

Founders Village Metropolitan District
Financial Statements

August 31, 2018

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 August 31, 2018 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 eight 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, PC.

September 14, 2018
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
 Balance Sheet
 August 31, 2018

See Accountant's Compilation Report

	General Fund	Total Funds
Assets		
Current assets		
Cash in MMKT	\$ 189,708	\$ 189,708
Cash in Checking - CTF Funds	219,767	219,767
County taxes receivable	66,643	66,643
Total Assets	\$ 476,118	\$ 476,118
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 256,351	\$ 256,351
Total liabilities	256,351	256,351
Fund Equity		
Investment in improvements	-	-
Fund balance	219,767	219,767
	219,767	219,767
	\$ 476,118	\$ 476,118

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Statement of Revenues, Expenditures and Changes in

Fund Balance - Budget and Actual

General Fund

For the Eight Months Ended August 31, 2018

See Accountants' Compilation Report

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 4,404,952	\$ 4,368,075	\$ (36,877)
Ownership taxes	352,396	303,513	(48,883)
System Development fees	210,000	345,100	135,100
Town SDF rebates	-	50,949	50,949
Interest/other income	2,000	2,729	729
Conservation Trust	40,000	19,662	(20,338)
Total revenues	5,009,348	5,090,028	80,680
Expenditures:			
Transfer to District #4	4,903,262	5,004,818	(101,556)
Treasurer's fees	66,086	65,548	538
CTF expense	-	-	-
Total expenditures	4,969,348	5,070,366	(101,018)
Excess (deficiency) of revenues over expenditures	40,000	19,662	(20,338)
Beginning fund balance	198,903	200,105	1,202
Ending fund balance	<u>\$ 238,903</u>	<u>\$ 219,767</u>	<u>\$ (19,136)</u>

Villages at Castle Rock Metropolitan District #4
Financial Statements

August 31, 2018

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 August 31, 2018, 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 eight 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.

September 14, 2018
Englewood, Colorado

Villages at Castle Rock Metropolitan District #4
 Combined Balance Sheet
 August 31, 2018

See Accountant's Compilation Report

	General Fund	Capital Fund	Debt Service Fund	Account Groups	Total All Funds
Assets					
Current assets	\$ 411,775	\$ -	\$ -	\$ -	\$ 411,775
Cash in Checking	1,314,899	634,686	1,050,359	-	2,999,944
Cash in COLOTRUST	54	-	-	-	54
Taxes receivable	-	-	256,351	-	256,351
Accounts receivable	-	-	-	-	-
Other assets	<u>1,726,728</u>	<u>634,686</u>	<u>1,306,710</u>	<u>-</u>	<u>3,668,124</u>
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	1,306,710	1,306,710
Amount to be provided for retirement of debt	-	-	-	118,900,319	118,900,319
	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,782,957</u>	<u>124,782,957</u>
	<u>1,726,728</u>	<u>634,686</u>	<u>1,306,710</u>	<u>124,782,957</u>	<u>128,451,081</u>
Liabilities and Equity					
Current liabilities	\$ 141,587	\$ -	\$ -	\$ -	\$ 141,587
Accounts payable	428	-	-	-	428
941 Payroll Liability	9,866	4,796	-	-	14,662
Retainage payable	<u>151,881</u>	<u>4,796</u>	<u>-</u>	<u>-</u>	<u>156,677</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	94,296,029	94,296,029
Total liabilities	<u>151,881</u>	<u>4,796</u>	<u>-</u>	<u>120,207,029</u>	<u>120,363,706</u>
Fund Equity	-	-	-	4,575,928	4,575,928
Investment in Improvements	<u>1,574,847</u>	<u>629,890</u>	<u>1,306,710</u>	<u>-</u>	<u>3,511,447</u>
Fund balance	<u>1,574,847</u>	<u>629,890</u>	<u>1,306,710</u>	<u>4,575,928</u>	<u>8,087,375</u>
	<u>\$ 1,726,728</u>	<u>\$ 634,686</u>	<u>\$ 1,306,710</u>	<u>\$ 124,782,957</u>	<u>\$ 128,451,081</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2018
General Fund

See Accountant's Compilation Report

	Annual Budget	Current Month	Year to Date	Variance Favorable (Unfavorable)
Beginning Fund Balance	\$ 714,828	-	\$ 898,193	\$ 183,365
Revenues				
Property taxes	5,868	-	5,868	-
Specific Ownership taxes	587	53	404	(183)
Reimbursements	9,500	-	2,775	(6,725)
Miscellaneous	500	21	525	25
Transfer-Founders Village	1,893,262	26,721	1,843,508	(49,754)
Total revenues	<u>1,909,717</u>	<u>26,795</u>	<u>1,853,080</u>	<u>(56,637)</u>
Total available	<u>2,624,545</u>	<u>26,795</u>	<u>2,751,273</u>	<u>126,728</u>
Expenditures				
Legal	60,000	1,138	60,940	(940)
Special council	-	-	14,365	(14,365)
Accounting	18,835	-	16,805	2,030
Audit	9,500	-	8,800	700
Insurance	13,500	-	10,061	3,439
Administrative	34,000	2,731	22,233	11,767
District management - Founders & #4	40,000	1,652	25,445	14,555
Director's fees & mileage	7,000	-	5,356	1,644
Payroll tax expense	600	-	337	263
Development assistance & referrals	10,500	565	8,241	2,259
Community outreach	-	-	8,055	(8,055)
SDA dues & conference	6,500	(388)	4,221	2,279
Miscellaneous/reprographic	2,000	-	825	1,175
Election expense	45,000	-	819	44,181
Utilities-Electrical	8,500	518	4,188	4,312
Utilities-Irrigation Water	175,000	27,937	141,897	33,103
Operations & maintenance programs	1,650,000	106,394	843,750	806,250
Snowplow damage-repairs	5,000	-	-	5,000
Weather damage-repairs	6,000	-	-	6,000
Treasurer's fees	97	-	88	9
Contingency (2 month carryover)	469,752	-	-	469,752
Emergency reserve	<u>62,761</u>	<u>-</u>	<u>-</u>	<u>62,761</u>
Total expenditures	<u>2,624,545</u>	<u>140,547</u>	<u>1,176,426</u>	<u>1,448,119</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,574,847</u>	<u>\$ 1,574,847</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2018
Capital Fund

See Accountant's Compilation Report

	Annual Budget	Current Month	Year to Date	Variance Favorable (Unfavorable)
Beginning Fund Balance	\$ 113,399	\$ -	\$ 124,840	\$ 11,441
Revenues				
Interest income	15,000	6,014	29,508	14,508
Tap Agreement with District #7	67,044	-	13,794	(53,250)
Transfer from Founders (Dev fees)	210,000	35,785	396,134	186,134
Development fee rebates from Town	165,000	-	104,623	(60,377)
Total revenues	<u>457,044</u>	<u>41,799</u>	<u>544,059</u>	<u>87,015</u>
Total available	<u>570,443</u>	<u>41,799</u>	<u>668,899</u>	<u>98,456</u>
Expenditures				
Capital construction	105,000	-	3,756	101,244
Project management	21,500	805	11,718	9,782
Planning/engineering-Founders	25,000	775	12,740	12,260
Planning/engineering-District #9	15,000	731	10,795	4,205
Miscellaneous projects	10,000	-	-	10,000
Legal/intergovernmental-District #9	5,000	-	-	5,000
Total expenditures	<u>181,500</u>	<u>2,311</u>	<u>39,009</u>	<u>142,491</u>
Ending Fund Balance	<u>\$ 388,943</u>	<u>\$ -</u>	<u>\$ 629,890</u>	<u>\$ 240,947</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2018
Debt Service Fund

See Accountant's Compilation Report

	Annual Budget	Current Month	Year to Date	Variance Favorable (Unfavorable)
Beginning Fund Balance	\$ 18,066	\$ -	\$ 41,448	\$ 23,382
Revenues				
Transfer-Founders Village	2,800,000	40,083	2,765,262	(34,738)
Total revenues	<u>2,800,000</u>	<u>40,083</u>	<u>2,765,262</u>	<u>(34,738)</u>
Total available	<u>2,818,066</u>	<u>40,083</u>	<u>2,806,710</u>	<u>(11,356)</u>
Expenditures				
Payment to trustee	2,800,000	-	1,500,000	1,300,000
Total expenditures	<u>2,800,000</u>	<u>-</u>	<u>1,500,000</u>	<u>1,300,000</u>
Ending Fund Balance	<u>\$ 18,066</u>		<u>\$ 1,306,710</u>	<u>\$ 1,288,644</u>