

VDW Metropolitan District

December 29, 2010

Via email: dlg-filing@state.co.us

Mr. Jarrod Biggs
Colorado Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

RE: VDW Metropolitan District No. 3 2011 Budget

Dear Mr. Biggs:

Attached are true and accurate copies of the adopted 2011 Budget for the VDW Metropolitan District No. 3 in Larimer County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on November 18, 2010.

If there are any questions on the budget, please contact our office at (970) 669-3611.

Sincerely,
VDW
METROPOLITAN DISTRICT NO. 3



Pinnacle Consulting Group Inc.
District Accountant

Enc.

Managed by Pinnacle Consulting Group, Inc.
5110 Granite Street, Suite C
Loveland, CO 80538
Phone: (970) 669-3611 * Fax: (970) 669-3612



Accountant's Report

BOARD OF DIRECTORS
VDW METROPOLITAN DISTRICT NO. 3

I have compiled the accompanying forecasted budget of revenue, expenditures, and fund balance prepared on the modified accrual basis of the VDW Metropolitan District No. 3 for the year ending December 31, 2011, in accordance with the attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balance or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

I am not independent with respect to the VDW Metropolitan District No. 3.

A handwritten signature in purple ink that reads "Peggy Dowswell".

Peggy Dowswell, CPA
December 29, 2010

VDW METROPOLITAN DISTRICT NO. 3 (commercial)
SUMMARY
FORECASTED 2011 BUDGET AS ADOPTED
WITH 2009 ACTUAL AND 2010 ESTIMATED
For the Years Ended and Ending December 31, 2010

1/5/11

Page 1

40 mills

	ACTUAL 2009	ADOPTED BUDGET 2010	ACTUAL 9/30/2010	ESTIMATE 2010	ADOPTED BUDGET 2011
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	291,138	316,450	316,450	316,450	280,658
Specific ownership tax	10,769	18,987	15,749	18,987	16,839
Payment from County - PY Correction	31,054	-	-	-	-
Investment income & other	192	7,500	292	7,500	7,500
Developer advance	-	-	-	-	-
Bond proceeds	-	-	-	-	-
Total revenue	333,153	342,937	332,490	342,937	304,997
TRANSFERS IN	-	-	-	-	-
Total funds available	333,153	342,937	332,490	342,937	304,997
EXPENDITURES					
Service Fees - VDW #1	327,485	160,598	157,652	160,598	109,870
Service Fees - VDW #1 Debt Service	-	168,510	168,510	168,510	182,014
Treasurer's fees, County	5,668	6,329	6,329	6,329	5,613
Miscellaneous	-	-	-	-	-
Contingency	-	7,500	-	7,500	7,500
Total expenditures	333,153	342,937	332,490	342,937	304,997
TRANSFERS OUT	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	333,153	342,937	332,490	342,937	304,997
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

VDW METROPOLITAN DISTRICT NO. 3 (commercial)
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

1/5/11

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40 mills

ACTUAL 2009	ADOPTED BUDGET 2010	ACTUAL 9/30/2010	ESTIMATE 2010	ADOPTED BUDGET 2011
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ASSESSED VALUATION - LARIMER COUNTY

Residential	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	5,331,100	5,719,950	5,719,950	5,779,950	5,521,930
Agricultural	10	10	10	10	10
State assessed	-	-	-	-	470
Vacant land	1,837,440	2,191,290	2,191,290	2,191,290	1,494,060
Personal property	-	-	-	-	-
	7,489,710	7,911,250	7,911,250	7,971,250	7,016,470
Adjustments	-	-	-	-	-
Certified Assessed Value	\$ 7,489,710	\$ 7,911,250	\$ 7,911,250	\$ 7,911,250	\$ 7,016,470

MILL LEVY

General	0.000	0.000	0.000	0.000	0.000
Debt Service	17.460	21.300	21.300	21.300	25.941
Contractual Obligation	22.540	18.700	18.700	18.700	14.059
Temporary Mill Levy Reduction					
Refund and abatements	0.000	0.000	0.000	0.000	0.000
Total mill levy	40.000	40.000	40.000	40.000	40.000

PROPERTY TAXES

General	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	130,770	168,510	168,510	168,510	182,014
Contractual Obligation	168,818	147,940	147,940	147,940	98,644
Temporary Mill Levy Reduction	-	-	-	-	-
Refund and abatements	-	-	-	-	-
Levied property taxes	299,588	316,450	316,450	316,450	280,658
Adjustments to actual/rounding		-	-	-	-
Refunds and abatements		-	-	-	-
Budgeted property taxes	\$ 299,588	\$ 316,450	\$ 316,450	\$ 316,450	\$ 280,658

BUDGETED PROPERTY TAXES

General	\$ 299,588	\$ 316,450	\$ 316,450	\$ 316,450	\$ 280,658
Debt Service	-	-	-	-	-
	\$ 299,588	\$ 316,450	\$ 316,450	\$ 316,450	\$ 280,658

VDW METROPOLITAN DISTRICT NO. 3 (commercial)
GENERAL FUND
FORECASTED 2011 BUDGET AS ADOPTED
WITH 2009 ACTUAL AND 2010 ESTIMATED
For the Years Ended and Ending December 31,

1/5/11

Page 3

40 mills

	ACTUAL 2009	ADOPTED BUDGET 2010	ACTUAL 9/30/2010	ESTIMATE 2010	ADOPTED BUDGET 2011
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	291,138	316,450	316,450	316,450	280,658
Specific ownership tax	10,769	18,987	15,749	18,987	16,839
Payment from County - PY Correction	31,054	-	-	-	-
Investment income & Other	192	7,500	292	7,500	7,500
Total revenue	333,153	342,937	332,490	342,937	304,997
TRANSFERS IN					
Capital Projects Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Total transfers in	-	-	-	-	-
Total funds available	333,153	342,937	332,490	342,937	304,997
EXPENDITURES					
Service Fees - VDW #1	327,485	160,598	157,652	160,598	109,870
Service Fees - VDW #1 Debt Service	-	168,510	168,510	168,510	182,014
Treasurer's fees, County	5,668	6,329	6,329	6,329	5,613
Utilities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Contingency	-	7,500	-	7,500	7,500
Total expenditures	333,153	342,937	332,490	342,937	304,997
TRANSFERS OUT					
Capital Projects Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Total transfers out	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	333,153	342,937	332,490	342,937	304,997
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -

VDW METROPOLITAN DISTRICT NO. 3

2011 BUDGET MESSAGE

VDW Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established as the "Service District" as part of a "Multiple District Structure" for the mixed-use development known as "Van de Water" located in the City of Loveland, Colorado. Along with its companion Districts No.1 ("Service District"), and No.2 ("Financing District"), this District was organized to provide construction, installation, financing and operation of public improvements, including streets, traffic safety controls, landscaping, water, sanitary sewer, storm drainage, television relay, transportation, and park and recreation facilities.

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.

2011 BUDGET STRATEGY

The District's strategy in preparing the 2011 budget is to strive to provide the level of services as desired by the constituents of the District in the most economic manner possible.

In the General Fund, with the exception of the County Treasurer's fees, all expenditures are related to the transfers to District No. 1 for overall operating costs and debt service as required by an intergovernmental agreement. The District adopted a mill levy of 14.059 mills which resulted in budgeted property tax revenue of \$98,644 and specific ownership tax revenue of \$16,839 for the purpose of paying service fees to District No. 1.

Debt

The District has no outstanding debt. However, property tax revenues are pledged to District No. 1 through a Capital Pledge Agreement for the Series 2007, Limited Property Tax Supported Revenue Bonds. The District adopted a mill levy of 25.941 mills which resulted in budgeted property tax revenue of \$182,014.

Reserves

The District reserve is held by VDW Metropolitan District No. 1.