

# VDW Metropolitan District

January 30, 2012

Via email: [dlg-filing@state.co.us](mailto: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 2012 Budget

Dear Mr. Biggs:

Attached are true and accurate copies of the adopted 2012 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 17, 2011.

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.

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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 statements of revenues and expenditures for the year ended December 31, 2010 and the nine months ended September 30, 2011 for VDW Metropolitan District No. 3. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the VDW Metropolitan District No. 3 for the year ending December 31, 2012 in accordance with standards established by the American Institute of Certified Public Accountants.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are 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 blue ink that reads "Peggy Dowswell".

Peggy Dowswell, CPA  
January 20, 2012

## VDW METROPOLITAN DISTRICT NO. 3

### 2012 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.

### 2012 BUDGET STRATEGY

The District's strategy in preparing the 2012 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 1.398 mills which resulted in budgeted property tax revenue of \$8,040 and specific ownership tax revenue of \$13,802 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 and Series 2011, Limited Property Tax Supported Revenue Bonds. The District adopted a mill levy of 38.602 mills which resulted in budgeted property tax revenue of \$221,990.

#### *Reserves*

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

**VDW METROPOLITAN DISTRICT NO. 3 (commercial)**  
**SUMMARY**  
**FORECASTED 2012 BUDGET AS ADOPTED**  
**WITH 2010 ACTUAL AND 2011 ESTIMATED**  
**For the Years Ended and Ending December 31, 2011**

1/27/12

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40 mills

	ACTUAL 2010	ADOPTED BUDGET 2011	ACTUAL 09/30/2011	ESTIMATE 2011	ADOPTED BUDGET 2012
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property Taxes	316,450	280,658	280,659	280,658	230,030
Specific Ownership Tax	20,773	16,839	13,115	16,839	13,802
Investment Income & Other	292	7,500	199	500	7,500
Total revenue	337,514	304,997	293,972	297,997	251,332
TRANSFERS IN	-	-	-	-	-
Total funds available	337,514	304,997	293,972	297,997	251,332
EXPENDITURES					
General					
Service Fees - VDW #1	331,185	109,870	106,345	123,849	17,241
Service Fees - VDW #1 Debt Service	-	182,014	182,014	168,035	221,990
Treasurer's fees, County	6,329	5,613	5,613	5,613	4,601
Contingency	-	7,500	-	500	7,500
Total expenditures	337,514	304,997	293,972	297,997	251,332
TRANSFERS OUT	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	337,514	304,997	293,972	297,997	251,332
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

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

1/20/12

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40 mills

ACTUAL 2010	ADOPTED BUDGET 2011	ACTUAL 09/30/2011	ESTIMATE 2011	ADOPTED BUDGET 2012
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**ASSESSED VALUATION - LARIMER COUNTY**

Residential	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	5,719,950	5,521,930	5,521,930	5,521,930	4,256,210
Agricultural	10	10	10	10	10
State Assessed	-	470	470	470	470
Vacant Land	2,191,290	1,494,060	1,494,060	1,494,060	1,494,060
Personal Property	-	-	-	-	-
	7,911,250	7,016,470	7,016,470	7,016,470	5,750,750
Adjustments	-	-	-	-	-
Certified Assessed Value	<u>\$ 7,911,250</u>	<u>\$ 7,016,470</u>	<u>\$ 7,016,470</u>	<u>\$ 7,911,250</u>	<u>\$ 5,750,750</u>

**MILL LEVY**

General	0.000	0.000	0.000	0.000	0.000
Debt Service	21.300	25.941	25.941	25.941	38.602
Contractual Obligation	18.700	14.059	14.059	14.059	1.398
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	0.000	0.000	0.000	0.000	0.000
Refund and Abatements	0.000	0.000	0.000	0.000	0.000
Total mill levy	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>

**PROPERTY TAXES**

General	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	168,510	182,014	182,014	205,226	221,990
Contractual Obligation	147,940	98,644	98,644	111,224	8,040
Temporary Mill Levy Reduction	-	-	-	-	-
Refund and Abatements	-	-	-	-	-
Levied property taxes	<u>316,450</u>	<u>280,658</u>	<u>280,658</u>	<u>316,450</u>	<u>230,030</u>
Adjustments to actual/rounding		-	-	-	-
Refunds and Abatements		-	-	-	-
Budgeted property taxes	<u>\$ 316,450</u>	<u>\$ 280,658</u>	<u>\$ 280,658</u>	<u>\$ 316,450</u>	<u>\$ 230,030</u>

**BUDGETED PROPERTY TAXES**

General	\$ 316,450	\$ 280,658	\$ 280,658	\$ 316,450	\$ 230,030
Debt Service	-	-	-	-	-
	<u>\$ 316,450</u>	<u>\$ 280,658</u>	<u>\$ 280,658</u>	<u>\$ 316,450</u>	<u>\$ 230,030</u>

**VDW METROPOLITAN DISTRICT NO. 3 (commercial)**  
**GENERAL FUND**  
**FORECASTED 2012 BUDGET AS ADOPTED**  
**WITH 2010 ACTUAL AND 2011 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/27/12

Page 3

40 mills

	ACTUAL 2010	ADOPTED BUDGET 2011	ACTUAL 09/30/2011	ESTIMATE 2011	ADOPTED BUDGET 2012
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE					
Property taxes	316,450	280,658	280,659	280,658	230,030
Specific ownership tax	20,773	16,839	13,115	16,839	13,802
Investment income & Other	292	7,500	199	500	7,500
Total revenue	337,514	304,997	293,972	297,997	251,332
TRANSFERS IN					
Capital Projects Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Total transfers in	-	-	-	-	-
Total funds available	337,514	304,997	293,972	297,997	251,332
EXPENDITURES					
Service Fees - VDW #1	331,185	109,870	106,345	123,849	17,241
Service Fees - VDW #1 Debt Service	-	182,014	182,014	168,035	221,990
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Total expenditures	337,514	304,997	293,972	297,997	251,332
TRANSFERS OUT					
Capital Projects Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Total transfers out	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	337,514	304,997	293,972	297,997	251,332
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -