

LETTER OF BUDGET TRANSMITTAL

Date: January 29, 2024

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

Attached are the 2024 budget and budget message for WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 3, 2023. If there are any questions on the budget, please contact:

Simmons & Wheeler, P.C.  
Attn: Diane Wheeler  
304 Inverness Way South, Suite 490  
Englewood, CO 80112  
Tel.: 303-689-0833

I, Tom Clark, as President of the Waterfront at Foster Lake Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Thomas M Clark

**RESOLUTION**  
**TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,**  
**AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY**  
**WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2**

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 WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2, WELD 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 Waterfront at Foster Lake Metropolitan District No. 2 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 3, 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 \$11,345; 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 \$37,818; 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 2023 valuation for assessment for the District as certified by the County Assessor of Weld is \$723,050; and

WHEREAS, at an election held on November 6, 2007, 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 WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2 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 Waterfront at Foster Lake Metropolitan District No. 2 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 15.691 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 52.303 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 0.000 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 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 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.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 3<sup>rd</sup> day of November 2023.

WATERFRONT AT FOSTER LAKE  
METROPOLITAN DISTRICT NO. 2

*Thomas M Clark*

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President

ATTEST:



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Secretary

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

**WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2**  
**2024**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2024 budget for the Waterfront at Foster Lake Metropolitan District No. 2.

The Waterfront at Foster Lake Metropolitan District No. 2 has adopted four funds, a General Fund to provide for operating and maintenance expenditures; a Capital Project Fund to provide for payment of the estimated infrastructure costs to be built for the benefit of the district; a Debt Service Fund to provide for the payments on the general obligation debt and a Water Enterprise Fund to provide for costs associated with the water tap fees.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the district in 2024 will be property taxes and tap fees. The district intends to impose a 67.994 mill levy on property within the district for 2024, of which 15.691 mills will be dedicated to the General Fund and 52.303 will be dedicated to the Debt Service Fund.

**Waterfront at Foster Lake Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2024**

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>3/31/2023</u>	Estimate <u>2023</u>	Proposed Budget <u>2024</u>
Beginning fund balance	\$ 481,523	\$ 478,902	\$ 499,804	\$ 499,804	\$ 473,417
Revenues:					
Property taxes	36,750	13,119	679	13,110	11,345
Specific ownership taxes	2,175	1,050	135	700	908
Interest income	<u>-</u>	<u>500</u>	<u>4</u>	<u>-</u>	<u>500</u>
Total revenues	<u>38,925</u>	<u>14,669</u>	<u>818</u>	<u>13,810</u>	<u>12,753</u>
Total funds available	<u>520,448</u>	<u>493,571</u>	<u>500,622</u>	<u>513,614</u>	<u>486,170</u>
Expenditures:					
Accounting / audit	1,000	20,000	2,694	20,000	20,000
Legal	15,000	20,000	4,519	20,000	20,000
Insurance	4,093	6,500	4,026	-	6,500
Planning and engineering	-	-	-	-	-
Treasurer fees	551	197	10	197	170
Construction	-	-	-	-	-
Project Management	-	-	-	-	-
Contingency	-	445,473	-	-	438,100
Emergency reserve (3%)	<u>-</u>	<u>1,401</u>	<u>-</u>	<u>-</u>	<u>1,400</u>
Total expenditures	<u>20,644</u>	<u>493,571</u>	<u>11,249</u>	<u>40,197</u>	<u>486,170</u>
Ending fund balance	<u>\$ 499,804</u>	<u>\$ -</u>	<u>\$ 489,373</u>	<u>\$ 473,417</u>	<u>\$ -</u>
Assessed value		<u>\$ 870,550</u>			<u>\$ 723,050</u>
Mill levy		<u>15.070</u>			<u>15.691</u>



**Waterfront at Foster Lake Metropolitan District No. 2**  
**Adopted Budget**  
**Capital Projects fund**  
**For the Year ended December 31, 2024**

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>3/31/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ 25,084,086	\$ 25,352,241	\$ 25,352,241	\$ 25,652,241
Revenues:					
Bond proceeds	32,828,107	-	-	-	-
Interest income	<u>275,534</u>	<u>10,000</u>	<u>245,270</u>	<u>300,000</u>	<u>10,000</u>
Total revenues	<u>33,103,641</u>	<u>10,000</u>	<u>245,270</u>	<u>300,000</u>	<u>10,000</u>
Total funds available	<u>33,103,641</u>	<u>25,094,086</u>	<u>25,597,511</u>	<u>25,652,241</u>	<u>25,662,241</u>
Expenditures:					
Issuance costs	869,900	-	-	-	-
Capital improvements	-	15,000,000	-	-	25,000,000
Transfer to debt service	<u>6,881,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>7,751,400</u>	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Ending fund balance	<u>\$ 25,352,241</u>	<u>\$ 10,094,086</u>	<u>\$ 25,597,511</u>	<u>\$ 25,652,241</u>	<u>\$ 662,241</u>
Assessed value		<u>\$ 870,550</u>			<u>\$ 723,050</u>

**Waterfront at Foster Lake Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2024**

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>3/31/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ 5,813,978	\$ 5,876,168	\$ 5,876,168	\$ 4,751,342
Revenues:					
Property taxes	-	43,730	2,266	43,730	37,818
Specific ownership taxes	-	3,498	452	1,600	3,025
Transfer from Capital Projects	6,881,500	-			-
Interest income	<u>66,690</u>	<u>4,500</u>	<u>56,853</u>	<u>100,000</u>	<u>4,500</u>
Total revenues	<u>6,948,190</u>	<u>51,728</u>	<u>59,571</u>	<u>145,330</u>	<u>45,343</u>
Total funds available	<u>6,948,190</u>	<u>5,865,706</u>	<u>5,935,739</u>	<u>6,021,498</u>	<u>4,796,685</u>
Expenditures:					
Treasurer fees	-	656	34	656	567
Interest expense	1,072,022	1,269,500	-	1,269,500	1,269,500
Trustee fees	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
	-	-	-	-	-
Total expenditures	<u>1,072,022</u>	<u>1,276,156</u>	<u>34</u>	<u>1,270,156</u>	<u>1,276,067</u>
Ending fund balance	<u>\$ 5,876,168</u>	<u>\$ 4,589,550</u>	<u>\$ 5,935,705</u>	<u>\$ 4,751,342</u>	<u>\$ 3,520,618</u>
Assessed value		<u>\$ 870,550</u>			<u>\$ 723,050</u>
Mill levy		<u>50.233</u>			<u>52.303</u>
Total Mill levy		<u>65.303</u>			<u>67.994</u>

**Waterfront at Foster Lake Metropolitan District No. 2**  
**Adopted Budget**  
**Water Entripise fund**  
**For the Year ended December 31, 2024**

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>3/31/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Bond proceeds	40,154,310	-	-	-	-
Tap fees	-	5,000,000	-	-	5,000,000
Developer advances	-	-	-	-	-
Interest income	<u>3,164</u>	<u>3,000</u>	-	-	<u>3,000</u>
Total revenues	<u>40,157,474</u>	<u>5,003,000</u>	-	-	<u>5,003,000</u>
Total funds available	<u>40,157,474</u>	<u>5,003,000</u>	-	-	<u>5,003,000</u>
Expenditures:					
Water purchases	39,156,201	-	-	-	-
Cost of issuance	1,001,273	-	-	-	-
Debt service	-	5,000,000	-	-	5,000,000
Paying agent fees	-	3,000	-	-	3,000
Miscellaneous	-	-	-	-	-
Total expenditures	<u>40,157,474</u>	<u>5,003,000</u>	-	-	<u>5,003,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed value		<u>\$ 870,550</u>			<u>\$ 723,050</u>

## CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of WELD COUNTY, Colorado.

On behalf of the WATERFRONT AT FOSTER LAKE METRO 2,  
(taxing entity)<sup>A</sup>  
 the Board of Directors,  
(governing body)<sup>B</sup>  
 of the WATERFRONT AT FOSTER LAKE METRO 2,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 723,050.00 assessed valuation of: (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: \$ 723,050.00 (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:** 01/04/2024 for budget/fiscal year 2024.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	15.691 mills	\$ 11345.38
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < 0 >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>15.691 mills</b>	<b>\$ 11345.38</b>
3. General Obligation Bonds and Interest <sup>J</sup>	52.303 mills	\$ 37817.68
4. Contractual Obligations <sup>K</sup>	mills	\$ 0
5. Capital Expenditures <sup>L</sup>	mills	\$ 0
6. Refunds/Abatements <sup>M</sup>	mills	\$ 0
7. Other <sup>N</sup> (specify): _____	mills	\$
_____	mills	\$
<b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	<b>67.994 mills</b>	<b>\$ 49163.06</b>

Contact person: Diane Wheeler Daytime phone: (303)689-0833  
 (print)  
 Signed: \_\_\_\_\_ Title: District Accountant

*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.*

<sup>1</sup> 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.  
<sup>2</sup> 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:	<u>Limited Tax General Obligation Senior Bonds</u>
	Series:	<u>2022A(3)-1</u>
	Date of Issue:	<u>1/27/2022</u>
	Coupon Rate:	<u>5.000%</u>
	Maturity Date:	<u>12/1/2051</u>
	Levy:	<u>52.303</u>
	Revenue:	<u>37.818</u>
2.	Purpose of Issue:	<u>Limited Tax General Obligation Convertible Capital Appreciation Senior Bonds</u>
	Series:	<u>2022A(3)-2</u>
	Date of Issue:	<u>1/27/2022</u>
	Coupon Rate:	<u>5.750%</u>
	Maturity Date:	<u>12/1/2051</u>
	Levy:	<u>0.000</u>
	Revenue:	<u>0</u>

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

3.	Purpose of Contract:	<u> </u>
	Title:	<u> </u>
	Date:	<u> </u>
	Principal Amount:	<u> </u>
	Maturity Date:	<u> </u>
	Levy:	<u> </u>
	Revenue:	<u> </u>
4.	Purpose of Contract:	<u> </u>
	Title:	<u> </u>
	Date:	<u> </u>
	Principal Amount:	<u> </u>
	Maturity Date:	<u> </u>
	Levy:	<u> </u>
	Revenue:	<u> </u>

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