

2025 BUDGET HEARING

DECEMBER 4, 2024

**RAINDANCE METROPOLITAN DISTRICT
Nos. 1-3**

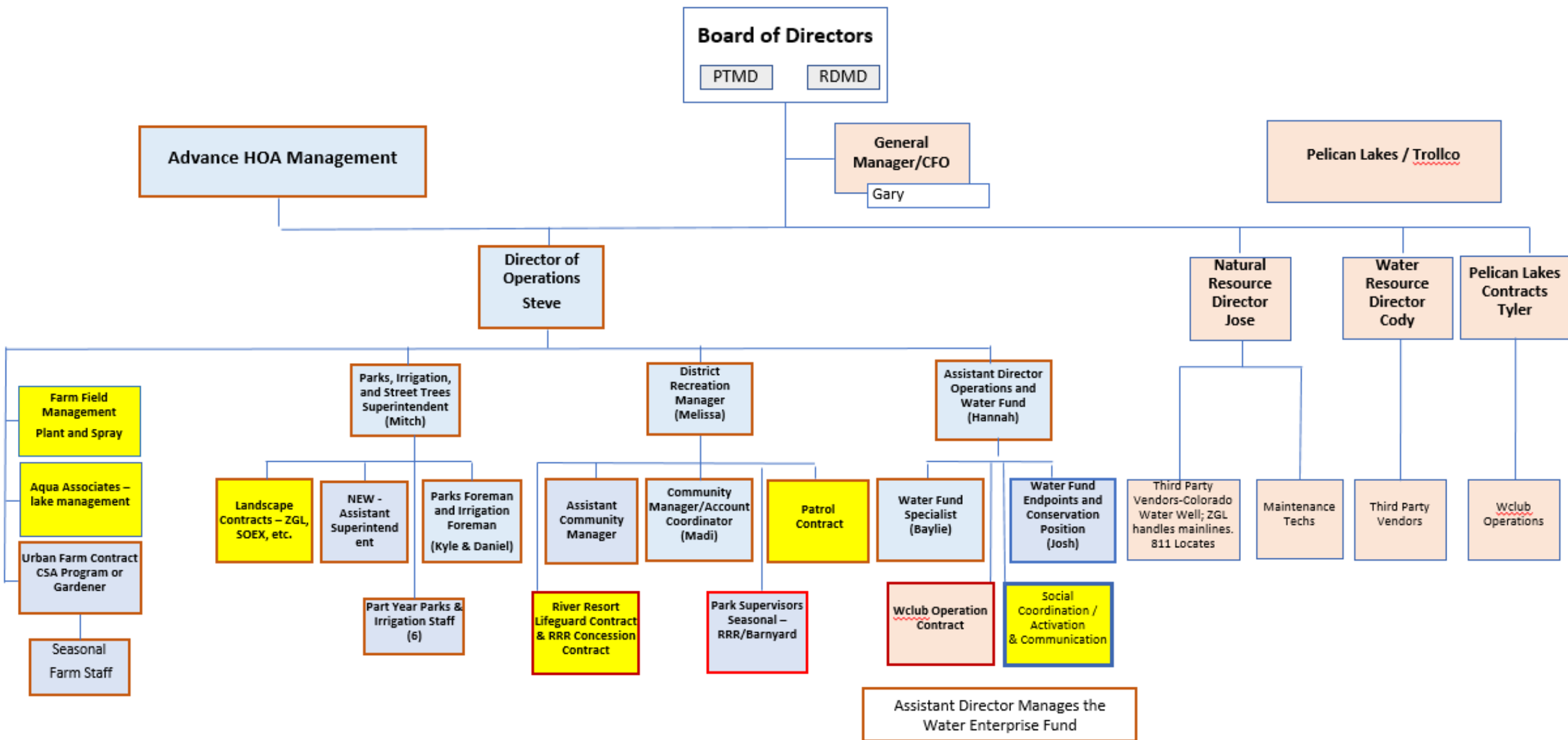
Mission of the Metro Districts

Provide, operate, and maintain enhanced parks, open spaces, recreational amenities, and water features that encourage outdoor activity and enhance the quality of life

Key Strategies

- Provide abundant outdoor recreation opportunities to the residents
- Maintain and Enhance the natural environments in the Districts
- Maintain clean, safe, and attractive communities
- Build reserves to ensure long-term repair and replacement can be completed
- Promote a sense of community within the Districts
- Partner with neighboring entities including the Town of Windsor, School District, Residents, and Private Business, but not duplicate recreational opportunities

RainDance Metro and Poudre Tech Metro Proposed Organizational Chart - 2025



WHAT DISTRICTS WILL BE PAYING FOR IN 2025...

- DEBT SERVICE
- GENERAL & ADMINISTRATIVE
- OPERATIONS & MAINTENANCE
- AMENITIES
- CAPITAL PROJECTS

Purpose of Each Fund

- **General Fund** – Revenues, interfund transfers out, and expenditures for District, operations, compliance, and recreational services.
- **Enterprise Fund** – Revenues and expenditures for the non-potable water delivery system including debt specific to the non-potable water system.
- **Debt Service Fund** – Tax Revenues pledged to service the Districts' debt.
- **Capital Projects Fund** – Interfund transfers in, and expenditures for major capital projects.

General Fund

GENERAL FUND REVENUE

EXPENDITURES WILL BE FUNDED FROM...

- PROPERTY TAXES*
- SPECIFIC OWNERSHIP TAXES*
- RECREATION FEES
- POUUDRE TECH METRO DISTRICT COST SHARING
- INTEREST INCOME
- DEVELOPER ADVANCES

GENERAL FUND EXPENDITURES SUMMARY

• GENERAL AND ADMINISTRATIVE	\$ 818,851
• OPERATIONS AND MAINTENANCE	\$ 2,227,300
• POOL AND CLUBHOUSE - MAJOR AMENITIES	\$ 642,600
• CAPITAL OUTLAY	\$ 275,000
• CAPITAL RESERVES	\$ 200,000
• TRANSFER TO CAPITAL PROJECTS	<u>\$ 2,400,000</u>
• TOTAL	\$ 6,563,751

GENERAL & ADMINISTRATIVE COSTS

ACCOUNTING & AUDIT	\$ 155,000
ADMINISTRATION (ELECTIONS, STAFF, WEBSITE, OFFICE EXPENSE, ETC)	\$ 203,641
LEGAL	\$ 110,000
INSURANCE & DUES	\$ 82,491
CONSULTING & STUDIES	\$ 10,000
RENT	\$ 40,000
OFFICE OVERHEAD / DEVELOPER REIMBURSEMENTS	\$ 120,000
COUNTY TREASURER'S FEES	\$ 47,719
CONTINGENCY	\$ 50,000
TOTAL	<u>\$ 818,851</u>

OPERATIONS & MAINTENANCE COSTS

• COMMUNITY MANAGEMENT – FRONT OFFICE	\$ 131,000
• MAINTENANCE STAFF	\$ 240,000
• LANDSCAPES (TURF, LANDSCAPE BEDS, IRRIGATION REPAIR, PROJECTS)	\$ 480,000
• OPEN SPACE MAINTENANCE & SNOW REMOVAL	\$ 50,000
• FARMS AND ORCHARDS	\$ 55,000
• DISTRICT IRRIGATION – WATER FEES	\$ 275,000
• ELECTRICITY & GAS	\$ 125,000
• REPAIRS & MAINTENANCE	\$ 130,000
• STREET TREES	\$ 20,000
• FENCE REPAIRS	\$ 45,000
• LEASES	\$ 14,300
• STORMWATER MAINTENANCE	\$ 82,000
• WCLUB COST SHARE	\$ 500,000
• PATROL SERVICES	\$ 80,000
TOTAL	<u>\$2,227,300</u>

MAJOR AMENITIES

RAINDANCE RIVER RESORT COSTS

POOL MANAGEMENT / LIFE SAFETY	\$ 295,000
POOL SUPPLIES	\$ 80,000
WATER USAGE	\$ 20,000
UTILITIES	\$ 73,100
CLEANING, REPAIR & MAINTENANCE	\$ 110,000
POOL INSURANCE	\$ 42,000
LANDSCAPE AND CONTINGENCY	\$ 22,500
TOTAL	<u>\$ 642,600</u>

WCLUB COST SHARE

GENERAL FUND CAPITAL OUTLAY

TRANSFER TO CAPITAL PROJECTS (CR13 AND CROSSROADS)	\$ 2,400,000
ORCHARD RENOVATIONS (3)	\$ 80,000
BATHROOM FIXTURES RRR	\$ 36,000
SECURITY FENCE MAINT. AREA	\$ 14,000
ORCHARD IRRIGATION	\$ 15,000
CAPITAL RESERVES	\$ 200,000
EQUIPMENT ACQUISITION	\$ 80,000
CONTINGENCY	<u>\$ 50,000</u>
TOTAL	\$ 2,875,000

CAPITAL PROJECTS FUND

- The planned major capital project for 2025 is for road and interchange improvements at County Road 13 and Crossroads as part of an IGA with the Town of Windsor.

Enterprise Fund

RDMD 1 – ENTERPRISE FUND REVENUE

RDMD 1 WATER ACTIVITY ENTERPRISE OWNS WATER RIGHTS AND INFRASTRUCTURE AND PROVIDES NON-POTABLE WATER SERVICES.

BEGINNING FUNDS AVAILABLE	\$ 4,006,132
2025 REVENUES:	
CAPITAL FACILITIES FEES FROM DISTRICT #2	\$ 125,000
SERVICE FEES – RESIDENTIAL / COMMERCIAL	\$ 1,500,000
SERVICE FEES – DISTRICT	\$ 275,000
SERVICE FEES – GOLF	\$ 315,000
SERVICE FEES – HOEDOWN HILL	\$ 70,000
INTEREST INCOME	\$ 40,061
METER AND CURB STOP SALES	\$ 155,000
DEVELOPER ADVANCE – OFFICE OVERHEAD	\$ 250,000
TOTAL 2024 REVENUES	<u>\$ 2,730,061</u>
TOTAL FUNDS AVAILABLE	\$ 6,736,193

ENTERPRISE FUND EXPENDITURES

UTILITIES	\$ 90,000
GENERAL & ADMINISTRATIVE	\$ 172,000
OPERATIONS & MAINTENANCE	\$ 119,000
MAINTENANCE & FIELD STAFF	\$ 300,000
TAP & METER INSTALLATION	\$ 130,000
OTHER OPERATING EXPENSES	\$ 135,000
FIELD STAFF	\$ 250,000
CAPITAL PROJECTS	<u>\$ 50,000</u>
TOTAL	\$ 1,246,000

ENTERPRISE FUND DEBT

RDMD 1 – 2020 NON-POTABLE WATER REVENUE BONDS (ENTERPRISE FUND)

EXPECTED OUTSTANDING BALANCE AS OF 12/31/24 - \$24,290,000

2025 PAYMENTS:

PRINCIPAL:	\$ 30,000
INTEREST:	<u>\$ 1,261,725</u>
TOTAL:	\$ 1,291,725

Enterprise Fund Debt – Continued

PTMD 2023 Loan – RDMD Pledge

- October, 2023 PTMD issued \$14,800,000 Water Revenue Refunding and Improvement Loan, Series 2023.
- Proceeds were used to refund Series 2022 Loan and Fund RainDance Reservoir #2 Capital Projects.
- RainDance Enterprise Fund maximum pledge is 27% of each quarterly payment, to be paid in monthly installments to the extent of net profit as defined in the Pledge Agreement.
- Maximum 2025 Contribution = \$302,003

ENTERPRISE FUND CAPITAL

• Pump and Motor Replacements	\$ 30,000
• Contingency	<u>\$ 20,000</u>
TOTAL	\$ 50,000

Debt Service Fund

DEBT SERVICE

DISTRICTS FINANCED THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF PUBLIC IMPROVEMENTS (STREETS, WATER, SANITATION, PARKS AND RECREATION, TRAFFIC AND SAFETY CONTROLS, ETC.) FROM PROCEEDS OF BONDS.

- DISTRICTS REFUNDED OUTSTANDING BONDS IN 2024 AND ISSUED “AA” RATED, \$41,540,000, SERIES 2024 BONDS
 - TOTAL INTEREST COST (EXCLUDING COST OF ISSUANCE) OF 4.07%
 - TOTAL INTEREST COST (INCLUDING COST OF ISSUANCE) OF 4.25%
 - PRESENT VALUE OF SAVINGS: \$5,722,000
 - BONDS SECURED BY DISTRICT 2 TAX REVENUE AND DISTRICT 3 TAX REVENUE PLEDGE
- REFUNDING
 - RELEASED TAX MILLS TO BE USED FOR OPERATIONS
 - EQUALIZED THE DEBT LEVY FOR DISTRICT No. 2 AND DISTRICT No. 3

DEBT SERVICE (CONTINUED)

RDMD 2 – SERIES 2024

\$41,540,000 SERIES 2024 OUTSTANDING BALANCE
AS OF 12/31/24 - \$41,540,000

2025 PAYMENTS:

2025 PRINCIPAL:	\$ 200,000
2025 INTEREST:	\$ 1,800,250
2024 INTEREST*:	<u>\$ 260,036</u>
TOTAL:	\$ 2,260,286

*REPAYMENT TO RDMD1 – TEMPORARY LOAN FOR 12/1/2024 INTEREST PAYMENT

SUMMARY – 2025 BUDGETED DEBT & EXPENDITURES

	RDMD 1	RDMD 2	RDMD 3
Debt Service			
Transfer to RDMD2	\$ -	\$ -	\$ 1,186,369
Transfer to RDMD1	-	260,036	
Debt Payments	-	2,000,250	-
Fees/Contingency	-	57,419	31,709
DEBT SERVICE TOTAL	\$ -	\$ 2,317,705	\$ 1,218,078
General & Administrative	\$ 818,851	\$ 8,834	\$ 9,315
Operations & Maintenance	2,187,300	-	-
Raindance River Resort	642,600	-	-
Maintenance Building	40,000		
Capital Outlay	2,875,000	-	-
Transfer to RDMD 1 (Note 1)	-	603,676	636,529
GENERAL FUND TOTAL	\$ 6,563,751	\$ 612,510	\$ 645,844
TOTAL EXPENDITURES	\$ 6,563,751	\$ 2,930,215	\$ 1,863,922

Note 1: Pursuant to an intergovernmental agreement (RDMD 1 serves as Operating District)

Property Taxes Needed to Support Debt

PROPERTY TAXES BY DISTRICT

- GENERATED FROM MILLS IMPOSED BY DISTRICTS –
 - RDMD 1 – 39.000
 - RDMD 2 – 45.599
 - RDMD 3 – 45.599
- Bond covenants for Districts 2 and 3 have a “required mill levy” or RML... a required mill levy that will generate sufficient tax revenues to pay debt service as it becomes due. RML was established at 39 mills at the time bonds were issued.
- Bond covenants also require RML to be adjusted to account for statutory changes in assessment rates (hence changes in assessed valuation) so that the tax revenues generated are neither diminished nor enhanced because of the statutory change in assessment rates.
- To provide good faith regarding levy adjustments for a given district, we calculate what property taxes would have been under the assessment rates at the base year rate and apply 39 mills to those assessed value.

PROPERTY TAXES RDMD #1

Assessed Valuation, Mill Levy, Taxes

	ACTUAL 2022	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION				
Commercial	\$ 475,850	\$ 473,480	\$ 969,420	\$ 1,403,760
Oil and Gas - Production	32,078,600	49,822,180	232,335,130	79,497,270
Oil and Gas – Pipeline	2,281,000	2,260,390	592,000	653,350
State Assessed	-	590	160	120
Vacant Land	4,460	4,460	180	180
Personal Property	13,210	29,840	16,040	11,970
Certified Assessed Value	<u>34,853,120</u>	<u>52,590,940</u>	<u>233,913,830</u>	<u>81,566,650</u>
MILL LEVY				
General	39.000	39.000	39.000	39.000
Debt Service	0.000	0.000	0.000	0.000
Total mill levy	<u>39.000</u>	<u>39.000</u>	<u>39.000</u>	<u>39.000</u>
PROPERTY TAXES				
General	\$ 1,359,272	\$ 2,051,047	\$ 9,122,639	\$ 3,181,099
Debt Service	-	-	-	-
Levied property taxes	<u>1,359,272</u>	<u>2,051,047</u>	<u>9,122,639</u>	<u>3,181,099</u>
Adjustments to actual/rounding	-	(148)	-	-
Refunds & Adjustments	-	-	-	-
Budgeted property taxes	<u>\$ 1,359,272</u>	<u>\$ 2,050,899</u>	<u>\$ 9,122,639</u>	<u>\$ 3,181,099</u>

PROPERTY TAXES RDMD #2

Assessed Valuation, Mill Levy, Taxes

	ACTUAL 2022	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION				
Single-Family Residential	\$ 2,975,520	\$ 12,629,280	\$ 18,864,230	\$ 21,142,140
Multi-Family Residential	-	2,310,760	7,447,260	10,580,350
Commercial	-	52,200	45,170	266,030
State Assessed	120	1,430	2,520	2,210
Vacant Land	3,656,310	1,261,880	4,192,910	3,446,180
Personal Property	19,640	149,300	274,790	241,030
Oil & Gas Pipeline	1,532,260	1,483,570	1,591,050	1,021,760
<u>Certified Assessed Value</u>	<u>\$ 8,183,850</u>	<u>\$ 17,888,420</u>	<u>\$ 32,417,930</u>	<u>\$ 36,699,700</u>
MILL LEVY				
General	6.327	2.922	1.628	15.954
Debt Service	34.279	40.912	47.037	29.645
<u>Total mill levy</u>	<u>40.606</u>	<u>43.834</u>	<u>48.665</u>	<u>45.599</u>
PROPERTY TAXES				
General	\$ 51,779	\$ 52,270	\$ 52,776	\$ 585,507
Debt Service	280,534	731,851	1,524,842	1,087,963
<u>Levied property taxes</u>	<u>332,313</u>	<u>784,121</u>	<u>1,577,618</u>	<u>1,673,470</u>
Refunds & Adjustments	(162)	-	-	-
<u>Budgeted property taxes</u>	<u>\$ 332,151</u>	<u>\$ 784,121</u>	<u>\$ 1,577,618</u>	<u>\$ 1,673,470</u>

PROPERTY TAXES RDMD #2

Revenue Neutral Determination of Mill Levy

	Current Year Actual Value	Base Year Assessment Rate	Current Year Assessed Value	Adjusted Assessed Value (Current Year Actual at Base Year Assessment Rate)
Residential	473,470,044	7.96%	31,722,490	37,688,216
Oil & Gas	3,662,213	29.00%	1,021,760	1,062,042
State Assessed	871,821	29.00%	243,240	252,828
Commercial	953,485	29.00%	266,030	276,511
Vacant Land	12,349,073	29.00%	3,446,180	3,581,231
Total	491,306,636		36,699,700	42,860,827
Total Levy			45.599	39.000
Taxes Levied*			1,673,480	1,671,572

*Differences will exist due to rounding, and levy adjustments related to property exemptions (not included in this calculation).

PROPERTY TAXES RDMD #3

Assessed Valuation, Mill Levy, Taxes

	ACTUAL 2022	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION				
Residential	\$ 18,622,820	\$ 24,764,800	\$ 34,882,620	\$ 36,312,430
Commercial	337,640	365,920	523,800	521,650
Agricultural	4,530	4,120	4,020	2,060
State Assessed	780	2,280	2,570	2,170
Vacant Land	5,228,920	1,035,360	2,143,820	1,849,660
Personal Property	142,530	272,100	279,750	236,680
Minerals	3,030	-	-	-
Certified Assessed Value	<u>\$ 24,340,250</u>	<u>\$ 26,444,580</u>	<u>\$ 37,836,580</u>	<u>\$ 38,924,650</u>
MILL LEVY				
General	2.116	1.967	0.000	15.954
Debt Service	40.264	42.333	48.846	29.645
Total mill levy	<u>42.380</u>	<u>44.300</u>	<u>48.846</u>	<u>45.599</u>
PROPERTY TAXES				
General	\$ 51,504	\$ 52,016	\$ -	\$ 621,004
Debt Service	980,563	1,119,478	1,848,166	1,153,921
Levied property taxes	<u>1,031,540</u>	<u>1,171,494</u>	<u>1,848,166</u>	<u>1,774,925</u>
Refunds & Adjustments	1,130	319	-	-
Budgeted property taxes	<u>\$ 1,032,640</u>	<u>\$ 1,171,813</u>	<u>\$ 1,848,166</u>	<u>\$ 1,774,925</u>

PROPERTY TAXES

RDMD #3 – Revenue Neutral Determination of Mill Levy

Property Type	Current Year Actual Value	Base Year Assessment Rate	Current Year Assessed Value	Adjusted Assessed Value (Current Year Actual at Base Year Assessment Rate)
Residential	541,975,861	7.96%	36,312,430	43,141,279
Agricultural	7,816	29.00%	2,060	2,267
Natural Resources	-		-	-
Oil & Gas	-		-	-
State Assessed	856,103	29.00%	238,850	248,270
Commercial	1,869,730	29.00%	521,650	542,222
Vacant Land	6,628,453	29.00%	1,849,660	1,922,251
Total	551,337,963		38,924,650	45,856,288
Total Levy			45.599	39.0000
Taxexs Levied*			1,774,925	1,788,395

*Differences will exist due to rounding, and levy adjustments related to property exemptions (not included in this calculation)

2025 GENERAL/DEBT FUND BUDGET SUMMARY

	RDMD 1	RDMD 2	RDMD 3
REVENUES:			
Property Taxes	\$ 3,181,099	\$ 1,673,470	\$ 1,774,925
Specific Ownership Taxes	127,244	66,939	70,997
Interest Income / Other	197,850	20	500
Recreation Fees / PTMD IGA	795,000	-	-
Maintenance Building PTMD Cost Share	20,000		
Transferred from RDMD 2,3	1,240,205	1,186,369	-
Developer Advances	60,000		
Other Revenues	20,000	-	17,500
TOTAL REVENUES	\$ 5,617,886	\$ 2,926,798	\$ 1,863,922
EXPENDITURES:			
Debt Service – RDMD3 Transfer to RDMD2	\$ -	\$ 2,260,286	\$ 1,186,369
Fees/Contingency	-	66,202	41,024
General & Administrative	818,851	-	-
Operations & Maintenance	2,227,300	-	-
Raindance River Resort	642,600	-	-
Capital Outlay	2,875,000	-	-
Transfer to RDMD (General)	N/A	600,164	636,529
TOTAL EXPENDITURES	\$ 6,563,751	\$ 2,926,652	\$ 1,863,922
SURPLUS (DEFICIT)	\$ (945,865)	\$ 146	\$ -
ENDING FUND BALANCES	\$ 12,841,121	\$ 664	\$ 5

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RAINDANCE METROPOLITAN DISTRICT
Nos. 1-3

FURTHER DISCUSSION