



## Lake of the Rockies Metropolitan District

[www.lakeoftherockies.org](http://www.lakeoftherockies.org)

111 South Tejon Street, Suite 705

Colorado Springs, CO 80903

Phone: 719-635-0330

### **RE: 2021 Monthly District Fee**

Dear Homeowner,

This letter is being provided to inform you that the monthly District fee will be \$99.00 effective January 1, 2021.

At the annual budget hearing, the District Board reviewed the 2021 budget. The District has maintained a balanced budget and low monthly fees since its organization thanks to advances in funding by the developer/homebuilder (the "Developer") through an Operations Funding Agreement. The Developer has fulfilled its obligations under the Operations Funding Agreement and commencing in 2021 no additional advances will be made by the Developer. However, in order to help the District, the Developer has graciously agreed to terminate the Operation Funding Agreement and forgive the District's obligations under the Operation Funding Agreement to reimburse the Developer in the approximate amount of \$155,980.00 as well as the interest accrual on that amount. In addition, the Developer agreed to terminate the Facilities Funding and Acquisition Agreement and release the District from its obligation to reimburse the Developer for outstanding capital costs in the approximate amount of \$1,129,527 plus interest.

For 2021, the District expenditures are greater than the revenues. In order to offset this shortfall, the Board worked diligently to reduce the budget in all possible areas. For example, the Board authorized a more cost-effective landscape contractor. Additionally, the District's consultants reduced their anticipated budgeted expenses to reduce the shortfall while still meeting the various statutory and legal requirements of the District. Despite these reductions, there was still a shortfall, and as the revenues from property taxes are not anticipated to become fully realized until the 2023 budget year due to the County assessment process, the District's only option to address the deficit in funding for 2021 was an increase in the monthly District fees to \$99.00.

District fees are reviewed annually with the adoption of the budget. The District Board and consultants will continue to closely monitor the anticipated increase in property tax revenues and address the monthly fees accordingly.

If new payment arrangements need to be made, please contact the billing department at [gwwutil@claconnect.com](mailto:gwwutil@claconnect.com) or (303) 265-7949. If you have further questions, please reference the District's website: [www.lakeoftherockies.org](http://www.lakeoftherockies.org) or reach out to District management at 719-635-0330.

Thank you in advance for your understanding.

Lake of the Rockies Metropolitan District Board of Directors