	45,555
Prepaid Insurance	2,122	-
Accounts Receivable - Developer	-	7,501
Property Taxes Receivable	138,264	7,897
Receivable from County Treasurer	815	53,223
Total Current Assets	\$ 547,906	\$ 533,773
Total Assets	\$ 547,906	\$ 533,773
Liabilities		
Current Liabilities		
Accounts Payable	\$ 7,653	\$ 12,782
Deferred Property Taxes	138,264	7,897
Total Current Liabilities	\$ 145,917	\$ 20,679
Long-Term Liabilities		
Bond Payable	\$ 945,000	\$ 945,000
Note Payable - Subdistrict	570,000	570,000
Interest Payable - Subdistrict	88,804	117,245
Total Long-Term Debt	\$ 1,603,804	\$ 1,632,245
Total Liabilities	\$ 1,749,721	\$ 1,652,924
Fund Equity		
Investment in Fixed Assets	\$(1,603,804)	\$(1,632,245)
Fund Balance		
Restricted - Emergency Services (TABOR)	1,452	1,452
Restricted - Debt Service	76,319	135,418
Restricted - Subdistrict	860	23,104
Unassigned	321,236	353,120
Total Fund Equity	\$(1,201,816)	\$(1,119,150)
Total Liabilities and Fund Equity	\$ 547,906	\$ 533,773
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HORSE CREEK METROPOLITAN DISTRICT						
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
GENERAL FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2022	2023	2023	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
	Actual	Budget	Actual	6/30/2023	6/30/2023	6/30/2023
Revenues						
Property Taxes	\$ 38,289	\$ 38,081	\$ 38,081	\$ 35,315	\$ 35,581	\$ (265)
Specific Ownership Taxes	2,841	2,856	2,445	1,223	1,428	(205)
Interest Income	7,255	2,000	18,748	9,374	1,000	8,374
Total Revenues	\$ 48,386	\$ 42,937	\$ 59,274	\$ 45,912	\$ 38,009	\$ 7,903
Expenditures						
Administration:						
Accounting	\$ 15,728	\$ 16,000	\$ 16,000	\$ 8,000	\$ 8,000	\$ -
County Treasurer's Fee	575	571	571	530	534	4
Election Costs	2,206	1,500	1,820	1,820	1,500	(320)
Insurance	3,788	4,206	2,122	2,122	4,206	2,084
Legal	6,850	9,500	9,500	3,018	4,750	1,732
Office, Dues and Other	1,189	1,150	1,150	660	575	(85)
Contingency	-	10,000	-	-	-	-
Total Expenditures	\$ 30,336	\$ 42,927	\$ 31,163	\$ 16,149	\$ 19,565	\$ 3,416
Revenues over/(under) Expenditures	\$ 18,050	\$ 9	\$ 28,111	\$ 29,763	\$ 18,444	\$ 11,319
Beginning Fund Balance	306,760	320,235	324,809	324,809	320,235	4,574
Ending Fund Balance	\$ 324,809	\$ 320,245	\$ 352,920	\$ 354,572	\$ 338,679	\$ 15,893
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COMPONENTS OF ENDING FUND BALANCE:						
Emergency Reserve (3% of Revenues)	\$ 1,452	\$ 1,288	\$ 1,778	\$ 1,377		
Operating Reserve (25% of Expenses)	7,584	10,732	7,791	4,037		
Unrestricted	315,774	308,225	343,351	349,157		
TOTAL ENDING FUND BALANCE	\$ 324,809	\$ 320,245	\$ 352,920	\$ 354,572		
Mill Levy						
Operating	5.013	5.239	5.239	5.239		
Debt Service	10.485	10.774	10.774	10.774		
Total Mill Levy	15.498	16.013	16.013	16.013		
Assessed Value	\$ 7,623,830	\$ 7,268,670	\$ 7,268,670	\$ 7,268,670		
Property Tax Revenue						
Operating	38,218	38,081	38,081	38,081		
Debt Service	79,936	78,313	78,313	78,313		
Total Property Tax Revenue	\$ 118,154	\$ 116,393	\$ 116,393	\$ 116,393		

Modified Accrual Budgetary Basis

HORSE CREEK METROPOLITAN DISTRICT						
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
DEBT SERVICE FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2022	2023	2023	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
	Actual	Budget	Actual	6/30/2023	6/30/2023	6/30/2023
Revenues						
Property Taxes	\$ 80,084	\$ 78,313	\$ 78,313	\$ 73,864	\$ 73,171	\$ 693
Specific Ownership Taxes	5,942	5,873	5,114	2,557	2,937	(380)
Interest Income	138	500	500	40	40	-
Total Revenues	\$ 86,164	\$ 84,686	\$ 83,927	\$ 76,462	\$ 76,149	\$ 313
Expenditures						
County Treasurer's Fee	\$ 1,203	\$ 1,175	\$ 1,175	\$ 1,109	\$ 1,098	\$ (11)
Debt Principal	50,000	50,000	50,000	-	-	-
Interest Expense	34,228	32,508	32,508	16,254	16,254	-
Contingency	-	1,000	-	-	-	-
Total Expenditures	\$ 85,431	\$ 84,683	\$ 83,683	\$ 17,363	\$ 17,352	\$ (11)
Revenues over/(under) Expenditures	733	3	244	59,099	58,797	324
Beginning Fund Balance	75,586	77,414	76,319	76,319	\$ 77,414	(1,095)
Ending Fund Balance	\$ 76,319	\$ 77,417	\$ 76,564	\$ 135,418	\$ 136,211	\$ (793)
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Required Reserve	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000		

HORSE CREEK METROPOLITAN DISTRICT						
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
SUBDISTRICT FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2022	2023	2023	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
	Actual	Budget	Actual	6/30/2023	6/30/2023	6/30/2023
Revenues						
Property Taxes	\$ 20,235	\$ 21,871	\$ 21,871	\$ 21,871	\$ 21,871	\$ -
Specific Ownership Taxes	1,371	1,640	1,403	702	820	(119)
Interest Income	1	100	100	-	-	-
Total Revenues	\$ 21,606	\$ 23,611	\$ 23,374	\$ 22,572	\$ 22,691	\$ (119)
Expenditures						
County Treasurer's Fee	\$ 304	\$ 328	\$ 328	\$ 328	\$ 328	\$ -
Debt Interest	23,727	23,283	23,906	-	-	-
Legal - Sub-District (Reimbursed by Dev.)	-	-	-	-	-	-
Total Expenditures	\$ 24,031	\$ 23,611	\$ 24,234	\$ 328	\$ 328	\$ -
Revenues over/(under) Expenditures	(2,424)	-	(860)	22,244	22,363	(119)
Beginning Fund Balance	3,284	-	860	860	-	860
Ending Fund Balance	\$ 860	\$ -	\$ -	\$ 23,104	\$ 22,363	\$ 741
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Mill Levy						
Debt Service	34.502	33.987	33.987	33.987		
Total Mill Levy	34.502	33.987	33.987	33.987		
Assessed Value						
	\$586,480	\$ 643,500	\$ 643,500	\$ 643,500		
Property Tax Revenue						
Debt Service	20,235	21,871	21,871	21,871		
Total Property Tax Revenue	\$ 20,235	\$ 21,871	\$ 21,871	\$ 21,871		

HORSE CREEK METROPOLITAN DISTRICT						
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS						
CRESTWOOD SUBDISTRICT FUND						
	(a)	(b)	(c)	(d)	(e)	(d-e)
	2022	2023	2023	Actual	Budget	Variance
	Unaudited	Adopted	Projected	Through	Through	Through
	Actual	Budget	Actual	6/30/2023	6/30/2023	6/30/2023
Revenues						
Developer Contribution	\$ -	\$ -	\$ 20,000	\$ 7,501	\$ -	\$ 7,501
Total Revenues	\$ -	\$ -	\$ 20,000	\$ 7,501	\$ -	\$ 7,501
Expenditures						
Formation and Organization (Reimbursed by Dev)	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -
Legal - (Reimbursed by Dev)	-	-	15,000	7,501	-	(7,501)
Total Expenditures	\$ -	\$ -	\$ 20,000	\$ 7,501	\$ -	\$ (7,501)
Revenues over/(under) Expenditures	-	-	-	-	-	15,002
Beginning Fund Balance	-	-	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
						=
Mill Levy						
Debt Service	0.000	0.000	0.000	0.000		
Total Mill Levy	0.000	0.000	0.000	0.000		
Assessed Value	\$ -	\$ -	\$ -	\$ -		
Property Tax Revenue						
Debt Service	-	-	-	-		
Total Property Tax Revenue	\$ -	\$ -	\$ -	\$ -		