

RESERVE METROPOLITAN DISTRICT NO.1

January 15, 2020

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

VIA: Electronic Filing LGID# 26020

Attached is the 2020 Budget for the Reserve Metropolitan District No.1 in Gunnison County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on September 26, 2019. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number 970-926-6060.

The mill levy certified to the County Commissioners of Gunnison County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$5,340, the total property tax revenue is \$0.00. A copy of the certification of mill levies sent to the County Commissioners for Gunnison County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Gunnison County, Colorado.

Sincerely,



Eric Weaver
District Administrator

Enclosure(s)

Administrative & Financial Management Provided By Marchetti & Weaver, LLC

Mountain Office
28 Second Street, Suite 213
Edwards, CO 81632
(970) 926-6060

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www.mwcpaa.com
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245 Century Circle, Suite 103
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RESERVE METROPOLITAN DISTRICT NO. 1

2020 BUDGET MESSAGE

Reserve Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to supply the necessary services of water, streets, parks & recreation, safety protection, sanitary sewer, and mosquito control.

The District has no employees 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.

2020 BUDGET STRATEGY

The District's strategy in preparing the budget is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the community in the most economic manner possible. The General Fund will provide for the District's general and administrative expenses. Per a Settlement Agreement dated April 5, 2016, the Reserve Metropolitan District No.2 agreed to operate, maintain and repair the street and roadway improvements. The real estate transfer assessments from the Mt. Crested Butte Property Owners Association will be forwarded to the Reserve Metro District No.2 to pay down the Negotiated Obligation until that obligation is fulfilled. In 2020 the District's source of funding for operations will primarily be from previously accumulated fund balances.

RESOLUTIONS OF RESERVE METROPOLITAN DISTRICT NO. 1

TO ADOPT 2020 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE RESERVE METROPOLITAN DISTRICT NO. 1, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board of Directors of the Reserve Metropolitan District No. 1 has appointed a budget committee to prepare and submit a proposed 2020 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on September 26, 2019, and interested taxpayers 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/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Reserve Metropolitan District No. 1, Gunnison County, Colorado:

- Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Reserve Metropolitan District No. 1 for the year stated above.

- Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

RESOLUTIONS OF RESERVE METROPOLITAN DISTRICT NO.1 (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2019, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE RESERVE METROPOLITAN DISTRICT NO. 1, GUNNISON COUNTY, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors of the Reserve Metropolitan District No. 1, has adopted the annual budget in accordance with the Local Government Budget Law, on September 26, 2019 and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$0.00 and;

WHEREAS, the Reserve Metropolitan District No. 1 finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$0.00, and;

WHEREAS, the 2019 valuation for assessment for the Reserve Metropolitan District No. 1, as certified by the County Assessor is \$5,340.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the RESERVE METROPOLITAN DISTRICT NO.1, GUNNISON COUNTY, COLORADO:

Section 1. That for the purposes of meeting all general operating expenses of the Reserve Metropolitan District No. 1 during the 2020 budget year, 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 2019.

Section 2. That for the purposes of rendering a refund to its constituents during budget year 2020 there is hereby levied a temporary tax credit/mill levy reduction of 0.000 mills.

Section 3. That for the purpose of meeting all capital expenditures of the Reserve Metropolitan District No.1 during the 2020 budget year, 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 2019.

RESOLUTIONS OF RESERVE METROPOLITAN DISTRICT NO. 1 (CONTINUED)

TO SET MILL LEVIES (CONTINUED)

Section 4. That for the purpose of meeting all payments for bonds and interest of the Reserve Metropolitan District No. 1 during the 2020 budget year, 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 2019.

Section 5. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Gunnison County, Colorado, the mill levies for the Reserve Metropolitan District No.1 as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Gunnison County, Colorado, the mill levies for the Reserve Metropolitan District No. 1 as hereinabove determined and set based upon the final (November) certification of valuation from the county assessor.

RESOLUTIONS OF RESERVE METROPOLITAN DISTRICT NO. 1 (CONTINUED)

TO APPROPRIATE SUMS OF MONEY
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE RESERVE METROPOLITAN DISTRICT NO. 1, GUNNISON COUNTY, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on September 26, 2019, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RESERVE METROPOLITAN DISTRICT NO. 1, GUNNISON COUNTY, COLORADO:

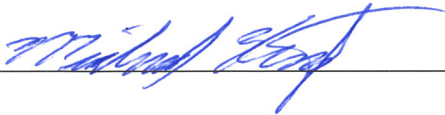
Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:	
Current Operating Expenditures	\$ 39,165
Payments to RMD #2	<u>250,000</u>
TOTAL GENERAL FUND	\$ 289,165

RESOLUTIONS OF RESERVE METROPOLITAN DISTRICT NO. 1 (CONTINUED)

**TO ADOPT 2020 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2020 budget, set the mill levies and to appropriate sums of money were adopted this 26th day of September, 2019.

Attest: 

Title: Pres.

Reserve Metropolitan District No. 1
Statement of Net Position
August 31, 2019

12/29/2019

	GENERAL FUND	CAPITAL ASSETS & LTD	TOTAL
Assets			
CSafe 2.18%	42,559		42,559
Colostrust Savings 2.23%	111,881		111,881
Service Fee Receivable	2,394		2,394
Allowance for Delayed Payments	(2,394)		(2,394)
Accounts Receivable	-		-
Prepaid Expenses	-		-
Roads		9,817,930	9,817,930
Wetlands Mitigation Credits		70,924	70,924
Parks & Recreation		270,835	270,835
Equipment		110,000	110,000
Accum Depr-Roads		(3,126,905)	(3,126,905)
Accum Depr-Parks & Rec		(74,541)	(74,541)
Accum Depr-Equipment		(32,998)	(32,998)
Total Assets	154,441	7,035,245	7,189,685
Liabilities			
Accounts Payable	16,208		16,208
Due to RMD No.2	-		-
Due to RMD No.2-Negotiated Obligation		463,945	463,945
Due to RMD No.2-Loader Obligation		-	-
Deposit for Exclusion-North Village R	-		-
Total Liabilities	16,208	463,945	480,154
Net Position			
Net Investment in Fixed Assets		7,035,245	7,035,245
Net Investment in Settlement Agreement		(463,945)	(463,945)
Fund Balance	138,232		138,232
Total Net Position	138,232	6,571,299	6,709,532
Total Liabilities and Fund Equity	154,441	7,035,245	7,189,685
	=	=	=

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Reserve Metropolitan District No. 1
 Statements of Revenues, Expenditures and Changes in Fund Balance
 Actual, Budget and Forecast for the Period Modified Accrual Basis

Printed: 12/29/19
 Modified Accrual Basis

General Fund	2018 Unaudited Actual	2019 Adopted Budget	Variance Favorable (Unfavor)	2019 Forecast	8 Months Ended 08/31/19 Actual	8 Months Ended 08/31/19 Budget	Variance Favorable (Unfavor)	2020 Adopted Budget	Budget Comments
Assessed Value	20	20		20				5,340	Amended Cert 11-19-19
Mill Levy Rate		-		-				-	None levied
Revenues:									
Property Taxes		-		-		-		-	0 mills levied
Specific Ownership Tax		-		-		-		-	
Interest Income	1,129	301	899	1,200	835	201	634	3,314	Fund Balance @ 2%
Equipment Rental Income	10,896	16,500	(16,500)	-	-	13,000	(13,000)	-	Selling Loader
RETA Funds	171,500	250,000	-	250,000	169,000	166,667	2,333	250,000	Estimate High
Sale of Assets	-	-	72,000	72,000	-	-	-	-	Proceeds from Sale of Loader
Misc Income	-	-	6,000	6,000	5,980	-	5,980	-	None anticipated
Total Revenues	183,524	266,801	62,399	329,200	175,815	179,867	(4,053)	253,314	
Expenditures:									
General and Administrative									
Accounting	8,771	16,000	-	16,000	5,429	10,500	5,071	16,000	Based on 2019 Forecast
Elections	381	-	-	-	-	-	-	500	Based on 2018 Actual
Insurance	12,230	13,125	6,825	6,300	6,307	13,125	6,818	6,615	Based on 2019 Act w/5% Incr
Legal	7,893	10,000	-	10,000	7,724	6,667	(1,058)	10,000	Based on 2019 Forecast
SDA Dues	527	550	-	550	530	550	20	550	Based on 2019 Forecast
Office Overhead	592	500	-	500	425	333	(91)	500	Based on 2019 Forecast
Bad Debt from Special Service Fees	-	-	-	-	-	-	-	-	
Contingency		5,000	5,000	-				5,000	Unforeseen Needs
Total General and Administrative	30,394	45,175	11,825	33,350	20,415	31,175	10,760	39,165	
Other Sources and Uses of Funds									
Developer Advance for Operations		30,000	(30,000)	-		30,000	(30,000)	-	No anticipated need
Pmts to RMD 2 for Loader		-	-	-		-	-	-	Paid off in 2017
Pmts to RMD 2 for Negotiated Obligatio	(171,500)	(250,000)	106,000	(144,000)	(31,000)	(166,667)	135,667	(250,000)	Use of RETA, estimate high
Total Other Sources (Uses) of Fund	(171,500)	(220,000)	76,000	(144,000)	(31,000)	(136,667)	105,667	(250,000)	
Change in Fund Balance	(18,370)	1,626	150,224	151,850	124,399	12,026	112,374	(35,851)	
Beginning Fund Balance	32,204	15,054	(1,220)	13,833	13,833	15,054	(1,220)	165,683	
Ending Fund Balance	13,833	16,680	149,004	165,683	138,232	27,079	111,153	129,832	
Components of Fund Balance:	=	=	=	=	=	=	=	=	
Non-Spendable- Prepays	6,837	13,675	(6,510)	7,165	-			7,523	Prepaid Insurance
Restricted For Emergencies	5,506	1,355	8,521	9,876	9,876			1,175	3% of Expenditures
Assigned For Following Year Budget Deficit		-	28,686	28,686				28,328	Deficit, less prepays
Unassigned	1,490	1,649	118,306	119,956	128,356			92,806	Operating reserve
Total Fund Balance	13,833	16,680	149,004	165,683	138,232			129,832	

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Gunnison County, Colorado.

On behalf of the Reserve Metropolitan District No.1

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Reserve Metropolitan District No.1

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 5,340

(Gross^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^F)

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:

\$ 5,340

(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: 12/9/2019
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2020.
(yyyy)

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

Contact person: (print) Eric Weaver

Daytime phone: (970) 926-6060

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, Colorado 80203. Questions? Call DLG (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).