

KARL'S FARM METROPOLITAN DISTRICT NO. 2
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for the Karl's Farm Metropolitan District No. 2.

The Karl's Farm Metropolitan District No. 2 has adopted budgets for three funds, a General Fund to provide for transfer to Karl's Farm Metropolitan District No. 1; a Capital Projects Fund to provide for the improvements that are to be built for the benefit of the District and a Debt Service Fund to account for the repayment of principal and interest 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 property taxes and developer advances. The District intends to impose a 65.664 mill levy on property within the District for 2021, of which 10.000 mills are dedicated to the General Fund and the balance of 55.664 mills will be allocated to the Debt Service Fund.

Karls Farms Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	1,877
Specific ownership taxes	-	-	-	-	94
Developer advances	-	50,000	-	-	48,029
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>48,029</u>
Total revenues	-	50,000	-	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total funds available	-	50,000	-	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Expenditures:					
Accounting / audit	-	2,500	-	-	-
Election	-	5,000	-	-	-
Engineering	-	10,000	-	-	-
Insurance/ SDA Dues	-	2,500	-	-	-
Legal	-	10,000	-	-	-
Management	-	1,500	-	-	-
Miscellaneous	-	2,000	-	-	-
Treasurer's Fees	-	-	-	-	28
Transfer to District 1	-	-	-	-	49,941
Contingency	-	16,500	-	-	30
Emergency Reserve	-	-	-	-	1
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total expenditures	-	50,000	-	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 385,580</u>			<u>\$ 187,650</u>
Mill Levy		<u>-</u>			<u>10.000</u>

Karls Farms Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2021

	<u>Actual 2019</u>	<u>Adopted Budget 2020</u>	<u>Actual 6/30/2020</u>	<u>Estimate 2020</u>	<u>Adopted Budget 2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$3,412,669
Revenues:					
Bond proceeds	-	-	15,920,000	15,920,000	-
Total revenues	-	-	15,920,000	15,920,000	-
Total funds available	-	-	15,920,000	15,920,000	3,412,669
Expenditures:					
Cost of issuance	-	-	693,400	693,400	-
Capital outlay	-	-	-	7,592,431	3,412,669
Transfer to debt service	-	-	4,221,500	4,221,500	-
Total expenditures	-	-	4,914,900	12,507,331	3,412,669
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$11,005,100</u>	<u>\$3,412,669</u>	<u>\$ -</u>

Karls Farms Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$3,918,612
Revenues:					
Property taxes	-	-	-	-	10,445
Specific ownership taxes	-	-	-	-	522
Transfer from capital projects	-	-	<u>4,221,500</u>	<u>4,221,500</u>	-
Total revenues	<u>-</u>	<u>-</u>	<u>4,221,500</u>	<u>4,221,500</u>	<u>10,967</u>
Total funds available	<u>-</u>	<u>-</u>	<u>4,221,500</u>	<u>4,221,500</u>	<u>3,929,579</u>
Expenditures:					
Bond interest payment	-	-	-	302,888	886,500
Bond principal payment	-	-	-	-	-
Trustee fees	-	-	-	-	4,000
Treasurer's Fees	-	-	-	-	<u>157</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>302,888</u>	<u>890,657</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,221,500</u>	<u>\$3,918,612</u>	<u>\$3,038,922</u>
Assessed valuation		<u>\$ 385,580</u>			<u>\$ 187,650</u>
Mill Levy		<u>0.000</u>			<u>55.664</u>
Total Mill Levy		<u>0.000</u>			<u>65.664</u>