



Reunion Metro District

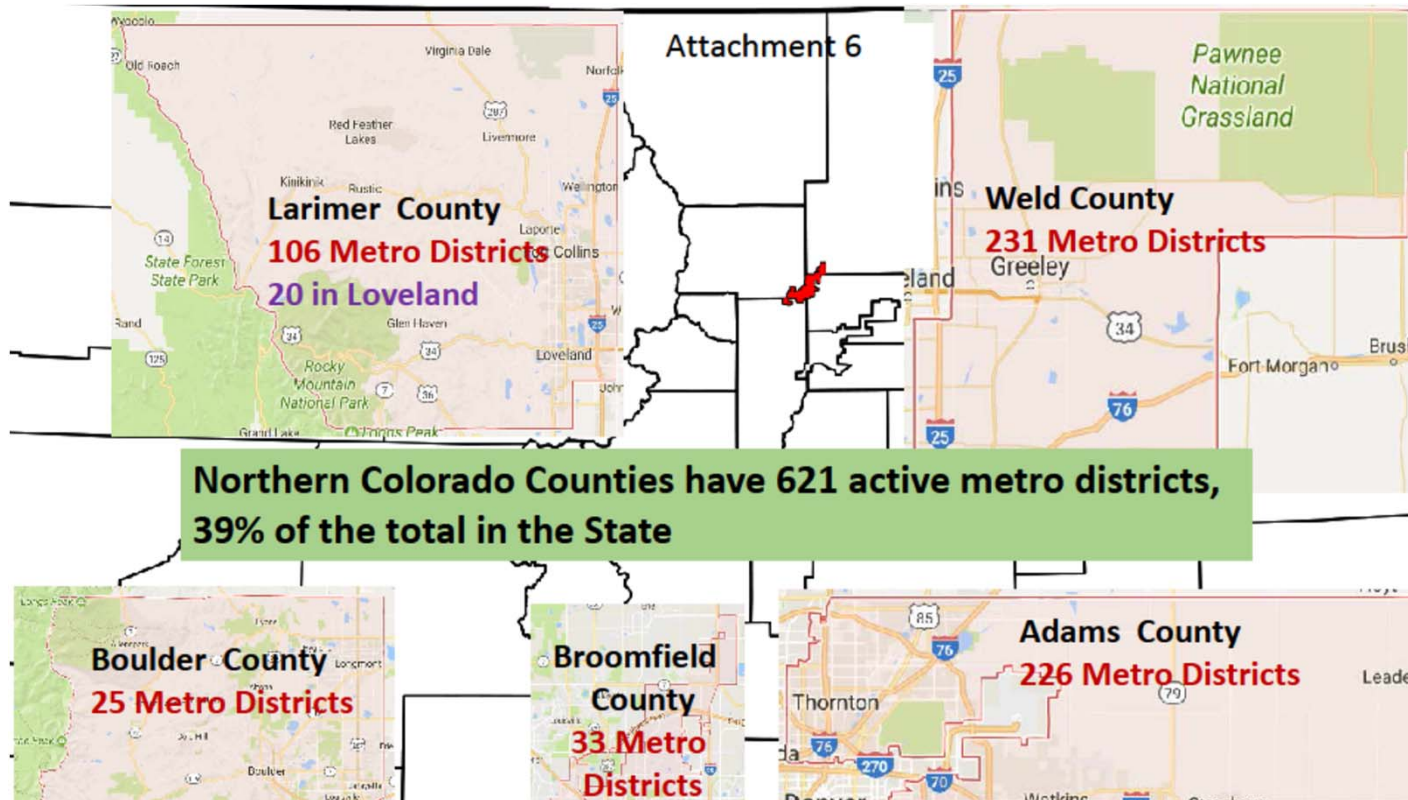
Financial 101 Workshop

February 25, 2020

What is a Metro District and how do they work?

- ▶ Special districts are political subdivisions of the State organized under statute: Title 32, Colorado Revised Statutes
- ▶ Organized in order to provide infrastructure and services to new and existing development that county and municipal governments are unable to provide
 - ▶ Over 1,500 Title 32 metro districts exist in the State of Colorado
- ▶ Special districts serve as a financing vehicle for the provision of public infrastructure to facilitate development
- ▶ As governmental entities they are afforded governmental powers and privileges through Title 32 and a Service Plan

Northern Colorado Metro Districts



Title 32 Statutory Powers

- ▶ Metropolitan Districts
 - ▶ Street improvements
 - ▶ Water facilities and services
 - ▶ Sanitation facilities and services
 - ▶ Park and recreation facilities
 - ▶ Traffic-related safety protection improvements
 - ▶ Transportation facilities and services
 - ▶ Television relay and transmission facilities and services
 - ▶ Mosquito control facilities and services
- ▶ May provide for ongoing operation and maintenance of improvements
- ▶ May provide for HOA functions such as architectural and covenant control

Master Plan Community

- ▶ What does “Master Plan Community” mean?
 - ▶ Same concept as Highlands Ranch and started by the same Developer
 - ▶ Infrastructure costs for the whole community are shared by the entire community
 - ▶ All North Range Districts certify the same mill levy
- ▶ One Operating District
 - ▶ Reunion Metro District is the operating District for the community
 - ▶ This is to ensure that the entire community is being maintained uniformly and to the same quality; also allows for administrative efficiency

Reunion & North Range current debt

▶ Reunion -

- ▶ \$16,600,000 - Series 2017 Subordinate Bonds, bearing interest at 4%
 - ▶ Current maturity date is December 15, 2017 with a discharge date of December 16, 2056

▶ North Range No. 1

- ▶ \$22,365,000 - Series 2016A Bonds, bearing interest rates of 3.23% - 4.61%
 - ▶ Current maturity date is December 1, 2035
- ▶ \$12,180,000 - Series 2016B Bonds, bearing interest rates of 3.5% - 5.00%
 - ▶ Current maturity date is December 1, 2038

▶ North Range No. 2

- ▶ \$30,965,000 - Series 2017A, bearing interest rates of 5.625% - 5.750%
 - ▶ Current maturity date is December 1, 2047
- ▶ \$6,666,000 - Series 2017B, bearing interest rate of 7.750%
 - ▶ Current maturity date is December 15, 2047 with a discharge date December 15, 2057

**Additional bonds may be issued in the future as additional infrastructure is constructed*

2019 Revenues

- ▶ Taxes for general fund - \$2.05M
- ▶ Recreation & program fees - \$960K
- ▶ HOA fees - \$319k
 - ▶ Total revenues = \$3.279M
- These revenues exclude taxes for debt service and revenues specific for capital projects.

2019 Committed Expenditures

- ▶ Personnel - \$675k
- ▶ Professional contractors - \$485K
- ▶ Water, electricity, gas - \$675K
- ▶ Landscape maintenance - \$475k
- ▶ Pool maintenance - \$100k
- ▶ Program costs - \$60k
- ▶ Insurance & dues - \$80k
- ▶ Op supplies, repairs/maint., etc. - \$250k
 - ▶ Total committed expenditures = \$2.800M

Remaining dollars = \$479k

Assessed Values & Property Taxes

- ▶ We pulled a sample of homes in Reunion and...
 - ▶ Assessed values increased on average 53% from 2014 to 2019
 - ▶ Property taxes increased on average 57% for those same years (2015 to 2020)
 - ▶ Primary cause of increase in property taxes is attributable to significant increases in home values

