

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2024 budget and budget message for RESERVOIR'S EDGE METROPOLITAN DISTRICT in Larimer County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 24, 2023. If there are any questions on the budget, please contact:

Seef LeRoux  
CliftonLarsonAllen LLP  
121 South Tejon Street, Ste. 1100  
Colorado Springs, CO 80903  
Tel.: 719-635-0330

I, S. Alan Vancil, as Secretary of the Reservoir's Edge Metropolitan District, hereby certify that the attached is a true and correct copy of the 2024 budget.

By:  \_\_\_\_\_

**RESOLUTION  
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
RESERVOIR'S EDGE METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RESERVOIR'S EDGE METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Reservoir's Edge Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 24, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 307; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ 1,537; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Larimer County is \$ 29,409; and

WHEREAS, at an election held on November 2, 2023, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RESERVOIR'S EDGE METROPOLITAN DISTRICT OF LARIMER COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Reservoir's Edge Metropolitan District for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 10.451 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 52.259 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2023.

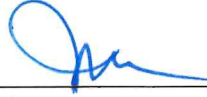
Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Larimer County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Larimer County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

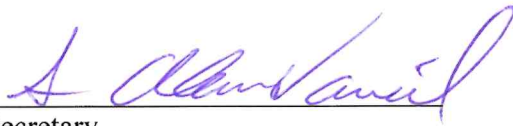
ADOPTED this 24th day of October, 2023.

RESERVOIR'S EDGE METROPOLITAN DISTRICT



\_\_\_\_\_  
President

ATTEST:



\_\_\_\_\_  
Secretary

<b>Reservoir's Edge Metropolitan District</b>			
<b>Larimer County, CO</b>			
<b>General Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 99	\$ 18
<b>REVENUES</b>			
Property Tax	95	456	307
Specific Ownership Tax	4	22	21
Contingency Income	-	-	2,000
<b>Total Revenues</b>	<b>99</b>	<b>478</b>	<b>2,328</b>
<b>EXPENDITURES</b>			
Accounting	-	-	1,000
Legal	-	780	1,000
District Management	-	-	1,000
County Collection Fee	-	9	6
Contingency	-	-	2,000
<b>Total General Management</b>	<b>-</b>	<b>789</b>	<b>5,006</b>
<b>Total Expenses</b>	<b>-</b>	<b>789</b>	<b>5,006</b>
<b>Excess of Revenues over Expenditures</b>	<b>99</b>	<b>(311)</b>	<b>(2,678)</b>
Transfer from Capital Fund		230	3,000
<b>ENDING FUND BALANCE</b>	<b>\$ 99</b>	<b>\$ 18</b>	<b>\$ 340</b>
Emergency Reserve - 3% of Revenues	\$ 3	\$ 14	\$ 10
<b>Unrestricted Fund Balance</b>	<b>96</b>	<b>4</b>	<b>330</b>

<b>Reservoir's Edge Metropolitan District</b>			
<b>Larimer County, CO</b>			
<b>Capital Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 299	\$ 1,666
<b>REVENUES</b>			
Property Tax - Contractual Obligations	\$ 284	\$ 1,521	\$ 1,537
Specific Ownership Tax	15	106	20
Contingency		-	1,000
<b>Total Revenues</b>	<b>299</b>	<b>1,627</b>	<b>2,557</b>
<b>EXPENDITURES</b>			
County Collection Fee	-	30	30
Contingency		-	1,000
<b>Total Capital Expenditures</b>	<b>-</b>	<b>30</b>	<b>1,030</b>
Excess of Revenues over Expenditures	299	1,597	1,527
Transfer to General Fund	-	(230)	(3,000)
<b>ENDING FUND BALANCE</b>	<b>299</b>	<b>1,666</b>	<b>193</b>

<b>Reservoir's Edge Metropolitan District</b>			
<b>Larimer County, CO</b>			
<b>Debt Service Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Total Revenues	-	-	-
<b>EXPENDITURES</b>			
<b>Total Expenditures</b>	-	-	-
Excess of Revenues over Expenditures	-	-	-
Transfer from Capital Fund	-	-	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -



<b>Reservoir's Edge Metropolitan District</b>	
<b>Larimer County, CO</b>	
<b>Property Taxes</b>	
<b>2023 Valuations for 2024 Taxes</b>	
	District
	Taxes
Vacant Residential Land - Market Value	500
Percentage	29%
Assessed Value	140
Agricultural Land & Buildings Market Value	10,220
Percentage	28%
Assessed Value	2,866
Severed Mineral Interests (Oil & Gas)	-
Percentage	0%
Assessed Value	-
State	94,700
Percentage	29%
Assessed Value	26,400
Total Assessed Value	29,406
Mill Levy - General Operating & Debt Service	62.710
Property Tax to be paid	\$ 1,844
<b>Property Tax</b>	
Operations & Maintenance	\$ 307
Contractual Obligations	\$ 1,537
Total	\$ 1,844
<b>Mill Levy Charged</b>	
Operations & Maintenance	10.451
Contractual Obligations	52.259
Total	62.710

**RESERVOIR'S EDGE METROPOLITAN DISTRICT  
LARIMER COUNTY, CO  
2024 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reservoir's Edge Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in November 2021. The District consists of approximately 91 acres and is located at the Northwest corner of West County Rd 16 and SW 28th St. in Loveland, Colorado. The District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**GENERAL FUND**

**REVENUES**

1. The District is in the development stage. As such, a significant portion of the operating and administrative expenditures are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.
2. Property Taxes - O&M are based on the assessed value of property within the District as established by Larimer County. Mill levies are budgeted for Operations and Maintenance at 10.451 mills.
3. Specific ownership taxes are budgeted at 7.00% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
4. A contingency income is budgeted for unexpected income.

**EXPENDITURES**

1. Accounting fees include the monthly accounting for the District and the costs of the accounting firm to prepare periodic and annual financial statements, and to record mill levy certifications and budgets with regulatory authorities.
2. Legal fees are estimated based on the annual requirements of the District.
3. District Management costs are based on the contract with the Management Company. The County property tax collection fee is based on 2.0% of the property tax received.
4. A contingency expense is budgeted at \$2,000 for unexpected expenses.

**RESERVOIR'S EDGE METROPOLITAN DISTRICT  
LARIMER COUNTY, CO  
2024 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**CAPITAL PROJECT FUND**

**REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Larimer County. Mill levies are budgeted for Contractual Obligations at 52.259 mills.
2. Specific ownership taxes are budgeted at 7.00% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. A contingency income is budgeted for unexpected income.

**EXPENDITURES**

1. The County property tax collection fee is based on 2.0% of the property tax received.

**DEBT SERVICE FUND**

**REVENUES & EXPENDITURES**

1. No revenues or expenditures are budgeted for the Dept Service Fund for 2024.

**RESERVES**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds.

**ADDITIONAL INFORMATION**

1. The basis of accounting for the District is the Modified Accrual Basis.
2. There are no operating or capital lease obligations of the District.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of Larimer County, Colorado.

On behalf of the Reservoirs Edge Metropolitan District

the Board of Directors (taxing entity)<sup>A</sup>

of the Reservoirs Edge Metropolitan District (governing body)<sup>B</sup>

(local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 29,406

(GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 29,409

(NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/01/2024 for budget/fiscal year 2024 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY<sup>2</sup>, REVENUE<sup>2</sup>. Rows include General Operating Expenses, Temporary General Property Tax Credit, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other (specify). Total: 62.710 mills, \$ 1,844.

Contact person: Seef Le Roux Phone: (719)635-0330 Signed: Seef Le Roux Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? [ ] Yes [ ] No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

1 If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution. 2 Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- 1. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_
  
- 2. Purpose of Issue: \_\_\_\_\_  
Series: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_  
Coupon Rate: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 3. Purpose of Contract: Repay Financing of Public Improvements  
Title: Advance and Reimbursement Agreement  
Date: November 16, 2021  
Principal Amount: Unknown  
Maturity Date: Unknown  
Levy: 52.259  
Revenue: \$ 1,537
  
- 4. Purpose of Contract: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Principal Amount: \_\_\_\_\_  
Maturity Date: \_\_\_\_\_  
Levy: \_\_\_\_\_  
Revenue: \_\_\_\_\_

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.