

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2024

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

Attached are the 2024 budget and budget message for HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 28, 2023. If there are any questions on the budget, please contact:

Seef LeRoux  
CliftonLarsonAllen LLP  
121 South Tejon Street, Ste. 1100  
Colorado Springs, CO 80903  
Tel.: 719-635-0330

I, S. Alan Vancil, as Secretary of the Hidden Valley Farm Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: S. Alan Vancil

**RESOLUTION**  
**TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,**  
**AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY**  
**HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4**

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 HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4, 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 Hidden Valley Farm Metropolitan District No. 4 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 28, 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 \$170,494.70; 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 \$852,501.03; 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 County is \$13,760,670; and

WHEREAS, at an election held on November 5, 2013, 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 HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4 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 Hidden Valley Farm Metropolitan District No. 4 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 12.390 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 61.952 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.

ADOPTED this 28th day of November, 2023.

HIDDEN VALLEY FARM METROPOLITAN  
DISTRICT NO. 4

*Jeff Mark*

\_\_\_\_\_  
President

ATTEST:

*S. Alan Vancil*

\_\_\_\_\_  
Secretary

<b>Hidden Valley Farm Metropolitan District No. 4</b>			
<b>General Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/22</b>	<b>12/31/23</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 6,934	\$ -
<b>REVENUES</b>			
Property Tax - Operations & Maintenance	70,406	109,328	170,495
Specific Ownership Tax - Operations & Maintenance	4,167	4,687	10,230
Interest on Delinquent Property Tax	82	55	-
Total Revenues	74,655	114,070	180,725
<b>EXPENDITURES</b>			
County Collection Fee - 1.5% of Operations Tax	1,057	1,640	2,557
Payment for Services to District 1 - Operations	66,664	119,364	178,168
Total Expenses	67,721	121,004	180,725
Excess of Revenues over Expenditures	6,934	(6,934)	-
<b>ENDING FUND BALANCE</b>	\$ 6,934	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	\$ -	\$ -	\$ -

<b>Hidden Valley Farm Metropolitan District No. 4</b>			
<b>Capital Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/22</b>	<b>12/31/23</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 25,500	\$ 98,694	\$ -
<b>REVENUES</b>			
District fees from Lot Sales	75,000	-	-
Developer Advance	-	8,430,000	-
Bond Proceeds	-	8,430,000	-
Total Revenues	75,000	16,860,000	-
<b>EXPENDITURES</b>			
Bond issue costs	1,806	12,201	-
Repay Developer Advance	-	8,430,000	-
Transfer to District 1 Capital Fund	-	8,430,000	-
Total Expenses	1,806	16,872,201	-
Excess of Revenues over Expenditures	73,194	(12,201)	-
Transfer to District 4 Debt Service Fund	-	(86,493)	-
Net Change in Fund Balance	73,194	(98,694)	-
<b>ENDING FUND BALANCE</b>	\$ 98,694	\$ -	\$ -

<b>Hidden Valley Farm Metropolitan District No. 4</b>			
<b>Debt Service Fund Budget</b>			
<b>Year Ended 12/31/2024</b>			
<b>Modified Accrual Basis</b>			
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>12/31/22</b>	<b>12/31/23</b>	<b>Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 134,889	\$ 15,272	\$ 5,741
<b>REVENUES</b>			
Property Tax	352,024	548,106	852,501
Interest on Delinquent Property Tax	412	276	-
Specific Ownership Tax	20,835	23,616	51,150
<b>Total Revenues</b>	<b>373,271</b>	<b>571,998</b>	<b>903,651</b>
<b>EXPENDITURES</b>			
County Collection Fee - 1.5% of Property Tax	5,286	8,222	12,788
Interest Expense - Sr. Debt	487,602	659,800	785,000
<b>Total Expenditures</b>	<b>492,888</b>	<b>668,022</b>	<b>797,788</b>
Excess (Deficit) of Revenues over Expenditures	(119,617)	(96,024)	105,863
Transfer from District 4 Capital Projects Fund	-	86,493	-
Transfer from District 1 Capital Projects Fund		-	-
Net Change in Fund Balance	(119,617)	(9,531)	105,863
<b>ENDING FUND BALANCE</b>	<b>\$ 15,272</b>	<b>\$ 5,741</b>	<b>\$ 111,604</b>



<b>Hidden Valley Metropolitan District Nos. 1-4</b>					
<b>Property Taxes</b>					
<b>2023 Valuations for 2024 Taxes</b>					
		1509	1510	1511	1512
	Combined	District	District	District	District
		No. 1	No. 2	No. 3	No. 4
Vacant Residential Land - Market Value	6,208,859		328,137	-	5,880,722
Percentage	29%	29%	29%	29%	29%
Assessed Value	1,731,870		91,590	-	1,640,280
Residential Land & Improvements - Market Value	284,223,694		141,387,432		142,836,262
Percentage	7.15%		6.95%	7.15%	6.95%
Assessed Value	19,043,030		9,472,970		9,570,060
Commercial	27,144	-	5,324	-	21,820
Percentage	29%	29%	29%	29%	29%
Assessed Value	7,570	-	1,490	-	6,080
Agricultural	86	-	-	-	86
Percentage	29%	29%	29%	29%	29%
	20	-	-	-	20
Producing Oil & Gas Land & Pipelines	3,646,189	-	-	-	3,646,189
Percentage	66.2335%				66.2335%
Assessed Value	2,415,000	-	-	-	2,415,000
Public Utility state value	818,893	-	355,707		463,186
Percentage	29%	29%	29%	29%	29%
Assessed Value	228,470	-	99,240	-	129,230
Total Assessed Value - Final	23,425,980	10	9,665,290	10	13,760,670
Mill Levy - General Operating & Debt Service		-	78.960	-	74.342
2023 Property Tax to be paid in 2024	\$ 1,786,167	\$ -	\$ 763,171	\$ -	\$ 1,022,996
<b>Tax based on Mill Levy for 2023</b>					
Debt Service	\$ 1,488,477	\$ -	\$ 635,976	\$ -	\$ 852,501
General Operating	\$ 297,690	\$ -	\$ 127,195	\$ -	\$ 170,495
Total	\$ 1,786,167	\$ -	\$ 763,171	\$ -	\$ 1,022,996
<b>Mill Levy for 2023</b>					
Debt Service		-	65.800	-	61.952
General Operating		-	13.160	-	12.390
Total		-	78.960	-	74.342

**HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4  
WELD COUNTY, CO  
2024 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

The Hidden Valley Farm Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in April 2014. The District was established as part of a “Multiple District Structure” for The Hidden Valley Farm community located in the Town of Severance, Weld County, Colorado. Along with its companion Districts No. 1 (“Service District”) and Nos. 2 and 3 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District is authorized to issue General Obligation Debt in an amount not to exceed \$40,000,000. A mill levy cap of 50 mills applies to the District in connection with the General Obligation Debt, subject to adjustment under the Gallagher laws.

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, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

**GENERAL FUND**

**REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 12.390 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

**EXPENDITURES**

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses for services to District 1 General Fund.

**HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4  
WELD COUNTY, CO  
2024 BUDGET MESSAGE  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**CAPITAL PROJECT FUND**

**REVENUES & EXPENDITES**

1. No revenues or expenditures are budgeted for the Capital Project Fund for 2024.

**DEBT SERVICE FUND**

**REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 61.952 mills.
2. Specific ownership taxes are budgeted at 5% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

**EXPENDITURES**

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Interest on the Bond is budgeted in the amount of \$785,000.

**RESERVES**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

**ADDITIONAL INFORMATION**

1. The basis of accounting for the District is the Modified Accrual Basis.
2. There are no operating or capital lease obligations of the District.

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

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

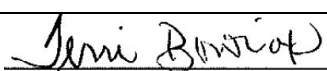
On behalf of the HIDDEN VALLEY FARM METRO 4,  
 (taxing entity)<sup>A</sup>  
 the Board of Directors  
 (governing body)<sup>B</sup>  
 of the HIDDEN VALLEY FARM METRO 4  
 (local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$13,760,670.00 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: \$ \$13,760,670.00 (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:** 01/07/2024 for budget/fiscal year 2024.  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<b>PURPOSE</b> (see end notes for definitions and examples)	<b>LEVY</b> <sup>2</sup>	<b>REVENUE</b> <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>12.390</u> mills	\$ <u>170494.70</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < 0 >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>12.39</b> mills	<b>\$ 170494.70</b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>61.952</u> mills	\$ <u>852501.03</u>
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ <u>0</u>
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ <u>0</u>
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ <u>0</u>
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>74.342</b> mills	<b>\$ 1022995.73</b>

Contact person: (print) Terri Boroviak Daytime phone: 303-439-6030  
 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:	Public infrastructure
	Series:	Limited Tax General Obligation Bonds. Series 2020
	Date of Issue:	07/01/2020
	Coupon Rate:	5.325%
	Maturity Date:	12/01/2059
	Levy:	61.952
	Revenue:	\$ 852.501
2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

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

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