

FALLBROOK VILLAS METROPOLITAN DISTRICT 2025 Annual Information

Organization of the District

The Fallbrook Villas Metropolitan District is a quasi-municipal corporation and a political subdivision of the State of Colorado. The District was organized pursuant to Order of the Adams County District Court recorded on December 31, 2015. The Service Plan for the District was approved on August 11, 2015. The District is wholly contained within the City of Thornton and covers approximately 17.02 acres of land.

2025 Budget

The 2025 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2025 fiscal year based on projected revenues. The District has adopted two separate funds, a General Fund to provide for general operating and maintenance expenditures and a Debt Service Fund to provide for payments on its 2019 Series General Obligation Bonds.

The primary source of revenue for the district in 2025 will be tax revenues. Property taxes are recognized as revenues in the year for which they are levied. The District's 2024 assessed valuation from Adams County is \$4,928,430 which has been used to levy the property tax revenues for 2024 to be collected in 2025.

The District is certifying a total mill levy of 80.685 mill levy on all property within the district for 2025, of which 49.235 mills will be dedicated to the General Fund and the balance of 31.450 mills will be allocated to the Debt Service Fund.

Budgetary Basis of Accounting

The District's uses the modified accrual basis of accounting. Revenues are recorded when earned and expenses recorded when the liability is incurred, regardless of the timing of the related cash flows.

Emergency Reserve

As required by Section 20 of Article X of the Colorado Constitution ("TABOR"), the District provides for an Emergency Reserve in the amount of 3% of the its fiscal year spending less certain allowed exclusions. Funds in excess of the Emergency Reserve are intended to be set aside for required loan reserves and capital project reserves.