

LETTER OF BUDGET TRANSMITTAL

THIS FORM IS TO BE COMPLETED AND SUBMITTED WITH THE ADOPTED BUDGET NO LATER THAN JANUARY 31.

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

Date: _____

Attached is a copy of the _____ budget for _____
in _____ County, submitted pursuant to Section 29-1-113, C.R.S. This budget
was adopted on _____. If there are any questions on the budget, please
contact _____ at _____, and _____.

I, _____,

hereby certify that the enclosed is a true and accurate copy of the _____ Adopted Budget.

**RESOLUTION
TO ADOPT 2019 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
WINTER FARM METROPOLITAN DISTRICT NO. 1**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2019 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 WINTER FARM METROPOLITAN DISTRICT NO. 1, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2019, AND ENDING ON THE LAST DAY OF DECEMBER, 2019,

WHEREAS, the Board of Directors of the Winter Farm Metropolitan District No. 1 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 November 9, 2018, 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 \$0; 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 \$0; 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 2018 valuation for assessment for the District as certified by the County Assessor of Weld County is \$3,160; and

WHEREAS, at an election held on November 7, 2000, 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 WINTER FARM METROPOLITAN DISTRICT NO. 1 OF WELD 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 Winter Farm Metropolitan District No. 1 for calendar year 2019.

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 2019 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 2019 budget year, 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 District for the year 2018.

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 2018.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2019 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 2018.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2019 budget year, as 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 2018.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2019 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 2018.

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 2018.

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, 2018, to the Board of County Commissioners of Weld 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 Weld 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, 2018, 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 9th day of November, 2018.

WINTER FARM
METROPOLITAN DISTRICT NO. 1



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2019
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2019 budget and budget message for WINTER FARM METROPOLITAN DISTRICT NO. 1 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2018. If there are any questions on the budget, please contact:

Andrea Weaver, District Accountant
2619 Canton Court, Suite A
Fort Collins, CO 80525
Tel.: (970) 484-0101

I, S. Alan Vancil, as Secretary of the Winter Farm Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2019 budget.

By: 
Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

WINTER FARM METROPOLITAN DISTRICT NO. 1
Weld County, CO
2019 Budget Narrative

The Winter Farm Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in November 2000. The District was established as part of a “Multiple District Structure” for the Winter Farm community located in the Town of Windsor, Weld County, Colorado. Along with its companion district, District No. 2 (“Financing District”), this “Service 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 is authorized to issue General Obligation Debt, Revenue Debt and other Debt in an amount not to exceed \$32,700,000. The limit for all Winter Farm Districts is \$32,700,000. There is an unlimited mill levy that applies to the Districts in connection with the Debt.

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, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND

REVENUES

1. Intergovernmental revenue is budgeted for General Fund tax revenue from Winter Farm Metropolitan District # 2 transferred to District # 1. District #2 has assessed 15.0 mills for 2019. Of the 15 mills, 5 mills is allocated for operations and maintenance. The related property tax revenue and an allocation of specific ownership tax are included in this budgeted revenue.
2. Administrative setup fees and Architectural Review Expense are payments received from new homeowners to set them up in District records and for Architectural review services.
3. The District provides non-potable water for irrigation of the District #2 homeowners’ yards and the common areas within the District 1 & 2 service area. The District has budgeted a fee of \$305 per home for the non-potable water which is delivered by the use of a District pump house and pipeline. The budget also includes an estimate of water fees for newly constructed homes during 2019.

EXPENDITURES

1. Expenditures include the operating and maintenance costs for Districts 1 and 2 since all of the net operating tax revenues of District 2 are transferred to District 1 as intergovernmental revenue.

WINTER FARM METROPOLITAN DISTRICT NO. 1
Weld County, CO
2019 Budget Narrative

GENERAL FUND

EXPENDITURES – (continued)

2. Accounting and audit fees include the cost of contracted accounting work and the cost of the audit and/or the audit exemption for the Districts.
3. Administrative setup fees and architectural review expense are payments made to the management company for new homeowners and architectural review services.
4. Legal fees are estimated based on the annual requirements of both Districts. Each District uses a separate law firm.
5. District management costs are estimated based on the agreement with Centennial Consulting Group, LLC, to manage the Districts.
6. Insurance is the estimated charge from the Colorado Special Districts Property and Liability Pool insurance to cover the Districts assets and liability risks.
7. Office, dues, newsletters & other are the estimated SDA dues and office expenses.
8. Landscape maintenance, repair and snow removal is the cost to maintain the landscaping, common areas and drainage systems.

EXPENDITURES – Non-Potable Water System

1. Utilities are the cost of electricity for the non-potable water system pump house and related pump systems.
2. Utility locates are the costs to locate District non-potable water lines on homeowner properties prior to any home construction or installation of fences and landscaping.
3. Irrigation system repairs are the cost to repair any District non-potable water lines and pumps.
4. Non-potable system management is the cost for the District Manager to manage the system.
5. Water fee collection costs is the cost to collect any delinquent water fees from homeowners.

CAPITAL PROJECTS FUND

District 1 and 2 entered into an Infrastructure Acquisition and Reimbursement Agreement with the Developer on 9/17/15. Under this Agreement, the Districts agree to reimburse the Developer for the District eligible costs of additional public improvements, up to \$4,000,000. The Developer paid for the installation cost of additional public improvements in connection with the development of 241 additional residential lots, as well as common areas, in District 2.

WINTER FARM METROPOLITAN DISTRICT NO. 1
Weld County, CO
2019 Budget Narrative

CAPITAL PROJECTS FUND – (continued)

Non-Potable Water Tap Fees & Installations

The District charges a tap fee of \$3,900 when a builder acquires a permit to build a new home. The District will then pay to install a non-potable water tap and meter on the new home lots, locate the utilities and setup the new homeowners for billing. This revenue and expense will be incurred by the District in 2019 for the new homes being built.

The District has agreed to reimburse the Developer from the Net Tap Fee Revenue as defined in the Amended and Restated Agreement Concerning Debt Issuance dated 9/7/15 for the cost to install the Non-Potable Water System in the amount of \$846,782.63. \$360,000 was reimbursed in 2017, \$181,688 was reimbursed in 2018, and \$247,872 is budgeted for reimbursement in 2019.

DEBT AND LEASES

The District has no debt, nor any operating or capital leases.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds. An Emergency Reserve has been established for 3% of the District's General Fund Revenues.

Winter Farm Metropolitan District No. 1
Statement of Revenues & Expenditures with Budgets
2019 Budget - General Fund
Modified Accrual Budgetary Basis

General Fund	2017 Actual	2018 Budget	2018 Estimated Actual	2019 Proposed Budget
Beginning fund balance	29,145	(30,238)	49,039	52,881
Operating Revenues				
Intergovernmental Revenue -District 2	20,635	68,637	67,799	69,936
Interest Revenue	84	-	142	-
Setup Fees	21,300	11,250	18,050	11,000
Architectural Review Income	3,560	4,000	1,240	2,400
<i>Total operating revenues</i>	<u>45,579</u>	<u>83,887</u>	<u>87,231</u>	<u>83,336</u>
Non-Potable Water System Revenues				
Irrigation water revenue	150,789	152,500	160,235	170,190
Finance Charges - Late Irrigation payments	2,063	2,000	1,425	-
<i>Total Non-Potable Water System Revenues</i>	<u>152,852</u>	<u>154,500</u>	<u>161,660</u>	<u>170,190</u>
Total Revenues	<u>198,431</u>	<u>238,387</u>	<u>248,891</u>	<u>253,526</u>
Operating Expenditures				
District Management & Accounting	9,000	9,000	19,200	19,200
Accounting	20,301	15,000	2,722	4,200
Audit / Audit Exemption	5,250	7,500	12,649	8,000
Legal - D1		15,000	32,404	15,000
Legal - D2			31,291	15,000
Insurance	8,104	8,355	8,352	9,000
Election	-	-	1,850	-
Administrative Setup Fees	24,100	11,250	21,500	15,000
Architectural Review Expense	3,600	4,000	1,160	2,400
Bank Charges	465	250	291	250
Office, dues, newsletters & other	3,358	3,000	3,131	5,500
Landscape maintenance	58,766	42,800	60,067	50,000
Landscape replacement/repair	10,014	18,000	8,494	14,000
Landscape Native Mowing				7,000
Pest Control	849	2,000	1,086	1,000
Snow Removal	1,105	5,000	2,028	5,000
Reserve Study		-	3,900	-
Contingency	-	-	-	4,500
<i>Total Operating Expenditures</i>	<u>144,912</u>	<u>141,155</u>	<u>210,125</u>	<u>175,050</u>
Non-Potable Water System Expenditures				
Utilities	29,478	32,000	33,178	33,842
Utility Locates	2,423	2,000	12,145	9,000
Irrigation system and repairs	24,072	10,000	11,259	13,000
Non-Potable System Management	15,340	15,000	15,000	15,000
Water Fee Collection Costs	-	-	-	-
<i>Total Water System Expenditures</i>	<u>71,313</u>	<u>59,000</u>	<u>71,582</u>	<u>70,842</u>
Total Expenditures	<u>216,225</u>	<u>200,155</u>	<u>281,707</u>	<u>245,892</u>
Revenues over (under) expenditures	(17,794)	38,232	(32,816)	7,634
Transfer from Capital Projects fund	37,688	-	43,701	-
Revenues over (under) total expenditures	<u>19,894</u>	<u>38,232</u>	<u>10,885</u>	<u>7,634</u>
Ending fund balance	<u>49,039</u>	<u>7,994</u>	<u>59,924</u>	<u>60,515</u>
Emergency Reserve - 3% of Revenues	<u>5,953</u>	<u>7,152</u>	<u>7,467</u>	<u>7,606</u>
Expenditures Requiring Appropriations	216,225	200,155	281,707	245,892

Winter Farm Metropolitan District No. 1
Statement of Revenues & Expenditures with Budgets
2019 Budget - Capital Projects Fund
Modified Accrual Budgetary Basis

	2017	2018	2018	2019
	Actual	Budget	Estimated	Proposed
			Actual	Budget
Beginning Fund Balance	196,798	213,816	(173,904)	(304,434)
Revenues				
Tap Fees	214,500	292,500	136,500	152,100
Intergovernmental Revenue	-	-	-	139,872
Other Income	5,000	-	-	-
Interest	4,862	-	2,039	-
<i>Total Revenue</i>	<u>224,362</u>	<u>292,500</u>	<u>138,539</u>	<u>291,972</u>
Expenditures				
Irrigation Repairs	54,407	-	-	-
Blowout Installation	17,500	-	-	-
Irrigation Setup Fees	-	7,500	-	-
Utility Locates	-	10,000	-	-
Other Expenses	-	-	7,944	-
Meter Installation	104,835	75,000	43,679	44,000
<i>Total Expenditures</i>	<u>176,742</u>	<u>92,500</u>	<u>51,623</u>	<u>44,000</u>
Excess Revenue/(Expenses)	47,620	200,000	86,916	247,972
Other Source/(Uses) of Funds				
Capital Advances from Developer	846,783	-	-	-
Capital Expenditures	(846,783)	-	-	-
Developer Reimbursement	(360,000)	(200,000)	(181,688)	(247,872)
Transfer from/ (to) General Fund	(58,322)	-	(43,701)	-
<i>Total Other Source/(Uses) of Funds</i>	<u>(418,322)</u>	<u>(200,000)</u>	<u>(225,389)</u>	<u>(247,872)</u>
Excess Revenue/(Expenses)	<u>(370,702)</u>	<u>-</u>	<u>(138,473)</u>	<u>100</u>
Ending Fund Balance	<u>(173,904)</u>	<u>213,816</u>	<u>(312,377)</u>	<u>(304,334)</u>
Total Expenditures Requiring Appropriations		292,500	277,012	291,872