

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

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

Attached are the 2024 Budget and budget message for the Foothills Metropolitan District in Larimer County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 6, 2023. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Denise Denslow, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-4525
Denise.denslow@claconnect.com

I, Denise Denslow, District Manager of the Foothills Metropolitan District hereby certify that the attached is a true and correct copy of the 2024 Budget.

By:



Denise Denslow, District Manager

STATE OF COLORADO
COUNTY OF LARIMER
FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET RESOLUTION

The Board of Directors of the Foothills Metropolitan District, Larimer County, Colorado held a special meeting on Wednesday, December 6, 2023 at the hour of 2:30 P.M. via MS Teams.

The following members of the Board of Directors were present:

Rishi Loona	President
Dan Doherty	Vice President/Secretary
Joshua Kane	Treasurer
Patrick Bunyard	Assistant Secretary
Timothy DePeder	Assistant Secretary

Also present were: Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.
Denise Denslow, Curtis Bourgouin & Sandy Brandenburger; CliftonLarsonAllen LLP
Mike McBride & Clyde Wood; McWhinney

Attorney Pogue reported that proper notice was made to allow the Board of Directors of the Foothills Metropolitan District to conduct a public hearing on the 2024 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a special meeting of the Board of Directors of the District and that a notice of special meeting was posted on a public website of the District/in the designated public place within the boundaries of the District no less than twenty-four hours prior to the holding of the meeting, and to the best of her/his knowledge, remains posted to the date of this meeting.

Thereupon, Director Kane introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE FOOTHILLS METROPOLITAN DISTRICT, LARIMER 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 (the “Board”) of the Foothills Metropolitan District (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2023; and

WHEREAS, due and proper notice was published on November 22, 2023 in the *Coloradoan* indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Wednesday, December 6, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOOTHILLS METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2024. In the event the final assessed valuation provided by the Larimer County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Dan Doherty, Secretary of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2024 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$134,852 and that the 2023 valuation for assessment, as certified by the Larimer County Assessor, is \$23,482,819. That for the purposes of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 16.416 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 6. 2024 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$449,506 and that the 2023 valuation for

assessment, as certified by the Larimer County Assessor, is \$23,482,819. That for the purposes of meeting all debt retirement expenses of the District during the 2024 budget year, there is hereby levied a tax of 54.720 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 7. 2024 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Sections 2 and 3 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Larimer County on or before January 10, 2024, for collection in 2024.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Larimer County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director Loona.

RESOLUTION APPROVED AND ADOPTED THIS 6TH DAY OF DECEMBER, 2023.

FOOTHILLS METROPOLITAN DISTRICT

DocuSigned by:
Rishi Loona
CBEDEBFFDF84E3...

By: Rishi Loona
Its: President

STATE OF COLORADO
COUNTY OF LARIMER
FOOTHILLS METROPOLITAN DISTRICT

I, Dan Doherty, hereby certify that I am a director and the duly elected and qualified Secretary of the Foothills Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a special meeting of the Board of Directors of the Foothills Metropolitan District, held on December 6, 2023, via MS Teams, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 6th day of December, 2023.

DocuSigned by:

Dan Doherty

7AFA46E693DE4DD...

Dan Doherty, Secretary

[SEAL]



EXHIBIT A

Affidavit
Notice as to Proposed 2024 Budget

Account #: FTC-WB1399

FORT•COLLINS COLORADOAN

Invoice Text

NOTICE OF HEARING ON PROPOSED 2024 BUDGET FOR FOO

STATE OF COLORADO
COUNTY OF LARIMER
AFFIDAVIT OF PUBLICATION

ICENOGL SEAVER POGUE
4725 S MONACO ST

DENVER CO 80237

I, being duly sworn, deposes and says that said is the legal clerk of the Fort Collins Coloradoan; that the same is a daily newspaper of general circulation and printed and published in the City of Fort Collins, in said county and state; that the notice or advertisement, of which the annexed is a true copy, has been published in said daily newspaper and that the notice was published in the regular and entire issue of every number of said newspaper during the period and time of publication of said notice, and in the newspaper proper and not in a supplement thereof; that the publication of said notice was contained in the issues of said newspaper dated on

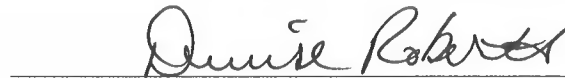
11/22/23

that said Fort Collins Coloradoan has been published continuously and uninterruptedly during the period of at least six months next prior to the first publication of said notice or advertisement above referred to; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof; and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.



Legal Clerk

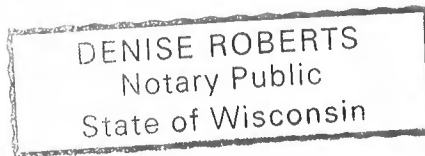
Subscribed and sworn to before me, within the County of Brown, State of Wisconsin this 3rd of January 2024.



Notary Public

4-6-27

Notary Expires



Legal No.0005859058

Ad#:0005859058

P O :

This is not an invoice

of Affidavits: 1

Affidavit Prepared
Wednesday, January 3, 2024 1:50 pm

of Affidavits:

**NOTICE OF HEARING ON PROPOSED
2024 BUDGET
FOR
FOOTHILLS METROPOLITAN
DISTRICT**

NOTICE IS HEREBY GIVEN that a proposed 2024 Budget has been submitted to the Board of Directors of the **FOOTHILLS METROPOLITAN DISTRICT**. A copy of the proposed 2024 Budget has been filed in the office of the District Manager at 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where same is open for public inspection. Such proposed 2024 Budget will be considered at a regular meeting of the **FOOTHILLS METROPOLITAN DISTRICT**, to be held on December 6, 2023 at 2:00 p.m. via MS Teams: https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODA5NDM3NigtZDQ4OS00NiQ5LTkyM2ltNzE3ZWFnNjU0MmE5%40thread.v2/0?context=%7b%22id%22%3a%224aac468e-93ba-4ee3-ab9f-6a247ac3ade0%22%2c%22oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

Call-in #: 720-547-5281; Meeting ID: 756 742 041#

Any interested electors within the **FOOTHILLS METROPOLITAN DISTRICT** may inspect the proposed 2024 Budget and file or register any objections at any time prior to the final adoption of the budget.

BY ORDER OF THE BOARD OF DIRECTORS:
FOOTHILLS METROPOLITAN DISTRICT
By: /s/ ICENOGL SEAVER POGUE,
P.C.
0005859058
Coloradoan
November 22, 2023

EXHIBIT B

Budget Document
Budget Message

FOOTHILLS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**FOOTHILLS METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 8,946,080	\$ 8,496,437	\$ 8,559,295
REVENUES			
Property taxes	762,136	759,840	584,358
Specific ownership taxes	152,242	152,030	58,450
FCURA - District property taxes	1,372,962	1,410,914	1,086,116
FCURA - Property Tax Increment	1,887,981	1,908,320	1,055,052
Sales Tax Revenue	523,072	807,961	825,000
Interest income	156,981	326,270	313,679
Developer advance	-	261,000	342,000
Other revenue	24,816	10,000	15,000
PIF revenue	1,166,269	975,000	1,000,000
Total revenues	<u>6,046,459</u>	<u>6,611,335</u>	<u>5,279,655</u>
TRANSFERS IN	<u>167,275</u>	-	-
Total funds available	<u>15,159,814</u>	<u>15,107,772</u>	<u>13,838,950</u>
EXPENDITURES			
General and administrative	223,620	280,715	318,392
Operations and maintenance	307,252	494,000	524,500
Debt service	5,580,613	5,670,812	5,807,088
Capital projects	384,617	102,950	-
Total expenditures	<u>6,496,102</u>	<u>6,548,477</u>	<u>6,649,980</u>
TRANSFERS OUT	<u>167,275</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>6,663,377</u>	<u>6,548,477</u>	<u>6,649,980</u>
ENDING FUND BALANCES	<u>\$ 8,496,437</u>	<u>\$ 8,559,295</u>	<u>\$ 7,188,970</u>
EMERGENCY RESERVE	\$ 16,600	\$ 16,500	\$ 12,900
AVAILABLE FOR OPERATIONS	6,725	473	3,052
DEBT SERVICE RESERVE	7,295,000	7,295,000	7,127,848
TOTAL RESERVE	<u>\$ 7,318,325</u>	<u>\$ 7,311,973</u>	<u>\$ 7,143,800</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential - Multi-family	\$ 7,355,205	\$ 6,995,160	\$ 7,516,059
Commercial	25,157,107	25,163,157	15,902,409
State assessed	46,037	62,045	64,211
Vacant land	-	122	140
	32,558,349	32,220,484	23,482,819
Adjustments	(21,018,629)	(20,947,894)	(15,268,163)
Certified Assessed Value	\$ 11,539,720	\$ 11,272,590	\$ 8,214,656

MILL LEVY

General	15.000	15.555	16.416
Debt Service	50.363	51.851	54.720
Total mill levy	65.363	67.406	71.136

PROPERTY TAXES

General	\$ 173,096	\$ 175,345	\$ 134,852
Debt Service	581,175	584,495	449,506
Levied property taxes	754,271	759,840	584,358
Adjustments to actual/rounding	4,411	-	-
Refunds and abatements	3,454	-	-
Budgeted property taxes	\$ 762,136	\$ 759,840	\$ 584,358

BUDGETED PROPERTY TAXES

General	\$ 174,901	\$ 175,345	\$ 134,852
Debt Service	587,235	584,495	449,506
	\$ 762,136	\$ 759,840	\$ 584,358

**FOOTHILLS METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 109,882	\$ 23,325	\$ 16,973
REVENUES			
Property taxes	174,901	175,345	134,852
Specific ownership taxes	34,938	35,083	26,985
FCURA - District property taxes	315,078	325,844	250,642
Interest income	2,508	1,000	1,500
Developer advance	-	161,000	342,000
Other revenue	24,816	10,000	15,000
Total revenues	<u>552,241</u>	<u>708,272</u>	<u>770,979</u>
Total funds available	<u>662,123</u>	<u>731,597</u>	<u>787,952</u>
EXPENDITURES			
General and administrative			
Accounting	32,153	40,000	44,000
Auditing	6,400	7,050	7,250
County Treasurer's fee	3,473	3,507	2,697
Directors' fees	2,300	1,800	3,000
Dues and membership	737	755	1,000
Insurance	18,628	20,560	25,000
District management	19,797	21,000	24,300
Legal	43,513	43,000	51,000
Miscellaneous	649	-	1,500
Collection Fee - URA	4,726	4,895	3,744
PIF collection	14,520	26,500	29,000
Payroll taxes	252	138	230
Election	1,833	2,019	-
Contingency	-	-	2,329
Property management fee	15,290	49,400	52,450
Operations and maintenance			
Repairs and maintenance	276,343	15,000	10,000
Landscaping	-	70,000	80,000
Landscape replacement	-	45,000	75,000
Detention pond maintenance	-	7,000	7,000
Holiday tree lights	-	15,000	17,500
Janitorial	-	54,000	58,000
Parking garage R&M	-	50,000	55,000
Fountain Maintenance	-	20,000	22,000
Security	-	105,000	110,000
Snow removal	-	85,000	60,000
Utilities	30,909	28,000	30,000
Total expenditures	<u>471,523</u>	<u>714,624</u>	<u>772,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>167,275</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>638,798</u>	<u>714,624</u>	<u>772,000</u>
ENDING FUND BALANCES	<u>\$ 23,325</u>	<u>\$ 16,973</u>	<u>\$ 15,952</u>
EMERGENCY RESERVE	\$ 16,600	\$ 16,500	\$ 12,900
AVAILABLE FOR OPERATIONS	6,725	473	3,052
TOTAL RESERVE	<u>\$ 23,325</u>	<u>\$ 16,973</u>	<u>\$ 15,952</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 8,617,038	\$ 8,470,432	\$ 8,542,322
REVENUES			
Property taxes	587,235	584,495	449,506
Specific ownership taxes	117,304	116,947	31,465
PIF revenue	1,166,269	975,000	1,000,000
FCURA - Property Tax Increment	1,887,981	1,908,320	1,055,052
FCURA - District property taxes	1,057,884	1,085,070	835,474
Sales Tax Revenue	523,072	807,961	825,000
Interest income	153,611	325,000	312,179
Total revenues	<u>5,493,356</u>	<u>5,802,793</u>	<u>4,508,676</u>
Total funds available	<u>14,110,394</u>	<u>14,273,225</u>	<u>13,050,998</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	11,661	11,690	8,990
Collection Fee - URA	44,188	44,901	28,569
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	11,853
Debt Service			
Bond interest	4,060,613	3,980,812	3,892,088
Bond Principal	1,520,000	1,690,000	1,915,000
Total expenditures	<u>5,639,962</u>	<u>5,730,903</u>	<u>5,860,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,639,962</u>	<u>5,730,903</u>	<u>5,860,000</u>
ENDING FUND BALANCES	<u>\$ 8,470,432</u>	<u>\$ 8,542,322</u>	<u>\$ 7,190,998</u>
DEBT SERVICE RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,127,848</u>
TOTAL RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,127,848</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 219,160	\$ 2,680	\$ -
REVENUES			
Interest income	862	270	-
Developer advance	-	100,000	-
Total revenues	862	100,270	-
TRANSFERS IN			
Transfers from other funds	167,275	-	-
Total funds available	387,297	102,950	-
EXPENDITURES			
Capital Projects			
Engineering	193,734	-	-
Capital outlay	190,883	102,950	-
Total expenditures	384,617	102,950	-
Total expenditures and transfers out requiring appropriation	384,617	102,950	-
ENDING FUND BALANCES	\$ 2,680	\$ -	\$ -

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized on January 10, 2013, for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services and mosquito control. When appropriate, these improvements will be dedicated to the City of Fort Collins, Larimer County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District's service area is located within the City of Fort Collins, Larimer County, Colorado.

On November 6, 2012, District voters approved general obligation indebtedness of \$100,000,000 for street improvements, \$100,000,000 for parks and recreation, \$100,000,000 for water facilities, \$100,000,000 for sanitation system, \$100,000,000 for transportation, \$100,000,000 for fire protection facilities or services, \$100,000,000 for television relay and translation services, \$100,000,000 for security services, \$25,000,000 for mosquito control, \$100,000,000 for traffic and safety, \$100,000,000 for operations and maintenance, \$600,000,000 for intergovernmental contracts, \$100,000,000 for special assessment debt, \$100,000,000 for private agreements, \$100,000,000 for mortgages and \$600,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$20,000,000 annually and allows the District to collect fees of up to \$20,000,000 annually for operations and maintenance and \$100,000,000 in sales taxes not to exceed 3%.

Pursuant to the Service Plan, the District may issue bond indebtedness in an amount sufficient to produce (a) \$53,000,000 in net proceeds to fund the costs of the eligible improvements and (b) the costs of issuance of such bonds.

The District has no employees and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

FCURA

On January 17, 2014, the District entered into a Redevelopment and Reimbursement Agreement with Fort Collins Urban Renewal Authority ("FCURA"), the Developer, and the City of Fort Collins to redevelop Foothills Fashion Mall.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

The change in assessment ratio allows the District to adjust its mill levy. Accordingly, the District adjusted its mill levy to 16.416 for operations and 54.720 for debt service.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

Property Tax Increment Revenue

FCURA will receive property tax revenue (“Pledged Property Tax Increment Revenue”) from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District, excluding the mill levy override payments approved by the electors of Poudre School District in 2012 and subsequent years, the District operations and maintenance and debt service mill levies, FCURA administration and redevelopment fees. The remaining revenue received by FCURA, net of all costs, will be remitted to the District’s Bond Trustee and pledged to the payment of the Bonds.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes calculated from the gross assessed valuation.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average fund balance at an interest rate of approximately 4.0%.

Sales Tax Increment Revenue

A major source of revenue or cash receipts will be incremental sales tax revenue. The Redevelopment Agreement provides that sales taxes collected by the City within the TIF District in excess of a sales tax base amount are payable to FCURA. Pursuant to the Redevelopment Agreement, FCURA has covenanted to deposit such incremental City sales taxes with the Trustee for payment on the Bonds. The City currently imposes a 2.25% sales tax. Retail sales are calculated on assumed sales per square foot of commercial space at a value that varies based on the type of commercial use. A lease-up percentage and a collection factor are also applied to the estimated sales.

Public Improvement Fees

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

County Treasurer's Fees

County Treasurer's fees have been computed at 2% of property tax collections.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures- (continued)

Operations and Maintenance

The district anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 3 of the budget.

Debt Service

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the Series 2014 Bonds (discussed under Debt and Leases).

Debt and Leases

On October 9, 2014, the District issued \$72,950,000 in Series 2014 Special Revenue Bonds for street park and recreation, water and sanitation improvements. Bond proceeds were also transferred by the bond resolution from the Capital Projects Fund to the Debt Service Fund to pay the bond interest for the subsequent construction period and to establish a reserve account. The interest rate ranges from 5.35 to 6.00%. Interest is payable semiannually on June 1 and December 1 and principal is payable annually on December 1. The bonds mature on December 1, 2038, and are term bonds subject to redemption, prior to maturity, at the option of the District, on December 1, 2024, upon payment of par and accrued interest, without redemption premium. The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption. The Series 2014 Bonds were issued for the purpose of financing public improvements.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy, 3) Property Tax Increment revenues, 4) Add-On PIF revenues, 5) sales Tax Increment revenues and 6) any other legally available monies which the District determines to be treated as Pledged Revenue.

The District has no operating or capital leases.

Developer Advances

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

Funding and Reimbursement Agreement

On February 21, 2022, the District has entered into a Funding and Reimbursement Agreement with MXD Fort Collins, LLC (Developer) pursuant to which the District agrees to reimburse the Developer for advances made to the District to fund the operating, maintenance and general administrative expenses at a rate of 2% plus the Federal Reserve Bank Prime rate, or 6%, whichever is greater, not to exceed 8%, with a maximum principal amount of \$500,000.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Improvement Acquisition, Advance and Reimbursement Agreement

On February 21, 2022, the District entered into an Improvement Acquisition, Advance and Reimbursement agreement with MXD Fort Collins, LLC, pursuant to which the District agrees to reimburse the Developer for certain Certified District Eligible Costs of improvements constructed by MXD, and advances made to or on behalf of the District for costs related to the construction of public improvements subject to limitations set forth in the Service Plan. The note will bear interest at a rate of 2% plus the Federal Reserve Bank Prime rate, or 6%, whichever is greater, not to exceed 8%, with a maximum principal amount of \$1,500,000.

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advance - O&M	\$ -	\$ 161,000	\$ -	\$ 161,000
Developer Advance - Capital	630,401	100,000	-	730,401
Accrued Interest - Developer Advance - O&M	-	5,809	-	5,809
Accrued Interest - Developer Advance - Capital	538,524	98,068	-	636,592
Total	<u>\$ 1,168,925</u>	<u>\$ 364,877</u>	<u>\$ -</u>	<u>\$ 1,533,802</u>

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024
Developer Advance - O&M	\$ 161,000	\$ 342,000	\$ -	\$ 503,000
Developer Advance - Capital	730,401	-	-	730,401
Accrued Interest - Developer Advance - O & M	5,809	13,345	-	19,154
Accrued Interest - Developer Advance - Capital	636,592	109,359	-	745,951
Total	<u>\$ 1,533,802</u>	<u>\$ 464,704</u>	<u>\$ -</u>	<u>\$ 1,998,506</u>

Reserve Funds

Debt Service Reserves

The District is required to maintain a Debt Service Reserve per the Series 2014 Bonds. The budgeted Reserve Balance for 2024 is \$7,127,848.

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

**FOOTHILLS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$72,950,000 Special Revenue Bonds

Dated October 9, 2014

Principal Due Annually December 1

Interest from 5.25 to 6.00%, Due June and December 1

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	1,915,000	3,892,088	5,807,088
2025	2,110,000	3,791,550	5,901,550
2026	2,365,000	3,670,225	6,035,225
2027	2,600,000	3,534,237	6,134,237
2028	2,895,000	3,384,738	6,279,738
2029	3,160,000	3,218,275	6,378,275
2030	3,490,000	3,036,575	6,526,575
2031	3,800,000	2,835,900	6,635,900
2032	4,180,000	2,607,900	6,787,900
2033	4,540,000	2,357,100	6,897,100
2034	4,970,000	2,084,700	7,054,700
2035	5,385,000	1,786,500	7,171,500
2036	5,870,000	1,463,400	7,333,400
2037	6,340,000	1,111,200	7,451,200
2038	12,180,000	730,800	12,910,800
Total	\$ 67,490,000	\$ 43,486,000	\$ 110,976,000

EXHIBIT C

Certification of Tax Levy

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Foothills Metropolitan District,

the Board of Directors (taxing entity)^A


of the Foothills Metropolitan District (governing body)^B
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 23,482,819 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: \$ 8,214,656 (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: 12/28/23 for budget/fiscal year 2024
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>16.416</u> mills	\$ <u>134,852</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	16.416 mills	\$ 134,852
3. General Obligation Bonds and Interest ^J	<u>54.720</u> mills	\$ <u>449,506</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	71.136 mills	\$ 584,358

Contact person: Carrie Bartow Phone: (303)779-5710
Signed:  Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

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:	Public Infrastructure
	Series:	Special Revenue Bonds, Series 2014
	Date of Issue:	October 9, 2014
	Coupon Rate:	5.25%-6.00%
	Maturity Date:	December 1, 2038
	Levy:	54.720
	Revenue:	449,506

2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

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

CONTRACTS^K:

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.