

**RESOLUTION
TO ADOPT 2018 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 2018 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, 2018, AND ENDING ON THE LAST DAY OF DECEMBER, 2018,

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 10, 2017, 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 2017 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 2018.

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 2018 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 2018 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 2017.

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 2017.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2018 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 2017.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2018 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 2017.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2018 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 2017.

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 2017.

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, 2017, 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, 2017, 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

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 30th day of November, 2017.

WINTER FARM
METROPOLITAN DISTRICT NO. 1



President

ATTEST:



Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2018
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2018 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, 2017. If there are any questions on the budget, please contact:

Tisha Higgins, District Accountant
333 W. Drake Road, Suite 142
Fort Collins, CO 80526
Tel.: (970) 484-0101, ext. 3

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 2018 budget.

By: 
Secretary

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

Winter Farm Metropolitan District No. 1
Statement of Revenues & Expenditures with Budgets
2016 Actual, 2017 Estimated and 2018 Adopted Budget

Modified Accrual Budgetary Basis

	2016 Actual	2017 Estimated	2018 Adopted
General Fund			
Operating Revenues			
Intergovernmental Revenue from District 2	20,584	20,635	68,637
Interest Revenue	25	77	-
Setup Fees	-	21,800	11,250
Architectural Review Income	-	3,480	4,000
Total operating revenues	20,609	45,992	83,887
Non-Potable Water System Revenues			
Irrigation water revenue - 500 homes @ \$305	102,404	133,840	152,500
Finance Charges - Late Irrigation payments	1,472	1,505	2,000
Total Non-Potable Water System Revenues	103,876	135,345	154,500
Total Revenues	124,485	181,337	238,387
Operating Expenditures			
Accounting	13,256	18,823	15,000
Administrative Setup Fees	-	21,800	11,250
Architectural Review Expense	-	3,480	4,000
Audit / Audit Exemption	11,500	5,250	7,500
Bank Charges	290	407	250
Legal	7,629	52,124	15,000
District Management	10,000	9,000	9,000
Insurance	7,658	8,104	8,355
Office, dues, newsletters & other	4,021	3,319	3,000
Landscape maintenance	23,830	58,766	42,800
Landscape replacement/repair	930	10,014	18,000
Pest Control	1,942	849	2,000
Snow Removal	1,133	1,105	5,000
Contingency	-	-	-
Total Operating Expenditures	82,188	193,042	141,155
Non-Potable Water System Expenditures			
Utilities	22,585	29,995	32,000
Utility Locates	1,532	2,423	2,000
Irrigation system and repairs	9,624	10,508	10,000
Non-Potable System Management	-	14,090	15,000
Water Fee Collection Costs	-	-	-
Total Water System Expenditures	33,741	57,016	59,000
Total Expenditures	115,929	250,057	200,155
Revenues over (under) total expenditures	8,556	(68,721)	38,232
Beginning fund balance	29,926	38,482	(30,238)
Ending fund balance	38,482	(30,238)	7,993
Emergency Reserve - 3% of Revenues	3,735	5,440	7,152

Winter Farm Metropolitan District No. 1
Statement of Revenues & Expenditures with Budgets
2016 Actual, 2017 Estimated and 2018 Adopted Budget

Modified Accrual Budgetary Basis

Capital Projects Fund	2016 Actual	2017 Actual	2018 Budget
Revenues			
Intergovernmental Revenue from District 2	-	3,669,597	-
Developer Advance	-	-	-
Miscellaneous Income	-	5,000	-
Interest Revenue	1,500	4,846	-
Total revenues	1,500	3,679,443	-
Expenditures			
Streets	-	503,457	-
Traffic & Safety Controls	-	100,127	-
Water	-	1,050,541	-
Non-potable water system	-	-	-
Sewer	-	768,245	-
Parks & Recreation	-	1,247,227	-
TV Relay	-	-	-
Total capital expenditures	-	3,669,597	-
Non-Potable Water Tap Fees & Installations			
Tap Fees from new filing - \$3,900	312,000	339,300	292,500
Water Meter Installations - \$1,000	(127,300)	(112,178)	(75,000)
Irrigation Setup Fees	-	(8,700)	(7,500)
Utility Locates	(12,000)	(17,787)	(10,000)
New Pump for Non-Potable System	-	(54,990)	-
Reimbursements to Developer for Non-Potable System Upgrades	-	(360,000)	(200,000)
Net Surplus from Non-Potable Water Tap Fees	172,700	(214,355)	-
Revenues over/(under) expenditures	174,200	(204,508)	-
Transfer from General Fund	-	-	-
Beginning fund balance	244,124	418,324	213,816
Ending fund balance	418,324	213,816	213,816

Winter Farm Metropolitan District Nos. 1-3				
Property Taxes				
Year Ended 12/31/2018				
	Combined	District No. 1	District No. 2	District No. 3
Vacant Residential Land - Market Value	1,868,886	1,700	1,867,186	-
Percentage	29%		29%	
Assessed Value	811,742		541,160	-
Residential Land & Improvements - Mkt Val.	87,836,197		87,836,197	
Percentage	7.96%		7.96%	
Assessed Value	7,014,450		6,990,840	
Commercial	15,000		15,000	
Percentage	29%		29%	
Assessed Value	4,350		4,350	
Agricultural Land & Buildings Market Value	525	-	-	525
Percentage	29%	29%	0%	29%
Assessed Value	3,450	-	-	150
Producing Oil & Gas Land & Pipelines	573,547	10,176	40,599	522,772
Percentage	64%	0%	29%	68%
Assessed Value	365,540		11,770	353,770
Public Utility state value	747,244	-	747,244	
Percentage	29%		29%	
Assessed Value	216,700	-	216,700	
Total Assessed Value	8,411,882	3,160	10,946,860	353,920
Mill Levy - General Operating & Debt Service		-	47.9	-
2017 Property Tax to be paid in 2018	\$ 524,355.00	\$ -	\$ 524,355.00	\$ -
Tax based on Mill Levy for 2018				
Capital - Debt	\$ 458,673.00	\$ -	\$ 458,673.00	\$ -
General Operating	\$ 65,681.00	\$ -	\$ 65,681.00	\$ -
Total	\$ 524,354.00	\$ -	\$ 524,354.00	\$ -
Mill Levy for 2018				
Capital - Debt		-	41.9	-
General Operating		-	6.0	-
Total		-	47.9	-

WINTER FARM METROPOLITAN DISTRICT NO. 1
Weld County, CO
2018 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 6.0 mills for Operations and Maintenance for 2018. 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 2018.

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
2018 Budget Narrative

GENERAL FUND

EXPENDITURES – (continued)

2. Accounting and audit fees include the monthly accounting for the District, the costs of the accounting firm to prepare periodic financial statements and the cost of the Audit and 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. The 2018 budget includes maintenance of the new filing common areas.

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
2018 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 2018 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. \$200,000 is budgeted for reimbursement in 2018.

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.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the WINTER FARM METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

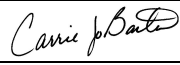
of the WINTER FARM METROPOLITAN DISTRICT NO. 1
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,160 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 3,160 (NET^G 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: 12/12/2017 for budget/fiscal year 2018.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	<u>\$ 0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	0.000 mills	\$ 0

Contact person: Carrie Bartow Daytime phone: (719) 635-0330
Signed:  Title: Accountant for the District

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^J:

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^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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.