

**SIENA LAKE METROPOLITAN DISTRICT
SUMMARY DESCRIPTION AND FREQUENTLY ASKED QUESTIONS
AS OF JANUARY 2023**

WHAT IS SIENA LAKE METROPOLITAN DISTRICT?

Siena Lake Metropolitan District (the “**District**”) is a special district organized on November 20, 2001, by an Order and Decree issued by the Eagle County District Court after an election of the eligible electors of the District authorizing its organization. The area within the District encompasses the Siena Lake Subdivision (the “**Subdivision**”) and the District’s boundaries are comprised of approximately 154 acres. A map showing the boundaries of the District is attached to this notice as **Exhibit A**.

WHAT IS THE PURPOSE OF THE DISTRICT?

The District was created in response to the need for the design, financing, construction, operation and maintenance of public improvements serving the Subdivision.

The District has the power to finance and construct water, streets, traffic and safety controls, drainage and stormwater quality facilities, sanitary sewer facilities, mosquito and pest control, parks and recreation, and other related improvements for the benefit of residents and taxpayers within the District’s boundaries. Potable water, sewer, and storm drainage improvements will be conveyed to the Town after required warranty periods expire and acceptance of these improvements by the Town. The District will own, operate and maintain the streets, a non-potable water system, and landscaping and park improvements within the District’s boundaries.

GOVERNANCE AND MEETINGS

The District is governed by a five-member Board of Directors. In order to serve on the Board of Directors for the District, a person must be: (1) either an owner, or the spouse or civil union partner of an owner, (in an individual capacity) of taxable property interests within the legal boundaries of the District; a resident of the District; or have an option to purchase property within the District which obligates him/her to pay taxes; and (2) registered to vote in the State of Colorado.

Directors on the Board of Directors are assigned to staggered terms so that every two years at least two of the four-year director positions are up for re-election. Elections are held every odd-numbered year. Information regarding the self-nomination forms and submittal deadlines will be posted on the District’s website prior to each election in accordance with Colorado election laws.

The District meets as necessary to conduct business and all meetings are open to the public. Notices of regular and special meetings are posted on the District’s website. Due to unforeseen circumstances, meetings are subject to cancellation. To avoid inconvenience, any interested parties are encouraged to verify the status of an upcoming meeting with the District’s manager (contact information set forth below). Typically, Board meetings are held via Zoom teleconference.

WHAT ARE THE SOURCES OF FUNDING FOR DISTRICT EXPENSES?

The District's Board of Directors adopts a budget annually and sets its mill levy for the following year based upon the needs of the District. This meeting is conducted as a public hearing and property owners are encouraged to attend and provide comments. A copy of the District's most recent budget can be found on the District's website.

At this time, the District is funded by revenues generated from a property tax mill levy as well as developer advances. The District's property tax mill levy for debt service is limited to a maximum of 50.000 mills, subject to adjustment if the method of calculating the assessed valuation or any constitutionally mandated tax credit, cut or abatement is changed by law, and is unlimited for operations. Once the assessed valuation of the property within the District is equal to at least two times the amount of debt issued by the District, the limitation is eliminated. The property tax mill levy may be allocated between the debt service and general funds as the District's Board of Directors deems necessary for the District in any given year.

The total mill levy imposed by the District may vary from year to year based upon the actual taxable values of the properties within the District and the debt service and operational needs of the District.

The District may impose maintenance fees for the specific purposes or services, such the provision of raw, irrigation water, or funding of the maintenance of landscaping and park improvements within the District. However, at this time, the District does not impose any such fees.

HOW ARE TAXES CALCULATED?

Property taxes are determined by completing the following calculation for an individual parcel of property:

$$\text{Assessed Valuation}/1,000 \times \text{Mill Levy} = \text{Annual Tax Bill}$$

The assessed valuation of a property is determined by the County Assessor. For residential properties, the County Assessor determines the actual (not market) value of a residential property and multiplies it by 6.95% (currently, but is subject to legislative change). For example, if a property is valued by the County Assessor at \$500,000, the assessed valuation is \$34,750 ($\$500,000 \times 6.95\% = \$34,750$). Once the assessed valuation is determined, the County Treasurer applies the total mill levy of all governmental entities which tax that parcel to the assessed valuation to determine the total annual tax bill for that property. Applying the District's current total mill levy of 50.000 mills, the District's tax on the sample property valued at \$500,000 would be \$1,737.50. Property taxes vary depending on the value of a given home.

I JUST BOUGHT MY HOME...WILL MY TAXES BE THE SAME NEXT YEAR?

When establishing the Assessed Value of a given home, the County Assessor looks at the value of the home as of January 1 of the year in which the assessed value is set. To further complicate matters, taxes are imposed in one year and collected the following year. So, for example, for taxes paid in 2023, the taxes are really taxes imposed in 2022 (for collection in 2023) and the assessed value on which those

taxes is based is the value of the home and property as of January 1, 2022. This means that if one purchases a home in the Subdivision in 2023, and it was not built as of January 1, 2023, the assessed valuation for the taxes to be paid in 2024 will be significantly lower than the assessed valuation for the taxes paid in 2025.

Another important consideration is that taxing entities, such as the County, the Town, school districts, fire protection districts, and the District, review their budgets annually and the mill levy can be changed annually depending on their needs.

WHY DOES THE DISTRICT NEED PROPERTY TAXES?

The District was organized to finance, construct, operate and maintain public improvements serving the properties within its boundaries. In order to finance the capital (i.e. construction) costs, the District issues municipal bonds or other financial obligations (aka “debt”) which are required to be repaid over a period of time, typically 30 or 40 years. This debt is repaid through the property tax revenues generated by mill levies.

As a public entity, the District must remain in compliance with Colorado law for Title 32 special districts. There are administrative costs associated with maintaining the District and complying with these requirements. The District will also be responsible for the operation and maintenance of streets, a non-potable water system, and landscaping and park improvements within the District, upon acceptance of the same from the developer.

HOW MUCH DEBT DOES THE DISTRICT HAVE?

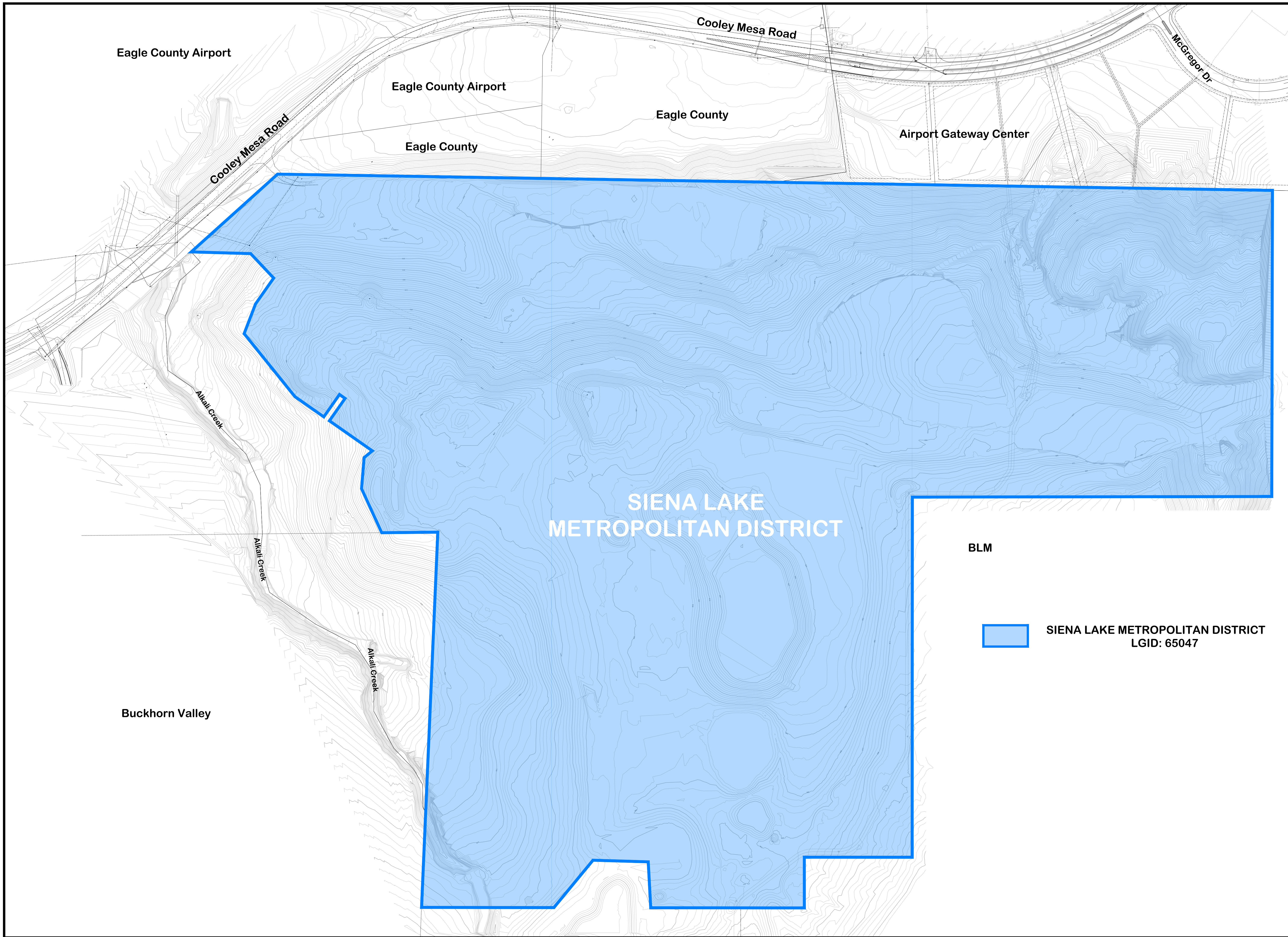
On August 18, 2021, the District issued a total of \$24,565,000 in bonds pay for costs related to public improvements within the Subdivision. The bonds are 30 year bonds and are scheduled to mature in December, 2051; however, this maturity date is subject to change if the bonds are refinanced, or if additional debt is issued, which could also extend out the maturity date.

NEED MORE INFORMATION?

More information regarding the District may be obtained from the District’s manager or on the District’s website as follows:

Marchetti & Weaver, LLC
28 Second Street, Suite 213
Edwards, CO 81632
(970) 926-6060, ext. 6
eric@mwcpaa.com
<https://colo-communities.org/siena-lake-metro>

EXHIBIT A
Current District Boundaries Map



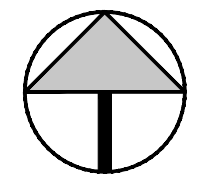
Boundaries Unlimited Inc.
Civil Engineering
Surveying
& Beyond

923 Cooper Ave., Ste. 201
Glenwood Springs, CO 81601
(T) 970.945.5252
www.bu-inc.com


Subsurface Utility Engineering (SUE)
Required Project: **NO**
If "Yes": SUE Certification by:
Firm: **N/A**
Job #: **N/A**
Date: **N/A**

Engineer or Surveyor Seal

Client Information:
SIENA LAKE, LLC
PO BOX 5485
EAGLE, CO 81631
XXXX.XXX.XXXX

 **NORTH**

0 150 300
Scale: 1" = 150'


811
Know what's below.
Call before you dig.

GYPSUM, COLORADO

Siena Lake PUD

Siena Lake Metropolitan District Boundary Map

No.	Date	Revision	By
1			
2			
3			
4			
5			
6			
7			
8			
9			

PROJECT NO.
2040
Designer:
BDL
Checker:
APL
Date:
8/21

Sheet
M.3

File Name: siena lake residential concept overlay.dwg

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