

Villages at Castle Rock Metropolitan District #4
Financial Statements

February 28, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors

Villages at Castle Rock Metropolitan District #4

Management is responsible for the accompanying financial statements of each major fund of Villages at Castle Rock Metropolitan District #4, as of and for the period ended February 28, 2022, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the two months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Villages at Castle Rock Metropolitan District #4 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

April 19, 2022
Englewood, Colorado

Villages at Castle Rock Metropolitan District #4
 Combined Balance Sheet
 February 28, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Cash in Checking	\$ 223,763	\$ -	\$ -	\$ -	\$ 223,763
Cash in COLOTRUST	2,659,217	3,004,459	-	-	5,663,676
Taxes receivable	1,881	-	-	-	1,881
Prepaid expense	-	-	-	-	-
A/R Other	-	-	-	-	-
Accounts receivable	673,222	-	2,138,939	-	2,812,161
	<u>3,558,083</u>	<u>3,004,459</u>	<u>2,138,939</u>	<u>-</u>	<u>8,701,481</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	2,138,939	2,138,939
Amount to be provided for retirement of debt	-	-	-	146,578,052	146,578,052
	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,292,919</u>	<u>153,292,919</u>
	<u>\$ 3,558,083</u>	<u>\$ 3,004,459</u>	<u>\$ 2,138,939</u>	<u>\$ 153,292,919</u>	<u>\$ 161,994,400</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 292,043	\$ -	\$ -	\$ -	\$ 292,043
	<u>292,043</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,043</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	122,805,991	122,805,991
	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,716,991</u>	<u>149,009,034</u>
Total liabilities	<u>292,043</u>	<u>-</u>	<u>-</u>	<u>148,716,991</u>	<u>149,009,034</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	3,266,040	3,004,459	2,138,939	-	8,409,438
	<u>3,266,040</u>	<u>3,004,459</u>	<u>2,138,939</u>	<u>4,575,928</u>	<u>12,985,366</u>
	<u>\$ 3,558,083</u>	<u>\$ 3,004,459</u>	<u>\$ 2,138,939</u>	<u>\$ 153,292,919</u>	<u>\$ 161,994,400</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Two Months Ended February 28, 2022
General Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 5,365	\$ 1,876	\$ 2,054	\$ (3,311)
Specific Ownership taxes	377	34	73	(304)
Reimbursements	13,500	-	-	(13,500)
Interest/Miscellaneous	500	2	4	(496)
Transfer-Founders Village	2,120,087	922,501	954,713	(1,165,374)
	<u>2,139,829</u>	<u>924,413</u>	<u>956,844</u>	<u>(1,182,985)</u>
Expenditures				
Legal	80,000	9,090	11,243	68,757
Special council	21,000	5,919	5,919	15,081
Accounting	24,000	2,600	6,477	17,523
Audit	10,000	-	-	10,000
Insurance	24,000	2,670	3,115	20,885
Administrative	92,000	17,421	34,851	57,149
District management - Founders & #4	55,000	36,322	39,131	15,869
Facilities management	101,400	-	-	101,400
Director's fees & mileage	7,000	-	-	7,000
Payroll tax expense	536	-	-	536
Development assistance & referrals	9,500	1,075	2,037	7,463
Community outreach and website	5,000	-	-	5,000
SDA dues & conference	5,000	474	474	4,526
Miscellaneous/reprographic	500	53	98	402
Election expense	30,000	507	580	29,420
Utilities-Electrical	7,800	4,849	5,414	2,386
Utilities-Irrigation Water	225,000	5,248	10,207	214,793
Operations & maintenance programs	1,400,000	54,911	150,822	1,249,178
GF Rehab and improvements	2,185,000	-	-	2,185,000
Project/Engineering GF projects	45,100	1,409	3,043	42,057
District #9 - Legal/Engineering	85,000	1,760	3,185	81,815
Snowplow damage-repairs	6,000	-	-	6,000
Weather damage-repairs	6,500	-	-	6,500
Treasurer's fees	86	28	31	55
Contingency (2 month carryover)	246,115	-	-	246,115
Emergency reserve	132,763	-	-	132,763
	<u>4,804,300</u>	<u>144,336</u>	<u>276,627</u>	<u>4,527,673</u>
Excess (deficiency) of revenues over expenditures	(2,664,471)	780,077	680,217	(5,710,658)
Beginning Fund Balance	<u>2,664,471</u>		<u>2,585,823</u>	<u>(78,648)</u>
Ending Fund Balance	<u>\$ -</u>		<u>\$ 3,266,040</u>	<u>\$ (5,789,306)</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Two Months Ended February 28, 2022
Capital Fund

See Accountant's Compilation Report

	<u>Annual</u> <u>Budget</u>	<u>Current</u> <u>Month</u>	<u>Year to</u> <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Interest income	\$ 5,000	\$ 420	\$ 770	\$ (4,230)
Tap Agreement with District #7	5,587	-	-	(5,587)
Development fees (Memmen)	130,000	-	-	(130,000)
Transfer from Founders (Dev fees)	30,000	-	-	(30,000)
Development fee rebates from Town	325,000	-	-	(325,000)
	<u>495,587</u>	<u>420</u>	<u>770</u>	<u>(494,817)</u>
Expenditures				
Capital construction	200,000	-	-	200,000
Project management	12,500	-	-	12,500
Planning/engineering-Founders	24,500	14,977	16,351	8,149
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursements (Memmen)	83,300	-	-	83,300
	<u>330,300</u>	<u>14,977</u>	<u>16,351</u>	<u>313,949</u>
Excess (deficiency) of revenues over expenditures	165,287	(14,557)	(15,581)	(808,766)
Beginning Fund Balance	<u>3,190,430</u>		<u>3,020,040</u>	<u>(170,390)</u>
Ending Fund Balance	<u>\$ 3,355,717</u>		<u>\$ 3,004,459</u>	<u>\$ (979,156)</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Two Months Ended February 28, 2022
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Current Month</u>	<u>Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Transfer-Founders Village	\$ 3,900,000	\$ 1,696,983	\$ 1,756,238	\$ (2,143,762)
	<u>3,900,000</u>	<u>1,696,983</u>	<u>1,756,238</u>	<u>(2,143,762)</u>
Total revenues				
Expenditures				
Payment to trustee	3,950,000	-	-	3,950,000
	<u>3,950,000</u>	<u>-</u>	<u>-</u>	<u>3,950,000</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	(50,000)	1,696,983	1,756,238	(6,093,762)
Beginning Fund Balance	<u>57,475</u>		<u>382,701</u>	<u>325,226</u>
Ending Fund Balance	<u>\$ 7,475</u>		<u>\$ 2,138,939</u>	<u>\$ (5,768,536)</u>

Founders Village Metropolitan District
Financial Statements

February 28, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Founders Village Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Founders Village Metropolitan District, as of and for the period ended February 28, 2022, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the two months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Founders Village Metropolitan District because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

April 19, 2022
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
Balance Sheet
February 28, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,678	\$ 192,678
Cash in Checking - CTF Funds	379,303	379,303
County taxes receivable	2,619,483	2,619,483
	\$ 3,191,464	\$ 3,191,464
	\$ 3,191,464	\$ 3,191,464
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 2,812,161	\$ 2,812,161
	2,812,161	2,812,161
	2,812,161	2,812,161
Fund Equity		
Fund balance	379,303	379,303
	379,303	379,303
	\$ 3,191,464	\$ 3,191,464

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund

For the Two Months Ended February 28, 2022

See Accountants' Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 5,732,675	\$ 2,673,152	\$ (3,059,523)
Ownership taxes	517,637	77,893	(439,744)
System Development fees	3,000	-	(3,000)
System Development fees (Memmen)	130,000	-	(130,000)
Interest/other income	5,800	3	(5,797)
Conservation Trust	50,000	-	(50,000)
	<u>6,439,112</u>	<u>2,751,048</u>	<u>(3,688,064)</u>
 Total revenues			
Expenditures:			
Transfer to District #4	6,020,087	2,710,951	3,309,136
Transfer to District #4 Capital	160,000	-	160,000
Treasurer's fees	86,025	40,097	45,928
Miscellaneous	-	-	-
CTF program Expenditures	150,000	-	150,000
	<u>6,416,112</u>	<u>2,751,048</u>	<u>3,665,064</u>
 Total expenditures			
Excess (deficiency) of revenues over expenditures	23,000	-	(23,000)
Beginning fund balance	<u>350,000</u>	<u>379,303</u>	<u>29,303</u>
Ending fund balance	\$ <u><u>373,000</u></u>	\$ <u><u>379,303</u></u>	\$ <u><u>6,303</u></u>