

Eagles Nest Metropolitan District
March 24, 2018

BACKGROUND

- Bonds issued in early 1980's to finance infrastructure in Eagles Nest Filing Filing #1 (See **HISTORY** below).
- Primary function of ENMD & Directors is to pay down the bonds

Board of Directors: Joel High, Vince Lanuza, "Stinky" Steinbrink, George Resseguie, and John Taylor

Auditors: Hays, Maggard, & Hood, P.C., Glenwood Springs, CO

Attorney: Loyal Leavenworth of Leavenworth Consulting, LLC, Carbondale, CO

Outstanding Bonds (As of December 31, 2017 -- \$1,453,263)

Mill Levies: ENMD property owners have been assessed additional mill levies to pay down the bonds; recent levies are as follows:

- 39 mills in 2000; 20 mills in 2001; and 17 mills in 2002-2006.
- Beginning in 2007, 15 mills through the current year (plus .020 for prior year abatements and refunds).
- The tax bill payable in 2018 is 63.872 mills including the ENMD rate of 15.052 mills. For every \$1,000 of your tax bill, \$235 is due to the ENMD levy.

Board of Directors duties include:

- Analyzing ENMD's ability to meet bond obligations without any levies.
- To refinance or pay down bonds, if possible.
- The mill levy has been maintained at 15 mills; the Board recommends no change for 2018, but may reduce the levy in 2019.
- Bonds were refinanced in May 2009 reducing the interest rate from 5.7%-6.5% to 2%-4%.
- Bonds valued at \$740,000 due in 2020 were redeemed in January 2017; this saved approximately \$114,000 in interest.
- The outstanding debt is now \$1,453,263; last bond will be called in 2019.

The biggest source of revenue to pay down the bonds is property taxes which generated about \$918,000 in 2017. Principal payments are due in November.

HISTORY

- The ENMD, a special taxing district, is a quasi-municipal corporation governed by the Colorado Special Districts Act.
- The ENMD, formed in 1981 and owned by Centron Corporation, issued 3 bond issues for the installation of infrastructure (road, water, sewer, and drainage) in Filing #1 of the Eagles Nest Development. The ENMD does not own any facilities or infrastructure; all infrastructure built with the bond funding was conveyed to the Town of Silverthorne.
- Centron subsequently filed for bankruptcy and Yale Investment (owned by Gary Vose) purchased the development. ENMD issued new bonds to pay the existing bondholders \$.50 on the dollar.

HISTORY, continued

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- The Insurance Commissioner for the state of Hawaii, through a lawsuit against Gary Vose & his entities, took over the development from Yale Investment; Intra-West subsequently purchased the development in an auction. The Clark Ranch property was not part of the acquisition, but was sold to Mr. Clark for back taxes.
- In 2002, the ENMD Board refunded the ENMD's outstanding debt and issued the 2000 general obligation bonds. On May 29, 2009, the ENMD issues Series 2009 Refunding Bonds for the purpose of refinancing the bonded debt at a lower interest.
- All properties located in ENPHA and Angler Mountain Ranch are subject to the additional mill levy.