

Villages at Castle Rock
Metropolitan District No. 4

2018 Operations & Maintenance (D1-999)

CLUBHOUSE/POOL BUDGET & DRAW REPORT - (JULY)

CONTRACTOR/UTILITY	2018 BUDGET	PRIOR EXPENDED	CURRENT DRAW	EXPENDED TO DATE	PERCENT EXPENDED
PCMS (Facilities Management)	\$ 16,000.00	\$ 8,434.33	\$ 1,436.09	\$ 9,870.42	61.69%
Staffing & Operations Managers (FRR Base Fee)	\$ 105,000.00	\$ 50,893.75	\$ 17,050.00	\$ 67,943.75	64.71%
Operations Tech (FRR Additional Services / Pool Chemicals / Supplies)	\$ 23,000.00	\$ 12,705.24	\$ 8,777.69	\$ 21,482.93	93.40%
Pool Doctor, Inc. (Opening / Closing Services)	\$ 5,000.00	\$ -	\$ -	\$ -	0.00%
Pool Doctor, Inc. (Pool Chemicals)	\$ 1,750.00	\$ 417.05	\$ 476.18	\$ 893.23	51.04%
Westech Mechanical (HVAC)	\$ 2,500.00	\$ -	\$ -	\$ -	0.00%
TYCO (Security / Access / Video)	\$ 2,500.00	\$ 1,751.94	\$ -	\$ 1,751.94	70.08%
Sentry Fire & Safety, Inc.	\$ 1,000.00	\$ 421.00	\$ -	\$ 421.00	42.10%
ORKIN (Pest Control)	\$ 1,850.00	\$ 819.66	\$ -	\$ 819.66	44.31%
Full Spectrum Lighting	\$ 2,450.00	\$ 1,478.36	\$ -	\$ 1,478.36	60.34%
BrightView Landscape (Snow Services & Misc. Landscaping)	\$ 6,500.00	\$ 1,130.00	\$ -	\$ 1,130.00	17.38%
Computer Services / IT / Access Control	\$ 1,500.00	\$ -	\$ -	\$ -	0.00%
Pro Plumbing	\$ 1,600.00	\$ -	\$ -	\$ -	0.00%
Tender Loving Care (Carpet Cleaning)	\$ 2,400.00	\$ -	\$ -	\$ -	0.00%
General Air Service & Supply	\$ 1,745.00	\$ 1,009.64	\$ 1,199.28	\$ 2,208.92	126.59%
Tech Electronics	\$ 600.00	\$ -	\$ -	\$ -	0.00%
A Clean Living (Janitorial)	\$ 12,500.00	\$ 1,970.00	\$ -	\$ 1,970.00	15.76%
Acoma Lock & Security	\$ 500.00	\$ -	\$ -	\$ -	0.00%
Doors Fixed Right	\$ 500.00	\$ -	\$ -	\$ -	0.00%
Midgard Plumbing and Heating	\$ 425.00	\$ -	\$ -	\$ -	0.00%
Continental Partition Systems, Inc. (CPS)	\$ 4,000.00	\$ -	\$ -	\$ -	0.00%
Founders Master Association (Annual Lease Fee)	\$ 13,000.00	\$ -	\$ -	\$ -	0.00%
Founders Master Association (Additional Rent / Insurance)	\$ 12,000.00	\$ 12,141.00	\$ -	\$ 12,141.00	101.18%
Mechanical / Electrical Contingency	\$ 9,350.00	\$ -	\$ -	\$ -	0.00%
Town of Castle Rock	\$ 9,000.00	\$ 3,166.00	\$ 1,491.90	\$ 4,657.90	51.75%
Black Hills Energy	\$ 16,000.00	\$ 5,338.39	\$ 2,118.77	\$ 7,457.16	46.61%
IREA	\$ 11,000.00	\$ 4,221.10	\$ 1,421.44	\$ 5,642.54	51.30%
COMCAST	\$ 5,900.00	\$ 2,937.73	\$ 495.67	\$ 3,433.40	58.19%
Pandora Services (Auto-Pay)	\$ 400.00	\$ -	\$ -	\$ -	0.00%
Stone Wainscot / Caps / Columns	\$ 48,570.00	\$ -	\$ -	\$ -	0.00%
Replace Front Benches (2)	\$ 1,000.00	\$ -	\$ -	\$ -	0.00%
Building Exterior Preparation & Painting	\$ 7,500.00	\$ -	\$ -	\$ -	0.00%
New Storage Shed (12' X 20' on Pool Deck)	\$ 9,500.00	\$ -	\$ -	\$ -	0.00%
Exterior Clubhouse Signage & Uplighting	\$ 5,500.00	\$ -	\$ -	\$ -	0.00%
Sump Drains - Outfall Piping (to San. Sewer)	\$ 10,460.00	\$ -	\$ -	\$ -	0.00%
Pool Fence Screening (50% w/ Association)	\$ 8,000.00	\$ -	\$ -	\$ -	0.00%
Secondary Disinfection Upgrade (Clear Comfort)	\$ 5,000.00	\$ -	\$ -	\$ -	0.00%
New Recirculating Pump / VFD / Backup Pump	\$ 12,000.00	\$ -	\$ -	\$ -	0.00%
Move Shed / New Chlorine Storage / Piping to Mechanical	\$ 12,500.00	\$ -	\$ 11,528.11	\$ 11,528.11	96.07%
CLUBHOUSE/POOL BUDGET & DRAW - (JULY):	\$ 390,000.00	\$ 121,835.19	\$ 45,995.13	\$ 167,830.32	43.03%

DRAW NOTES:

Prepared by: Brynn Buss

Draw approved: O. Karl Kasch

UPDATED: 8/9/2018

Account	PO/Cont	Check #	Invoice	Date	Description	Amount
06-903-09800	0	8475	21 meters	07/31/2018	21 meters streetscape electrical	519.80
	**** TOTAL ****		Intermountain Rural Electric			519.80
06-901-07100	2300	8476	4096	07/31/2018	July management o/m	3,050.49
04-072-07150	2301	8476	4097	07/31/2017	July cpf plan/engineering	1,525.20
04-082-07151	3290	8476	4098	07/31/2018	July cpf plan/engineer #9	1,329.71
06-901-07090	2385	8476	4099	07/31/2018	July development assistance	995.13
04-199-07125	3393	8476	4100	07/31/2018	July cpf project mgmt	1,644.20
	**** TOTAL ****		CIMARRON CONSULTANTS, INC.			8,544.73
06-999-09802	3388	8477	13208	01/2018	July pool/clubhouse ops	45,995.13
	**** TOTAL ****		PCMS			45,995.13
06-905-09200	2993	8478	728756	07/26/2018	July general counsel	2,925.00
	**** TOTAL ****		Robinson Waters & O'Doriso PC			2,925.00
06-999-09803	3430	8479	314-1608	08/2018	Mikelson Phase 5 permitting	1,852.60
06-999-09803	3177	8479	274-3208	08/2018	Landscape consulting parsons tract	1,446.33
06-999-09803	2995	8479	239-13108	08/2018	Irrigation consulting june recordin	1,050.00
	**** TOTAL ****		Eccles Design, Inc.			4,348.93
06-915-09300	3136	8480	1331007	25/2018	July admin/secretary	2,780.71
06-903-09325	3483	8480	1331107	25/2018	July outreach/website/subcommittee	1,184.50
	**** TOTAL ****		Pinnacle Consulting Group Inc.			3,965.21
06-999-09803	3199	8481	S3089074	07/03/2018	Irrigation repair parts	202.84
06-999-09803	3199	8481	S3130521	08/02/2018	Irrigation repair parts	589.68
06-999-09803	3199	8481	S3111472	07/19/2018	Irrigation repair parts	183.87
06-999-09803	3199	8481	S3111906	07/24/2018	Irrigation repair parts	944.41
	**** TOTAL ****		DBC Irrigation Supply			1,920.80
06-999-09803	3465	8482	5828816	07/01/2018	July base contract	29,955.06
06-903-09803	3382	8482	5892618	07/30/2018	July pest control	950.00
06-903-09803	3382	8482	5857410	07/10/2018	July pest control	1,080.00
06-999-09803	3047	8482	3408148	07/31/2018	Irrigation controller wiring	300.00
06-999-09803	3489	8482	5896691	07/31/2018	Structural tree prunint	20,337.66
06-999-09803	3487	8482	5896692	07/31/2018	Intermediate tree pruning	12,623.00
06-999-09803	3492	8482	5884781	07/26/2018	Parsons tract demo/rehab	5,902.59
06-999-09803	3490	8482	5896693	07/31/2018	Partial cedar mulch select beds	5,000.00
06-999-09803	3448	8482	5892639	07/30/2018	July conex rental	816.00
	**** TOTAL ****		BrightView Landscape Services			76,964.31
06-999-09803	3436	8483	407	19/2018	PD site plan amendment	2,739.66
	**** TOTAL ****		Jeff Swanson Architect P.C.			2,739.66
04-120-05900	3410	8484	PA#708	09/2018	PA#7 WMC Filing 9 trail	1,580.00
	**** TOTAL ****		HUDICK EXCAVATING INC			1,580.00
06-999-09803	3468	8485	181408	09/2018	4 stone columns mikelson 5	16,000.00
06-999-02350	3468	8485	181408	09/2018	4 stone columns mikelson 5	(1,600.00)
	**** TOTAL ****		Pineco, LLC			14,400.00
06-903-09801	0	8486	July meter	07/31/2018	July irrigation meters	34,051.67
	**** TOTAL ****		TOWN OF CASTLE ROCK			34,051.67
06-999-09803	3488	8487	PA#107	31/2018	PA#1 Mikelson Blvd PH5	66,076.00
06-999-02350	3488	8487	PA#107	31/2018	PA#1 Mikelson Blvd PH5	(6,807.60)

Account	PO/Cont	Check #	Invoice	Date	Description	Amount
		**** TOTAL ****			BrightView Landscape Services	59,468.40
06-903-09050	0	8488		2912907/31/2018	2017 Audit Founders/VCR4	8,800.00
		**** TOTAL ****			STRATAGEM P.C.	8,800.00
06-903-09450	0	8489		2306307/31/2018	Check order	88.95
06-903-09000	0	8489		2306307/31/2018	July services	1,645.00
		**** TOTAL ****			SIMMONS & WHEELER, P.C.	1,733.95
		*** GRAND TOTAL ***				267,957.59

Villages at Castle Rock Metropolitan District #4
 First Bank Debit Card Activity

<u>Date</u>	<u>Description</u>	<u>REFUND</u>	<u>PAID</u>
07/02/18	Keystone		163.35
07/11/18	HOA Online Resources		600.00
07/13/18	Hyatt Place Keystone		637.84
07/18/18	SDA of Colorado		1,333.00
Total		-	2,734.19

Karl Kasch

From: Reservations <resconfirm@vailresorts.com>
Sent: Thursday, June 28, 2018 6:04 PM
To: Traci Miller
Subject: Travel Confirmation for Jeremy Groves 6QRT5 K



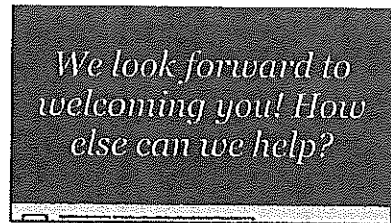
[View summary for Confirmation # 6QRT5](#) [View with images](#) | [Print Confirmation](#)

Dear Jeremy Groves,
Thank you for your reservation at Keystone Resort. Please review the summary and details below and save this receipt for future reference. Additional information about your arrival will be sent in another correspondence a week prior to your arrival date, so keep an eye on your inbox!

Reservation Summary

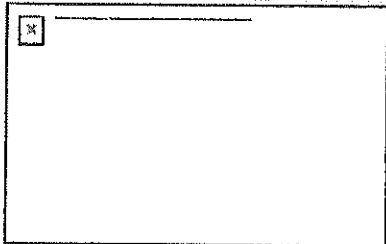
for confirmation # 6QRT5 sent on June 28, 2018

Jeremy Groves
1319 N TABOR DR
CASTLE ROCK, CO 80104
(970) 669-3611
tracim@pinnacleconsultinggroupinc.com
Group Code: CK2SD8
Group Name: SPECIAL DISTRICT ASSOCIAT



UPDATE PREFERENCES »

Make the most of your trip! Be in the know about big snow, upcoming events, resort news and more - check out your current email preferences [here](#).



 **Property:** Lakeside Village
Condos,
[Check-in Directions](#)
(see below for details)

Reserved Under: Jeremy Groves
Room Number:
Unit Size: Conference Village
Studio/1 Bath
Number of Nights: 3
Arrival: September 11, 2018
Departure: September 14, 2018
Number of Adults: 2
Number of Children: 0
[Cancellation Policy \(see below for details\)](#)

Airport Shuttles

Colorado Mountain Express, with 35 years of mountain driving experience, has airport shuttles and private cars to your favorite Colorado Mountain Resort.
[Reserve Now »](#)



 **Item:** Play For Free:
Day of Arrival Golf
Quantity: 2

Start Date: September 11, 2018
Item: Play For Free:
 Free Yoga Class
Quantity: 2
Start Date: September 11, 2018
Item: Play for Free: 1 Hour
 Tennis Court Rental
Quantity: 2
Start Date: September 11, 2018

Activity Details (see below for details)

ITEMS PURCHASED:	\$435.00
5.9% SURCHARGE:	\$26.58
RESORT FEE:	\$15.00
SUBTOTAL:	\$476.58
APPLICABLE TAXES:	\$30.36
TOTAL:	\$506.94
DEPOSIT RECEIVED:	\$163.35
BALANCE DUE :	\$343.59
DEPOSIT 1 DUE :	\$.00

All lodging properties package resort amenities in a convenient Resort Fee. This taxable daily Resort Fee includes items such as parking, internet access, and other services and amenities to enhance your visit. Conference guests will be subject to Resort Fees as negotiated in the group contract. For more resort fee information visit www.snow.com/info/resortfees.aspx.

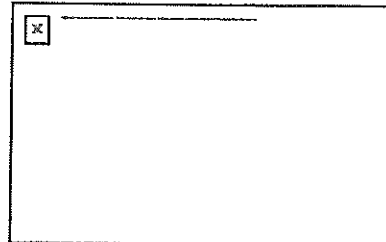
Your package includes a 5.9% surcharge, airport facility fee, if applicable, and applicable taxes thereon. Surcharge and taxes are subject to change without notice.

* Credit card on file will be auto-charged balances per stated policy.

Questions? *Need to update or change your*

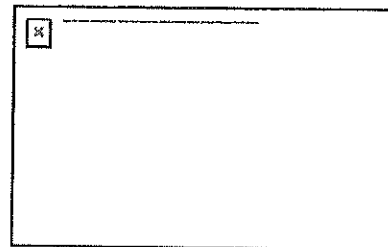
Official Rental Car Company

Easily book a rental car as part of your mountain vacation. [Learn More »](#)



Summer Activities

There is serious fun to be had on-mountain, off-mountain and everywhere in between! With so much to do, there's no better place for you and your family or friends to have the summer time of your lives. [Learn More »](#)



Plan Your Fun

Treat your friends and your taste buds. Keystone's dining choices range from casual mountain dining to five-star fare. [Learn More »](#)

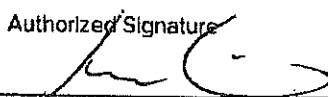


Upcoming Events

HOA Online Resource

6070 46th Lane
Vero Beach, FL 32967
(888) 462-1090

Association Website Design and Hosting Agreement

Customer/Management Company Pinnacle Consulting Group Inc			Date 6/21/2018
Billing Address 6551 S. Revere Pkwy, Suite 265			Property Name The Villages at Castlerock Metropolitan District No 4
City Centennial	State CO	Zip 80111	Website foundersvillagemetro.org
Phone (970) 231-9758	Fax (970) 669-3612		Contact Name Chelsey Green/Jerry Biesboer
Email Address vcrmetro4@cmarronla.com			Authorized Signature 

FEE SCHEDULE

Website Design Fee (One Time)	\$300.00
Includes setup on HOA Online Resource servers and original design	
Website Hosting, Maintenance and Support (Annual Fee)	\$300/year
Includes renewal of domain name, hosting of website on HOA Online Resource servers and unlimited support and training	

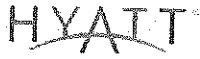
CUSTOMER CHECKLIST

To expedite delivery of your website, please utilize the checklist below to help us with your design. Once a contract is received we will need the below items to begin designing your website. Once an agreement has been made on the design, it usually takes 24-48 hours to put the website on the server. Once payment is received we will point the domain name to the server.

Photography

Color Schemes

Logos/Artwork



SDA Conference
(Direct Debit Card.)

Thank you for choosing to stay with Hyatt Hotels & Resorts

Confirmation: # 7680597

Hyatt Place Keystone

23044 US Hwy 6 PO Box 38 (K-66) Keystone, Colorado, 80435 USA

Tel: +1 970 455 8631

Reservation Summary

Check-In	Tue, Sep 11, 2018 4:00 P.M.
Checkout	Sat, Sep 15, 2018 11:00 A.M.
Room	1 Two Queen Beds
Guest	1 Adult
Guest Details	Jerry Biesboer tracim@pinnacleconsultinggroupinc.com 550 West Eisenhower Blvd Loveland, CO 80537 US Colorado9706693611
Payment Details	Visa xxxx7146 6/2019

Rate	Advance Purchase
Summary of Charges	
Tue, Sep 11	\$141.55 USD
Wed, Sep 12	\$141.55 USD
Thu, Sep 13	\$141.55 USD
Fri, Sep 14	\$141.55 USD
Subtotal	\$566.20 USD
Keystone Surchar	\$33.41 USD
Resort Fees	\$112.68 USD
Sales Tax	\$36.10 USD
Surcharge Tax	\$2.13 USD
Total Taxes & Fees	\$184.32 USD
Total Per Room*	\$750.52 USD

*Changes in taxes or fees will affect the total price.

Special Requests



Thank you for choosing to stay with Hyatt Hotels & Resorts

Confirmation: # 8172446

Hyatt Place Keystone

23044 US Hwy 6 PO Box 38 (K-66) Keystone, Colorado, 80435 USA

Tel: +1 970 455 8631

Reservation Summary

Check-in	Tue, Sep 11, 2018 4:00 P.M.
Checkout	Sat, Sep 15, 2018 11:00 A.M.
Room	1 King Bed (plus sofa bed)
Guest	1 Adult
Guest Details	Tom Valdez traclm@pinnacleconsultinggroupinc.com 550 West Eisenhower Loveland, CO 80537 US CO9706693611
Payment Details	Visa xxxx7146 6/2019

Rate

Advance Purchase

Summary of Charges

Tue, Sep 11	\$141.55 USD
Wed, Sep 12	\$141.55 USD
Thu, Sep 13	\$141.55 USD
Fri, Sep 14	\$141.55 USD
Subtotal	\$566.20 USD
Keystone Surchar	\$33.41 USD
Resort Fees	\$112.68 USD
Sales Tax	\$36.10 USD
Surcharge Tax	\$2.13 USD
Total Taxes & Fees	\$184.32 USD
Total Per Room*	\$750.52 USD

*Changes in taxes or fees will affect the total price.

Special Requests

Home » CivicCRM

Thanks for Spreading the Word

[Print Receipt](#)

Thank you for registering, please use the following information to make your hotel reservations

Keystone Resort and Conference Center - Discount Code CK2SD8

Hotel reservations: (800) 258-0437
21966 Highway 6, Keystone CO 80435

[Click here for Keystone Online Reservations](#)

Other Resources

[How to Document Sales to Retailers, Tax-Exempt Organizations and Direct Pay Permit Holders](#)

Keystone Place Hyatt - Discount Code G-2SD8

Hotel reservations: (800) 455-8630
23044 US Hwy 6, Keystone CO 80435

[Click here for Keystone Hyatt Reservations](#)

We have more guest activities available

- Golf Outing Call (800) 464-3494 to book your golf outing if interested.
- Spa Appointments Spa Appointments will be available throughout the conference. To make your appointment call (970) 496-4118. Tell them you're with SDA Conference and receive 15% off all services.
- Shopping Shop at the Silverthorne Outlets. Transportation on your own. Approximately 15 minutes from the conference center.

Thanks for spreading the word about this event to your friends.

SDA Conference Receipt

Your registration has been processed successfully. Please print this page for your records.
A registration confirmation email has also been sent to mbwalker@pinnacleconsultinggroupinc.com

Event Information

2018 Annual Conference - Sept 12 - 14

When September 12th, 2018 7:00 AM through September 14th, 2018 1:30 PM
Location Keystone, CO
United States

Register as...

Participant 1 Tom Valdez

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 2 Jerry Biesboer

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 3 Jeremy Groves

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 4 Andrea Groves

Item	Qty	Unit Price	Total Price
Registrant Type - Spouse/Vendor (Includes extras)	1	\$ 388.00	\$ 388.00

Event Total: \$ 1,333.00

Transaction Date: July 17th, 2018 4:41 PM

Transaction #: 4WM84312YT975971R

Registered Email

mbwalker@pinnacleconsultinggroupinc.com

Your Contact Information

First Name Kammy
Last Name Tinney
Street Address (Primary) 550 W. Eisenhower Blvd.
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) Colorado

Participant Information - Participant

Additional Conference Participant

First Name Tom
Last Name Valdez
Street Address (Primary) 550 West Eisenhower Boulevard
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
Registered Events SDA Conference
District Founders Village Metro District
Title Board Member
Name as Desired on Name Tag Tom Valdez
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Cirull - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Jerry
Last Name Biesboer
Street Address (Primary) 550 W Eisenhower Boulevard
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
Registered Events SDA Conference
District Founders Village Metro District
Title Board Member
Name as Desired on Name Tag Jerry Biesboer
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Cirulli - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Jeremy
Last Name Groves
Street Address (Primary) 550 West Eisenhower Boulevard
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
Registered Events SDA Conference
District Founders Village Metro District
Title Board Member
Name as Desired on Name Tag Jeremy Groves
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Cirulli - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Andrea
Last Name Groves

SDA Annual Conference

Registrant Type Guest
Registered Events SDA Conference Guest
District Founders Village Metro District
Title Mrs.
Name as Desired on Name Tag Andrea Groves
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Cirulli - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Discovery Walk - Friday 9:00 to 10:30 am
Craft Class - Thursday 2:00 - 4:00 pm
Wednesday Breakfast - 7:00 - 8:00 am

[Print Receipt](#)

[» Back to "2018 Annual Conference - Sept 12 - 14" event information](#)



Founders Village Metropolitan District
Financial Statements

July 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 July 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 seven 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

August 10, 2018
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
 Balance Sheet
 July 31, 2018

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 189,547	\$ 189,547
Cash in Checking - CTF Funds	219,767	219,767
County taxes receivable	56,022	56,022
Total Assets	\$ <u>465,336</u>	\$ <u>465,336</u>
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 245,569	\$ 245,569
Total liabilities	<u>245,569</u>	<u>245,569</u>
Fund Equity		
Investment in improvements	-	-
Fund balance	<u>219,767</u>	<u>219,767</u>
	<u>219,767</u>	<u>219,767</u>
	\$ <u>465,336</u>	\$ <u>465,336</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Seven Months Ended July 31, 2018

See Accountants' Compilation Report

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 4,404,952	\$ 4,342,400	\$ (62,552)
Ownership taxes	352,396	263,154	(89,242)
System Development fees	210,000	309,400	99,400
Town SDF rebates	-	50,949	50,949
Interest/other income	2,000	1,559	(441)
Conservation Trust	40,000	19,662	(20,338)
	<hr/>	<hr/>	<hr/>
Total revenues	5,009,348	4,987,124	(22,224)
Expenditures:			
Transfer to District #4	4,903,262	4,902,315	947
Treasurer's fees	66,086	65,147	939
CTF expense	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	4,969,348	4,967,462	1,886
Excess (deficiency) of revenues over expenditures	40,000	19,662	(20,338)
Beginning fund balance	<hr/> 198,903	<hr/> 200,105	<hr/> 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

July 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 July 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 seven 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, PC

August 14, 2018
Englewood, Colorado

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

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	\$ 179,240	\$ -	\$ -	\$ -	\$ 179,240
Cash in COLOTRUST	1,785,898	595,198	1,021,058	-	3,402,154
Taxes receivable	55	-	-	-	55
Accounts receivable	-	-	245,569	-	245,569
	<u>1,965,193</u>	<u>595,198</u>	<u>1,266,627</u>	<u>-</u>	<u>3,827,018</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	1,266,627	1,266,627
Amount to be provided for retirement of debt	-	-	-	118,940,402	118,940,402
	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,782,957</u>	<u>124,782,957</u>
	<u>\$ 1,965,193</u>	<u>\$ 595,198</u>	<u>\$ 1,266,627</u>	<u>\$ 124,782,957</u>	<u>\$ 128,609,975</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 267,958	\$ -	\$ -	\$ -	\$ 267,958
941 Payroll Liability	428	-	-	-	428
Retainage payable	8,208	4,796	-	-	13,004
	<u>276,594</u>	<u>4,796</u>	<u>-</u>	<u>-</u>	<u>281,390</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	94,296,029	94,296,029
Total liabilities	<u>276,594</u>	<u>4,796</u>	<u>-</u>	<u>120,207,029</u>	<u>120,488,419</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	1,688,599	590,402	1,266,627	-	3,545,628
	<u>1,688,599</u>	<u>590,402</u>	<u>1,266,627</u>	<u>4,575,928</u>	<u>8,121,556</u>
	<u>\$ 1,965,193</u>	<u>\$ 595,198</u>	<u>\$ 1,266,627</u>	<u>\$ 124,782,957</u>	<u>\$ 128,609,975</u>

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

See Accountant's Compilation Report

	Annual <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable (Unfavorable)
Beginning Fund Balance	\$ 714,828	\$ -	\$ 898,193	\$ 183,365
Revenues				
Property taxes	5,868	-	5,868	-
Specific Ownership taxes	587	56	351	(236)
Reimbursements	9,500	-	2,775	(6,725)
Miscellaneous	500	7	504	4
Transfer-Founders Village	1,893,262	22,476	1,816,787	(76,475)
Total revenues	<u>1,909,717</u>	<u>22,539</u>	<u>1,826,285</u>	<u>(83,432)</u>
Total available	<u>2,624,545</u>	<u>22,539</u>	<u>2,724,478</u>	<u>99,933</u>
Expenditures				
Legal	60,000	2,925	59,802	198
Special council	-	-	14,365	(14,365)
Accounting	18,835	4,350	16,805	2,030
Audit	9,500	8,800	8,800	700
Insurance	13,500	-	10,061	3,439
Administrative	34,000	2,780	19,502	14,498
District management - Founders & #4	40,000	3,051	23,793	16,207
Director's fees & mileage	7,000	-	5,356	1,644
Payroll tax expense	600	-	337	263
Development assistance & referrals	10,500	995	7,676	2,824
Community outreach	-	1,184	8,055	(8,055)
SDA dues & conference	6,500	2,134	4,609	1,891
Miscellaneous/reprographic	2,000	691	825	1,175
Election expense	45,000	-	819	44,181
Utilities-Electrical	8,500	520	3,670	4,830
Utilities-Irrigation Water	175,000	34,052	113,960	61,040
Operations & maintenance programs	1,650,000	214,045	737,356	912,644
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	62,761	-	-	62,761
Total expenditures	<u>2,624,545</u>	<u>\$ 275,527</u>	<u>1,035,879</u>	<u>1,588,666</u>
Ending Fund Balance	<u>\$ -</u>		<u>\$ 1,688,599</u>	<u>\$ 1,688,599</u>

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

See Accountant's Compilation Report

	Annual <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Beginning Fund Balance	\$ 113,399	\$ -	\$ 124,840	\$ 11,441
Revenues				
Interest income	15,000	5,564	23,494	8,494
Tap Agreement with District #7	67,044	-	13,794	(53,250)
Transfer from Founders (Dev fees)	210,000	86,649	360,349	150,349
Development fee rebates from Town	165,000	-	104,623	(60,377)
	<u>457,044</u>	<u>92,213</u>	<u>502,260</u>	<u>45,216</u>
Total revenues				
Total available	<u>570,443</u>	<u>92,213</u>	<u>627,100</u>	<u>56,657</u>
Expenditures				
Capital construction	105,000	1,580	3,756	101,244
Project management	21,500	1,644	10,913	10,587
Planning/engineering-Founders	25,000	1,525	11,965	13,035
Planning/engineering-District #9	15,000	1,329	10,064	4,936
Miscellaneous projects	10,000	-	-	10,000
Legal/intergovernmental-District #9	5,000	-	-	5,000
	<u>181,500</u>	<u>6,078</u>	<u>36,698</u>	<u>144,802</u>
Total expenditures				
Ending Fund Balance	\$ <u>388,943</u>		\$ <u>590,402</u>	\$ <u>201,459</u>

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

See Accountant's Compilation Report

	<u>Annual</u>	<u>Current</u>	<u>Year to</u>	Variance
	<u>Budget</u>	<u>Month</u>	<u>Date</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
Beginning Fund Balance	\$ <u>18,066</u>	\$ <u>-</u>	\$ <u>41,448</u>	\$ <u>23,382</u>
Revenues				
Transfer-Founders Village	<u>2,800,000</u>	<u>33,713</u>	<u>2,725,179</u>	<u>(74,821)</u>
Total revenues	<u>2,800,000</u>	<u>33,713</u>	<u>2,725,179</u>	<u>(74,821)</u>
Total available	<u>2,818,066</u>	<u>33,713</u>	<u>2,766,627</u>	<u>(51,439)</u>
Expenditures				
Payment to trustee	<u>2,800,000</u>	<u>-</u>	<u>1,500,000</u>	<u>1,300,000</u>
Total expenditures	<u>2,800,000</u>	<u>\$ -</u>	<u>1,500,000</u>	<u>1,300,000</u>
Ending Fund Balance	\$ <u><u>18,066</u></u>		\$ <u><u>1,266,627</u></u>	\$ <u><u>1,248,561</u></u>

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
FOUNDERS VILLAGE METROPOLITAN DISTRICT AND
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO.4
HELD

July 18, 2018

A regular meeting of the Board of Directors of Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4 (referred to hereafter as "Board") was convened on Wednesday, the 18th day of July 2018, at 7:30 A.M., at The Ridge House, 4501 Enderud Blvd, Castle Rock, Colorado.

ATTENDANCE

Directors in Attendance Were:

Jerry Biesboer, President
Jeremy Groves, Vice President
Patrice Neef, Treasurer
Ron Claussen, Director/Assistant Secretary
Thomas Valdez, Director/Assistant Secretary

Also in Attendance Were:

O. Karl Kasch; Cimarron Consultants, Inc.
Tim Shea, Esq.; Robinson Waters & O'Dorisio, P.C.
Diane Wheeler, CPA; Simmons & Wheeler, P.C.
Chelsey Green; Pinnacle Consulting Group, Inc.

Chairperson Biesboer called the meeting to order at 7:34 A.M.

ADMINISTRATIVE
MATTERS

Agenda: A proposed agenda was distributed for the Board's review and approval for the regular meeting. Following review and discussion, upon motion duly made by Director Groves, seconded by Director Claussen and, upon vote, unanimously carried, the Board approved the agenda, as amended.

Meeting Location/Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board further noted that notice of this location was duly posted.

Declaration of Quorum: Chairperson Biesboer declared that a quorum of the Board is present, with four of five members in attendance. Upon the arrival of

Director Valdez, there were five of five members in attendance.

Disclosure of Potential Conflicts of Interest: Chairperson Biesboer inquired whether there were any conflicts to disclose by Board members present. There were no conflicts to disclose.

Minutes: The Board reviewed the minutes of the June 20, 2018 regular meeting. Following review and discussion, upon motion duly made by Director Neef, seconded by Director Groves and, upon vote, unanimously carried, the minutes of the June 20, 2018 regular meeting were approved as presented, pending review by Attorney Shea and Mr. Kasch.

Community Comments: There were no members of the community present.

Board Member Comments: Director Neef acknowledged the Founders Village Master Association and Professional Community Management Services for the outstanding Fourth of July Community BBQ held at The Ridge House.

DEVELOPMENT
UPDATES

Filing No. 25 - Build-Out Schedules and Streetscape Improvements: Mr. Kasch reported that an agreement is being negotiated for warranty, acceptance, conveyance, and maintenance of streetscape of select fencing between Richmond Homes and District No. 4 and will be distributed to the Board for review at the regular meeting in August.

Update on the Memmen Trust Property - District No. 9: Mr. Kasch reviewed the status of the ongoing discussion with the Memmen Trust Property. There was no new information to report.

Update on Enclave Property (Filing No. 21) Buildout and Status of Future Easement: Mr. Kasch reported that he is continuing to work with Attorney Shea to prepare a draft four-party agreement to jointly fund landscape improvements along Wagonwheel Trail. Mr. Kasch reported that 88 townhomes are planned to be built and anticipates development fee certificates being issued starting this fall.

Update on new Castle Rock wellfield (Castlewood Ranch) and raw water lines: Mr. Kasch reported that the Town of Castle Rock's raw water construction project is still ongoing.

Mr. Kasch reported that he continues to participate with the Town's drought task force on preparation of a draft Drought Management Report which is almost complete, and the Board will receive a copy of the Drought Management Response Report once finalized.

FINANCIAL
MATTERS

Review and consider ratification of Work Orders/Construction Change Orders: Mr. Kasch reviewed with the Board the 2018 Work Order Log and presented Work Order Nos. C-3488 through C-3493, totaling \$305,221.

Following review and discussion, upon motion duly made by Director Groves, seconded by Director Claussen, and upon vote, unanimously carried, the Board ratified approval of Work Order Nos. C-3488 through C-3493, totaling \$305,221, as presented.

Approval and Ratification of Claims: Mr. Kasch reviewed with the Board the Villages at Castle Rock Metropolitan District No. 4 claims for the period ending July 18, 2018, totaling \$159,886.98.

Following review and discussion, upon motion duly made by Director Claussen, seconded by Director Groves and, upon vote, unanimously carried, the Board approved the payment of the Villages at Castle Rock Metropolitan District No. 4 claims for the period ending July 18, 2018, as presented.

Mr. Kasch reviewed with the Board the Villages at Castle Rock Metropolitan District No. 4 claims that were issued outside of the regular payables process. Mr. Kasch requested that the Board ratify approval of claims that were issued outside of the regular payables cycle, in the amount of \$2,705.66. Following review and discussion, upon motion duly made by Director Claussen, seconded by Director Neef and, upon vote, unanimously carried, the Board approved the additional claims.

There were no claims submitted for Founders Village Metropolitan District.

Director Valdez joined the meeting at this time.

Financial Statements: Ms. Wheeler reviewed with the Board the unaudited financial statements for the Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4, setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending June 30, 2018.

Following review and discussion, upon motion duly made by Director Neef, seconded by Director Claussen and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending June 30, 2018 for Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4, as presented.

Founders Village Metropolitan District Homebuilding Update, Lot Inventory and Development Fee Collection: Mr. Kasch distributed and reviewed with the Board a Memorandum detailing lot inventory of 136 lots remaining in Filing No. 21 and Filing No. 25, and Development Fees for 26 certificates issued to Richmond Homes to-date through July 12, 2018.

Update on Second Quarter Development Fee Rebates: Mr. Kasch distributed and reviewed with the Board the Development Fee Rebate report for second quarter 2018 noting that the Town of Castle Rock has paid \$50,948.95 to District No. 4 for water and sewer rebates. The total projection for Fee Rebates due to District No. 4 is \$1.8 million. To date, \$462,202.60 have been collected from the Town of Castle Rock.

Mr. Kasch reviewed with the Board the Development Fee Rebate Discussion packet, providing an overview of the water and sewer system construction, and the historical process regarding the Development Fee Rebate program with the Town of Castle Rock. Mr. Kasch reviewed concerns regarding the Town of Castle Rock's reduced Water Fee in 2011, estimated loss in Development Fee Rebates owed to District No. 4, and potential solutions to ensure District No. 4 collects

equitable Development Fee Rebates to offset District No. 4 costs for oversized facilities of capacities.

It was the Board's consensus to authorize Mr. Kasch to move forward with engaging the Town of Castle Rock in discussions regarding potential solutions regarding equitable Development Fee Rebates to offset District No. 4 costs.

Director Biesboer left the meeting at this time.

LEGAL MATTERS

Ratify Approval of Temporary Site Lease Agreement for Mikelson Phase 5 Streetscaping: Mr. Kasch distributed and reviewed with the Board the Temporary Site Lease Agreement for the Mikelson Phase 5 Streetscaping Improvements project temporary storage and staging site in Tract H, Filing 15.

Following review and discussion, upon motion duly made by Director Claussen, seconded by Director Neef and, upon vote, unanimously carried, the Board ratified the approval of the Temporary Site Lease Agreement.

OPERATIONS AND MAINTENANCE

2018 Landscape Maintenance and Irrigation Management Services (BrightView Landscape Maintenance): Mr. Kasch distributed and reviewed with the Board the Founders Village Irrigation Update from June 3rd - July 2nd, noting that the District came in under the Town of Castle Rock's water budget at 4.53" community wide average.

Mr. Kasch reported that in 2018, the Town of Castle Rock is not approving or modifying watering restrictions for large irrigator programs. The current watering restriction, only allowing watering to occur three days per week is in effect for all District landscaping. Mr. Kasch reported that some District landscaping areas are stressed from not receiving enough water but are being monitored. These areas will be aerated, re-seeded and top-dressed in September.

Mr. Kasch reported that there is no new information regarding the purchase or installation of pet waste stations, noting that placement of the pet waste stations will be included in the larger Encroachment

Agreement with the Town of Castle Rock addressing District streetscaping, irrigation, signage on fencing on Town rights-of-way and tracts.

Update regarding Operation and Maintenance of Founders Pool and Clubhouse: Mr. Kasch distributed and reviewed with the Board the finalized Site Development Plan Amendment, that has been approved and executed by the Town of Castle Rock. Mr. Kasch reported that all budgeted improvements, excluding stonework, paving, signage and chemical storage, will be completed by Fall 2018.

Director Claussen left the meeting at this time.

Update Regarding Highway 86 Entry Monument: There was no new information to report.

Update on Entry Monument Lighting: There was no new information to report.

Update on GS-1 Wellsite Conveyance and Town Cost-Sharing Wellhead Abandonment: There was no new information to report.

Update on Mikelson Phase 5 Streetscape: Mr. Kasch reported all needed agreements are in place and Notice to Proceed was provided to the contractor for Mikelson Phase 5 Streetscaping Improvements.

Update Permanent Storage Site: Mr. Kasch reported that the District may initially pay for the new shared storage site earthwork, etc. with the Town of Castle Rock. Mr. Kasch noted that he is working with Attorney Shea to draft an agreement regarding cost-sharing with the Town of Castle Rock for the design, engineering, and construction of the permanent shared storage maintenance facility.

CAPITAL
IMPROVEMENT
PROJECTS

Update on W. Mitchell Creek/Filing No. 9 Trail "A" (East Segment): Mr. Kasch reported that the final walk through punch list was provided to the contractor. Upon completion of the final release of retainage, Mr. Kasch will work with Attorney Shea to finalize conveyance of this trail segment to the Town of Castle Rock.

Update on Mitchell Creek Trail "B" (West Segment): Mr. Kasch reported that the final walk through punch list was provided to the contractor. Upon completion of the final release of retainage, Mr. Kasch will work with Attorney Shea to finalize conveyance of this trail segment to the Town of Castle Rock.

Update on Mitchell Creek Trail "C" (South Approach): Mr. Kasch reported that the final walk through punch list was provided to the contractor. Upon completion of the final release of retainage, Mr. Kasch will work with Attorney Shea to finalize conveyance of this trail segment to the Town of Castle Rock.

MANAGER/
ADMINISTRATOR
ITEMS

Discuss New District Website: Ms. Green reviewed with the Board the new District website and discussed additional content and platform features. Ms. Green recommended that the Board establish a subcommittee to work with Pinnacle Consulting Group, Inc. to continue to develop the website functionality and content. It was the Board's consensus to appoint Director Groves and Director Neef to the website subcommittee.

Following review and discussion, upon motion duly made by Director Valdez, seconded by Director Groves and, upon vote, unanimously carried, the Board authorized Pinnacle Consulting Group Inc., to coordinate further website development and content with the Website Subcommittee, not to exceed an additional \$3,000.

Discuss August 16, 2018 Regular Meeting: The Board discussed presenting the website to residents in attendance and discussed revising the agenda to allow for more time to be spent on public comments. The Board directed Mr. Kasch to revise the agenda format and items to be resident friendly and allow more time for public comments.

The Board directed Ms. Green to distribute a resident friendly Board Meeting flyer, advertising the Board Meeting scheduled for August 16, 2018 at 7:00 P.M.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Valdez, the meeting was adjourned at 9:50 A.M.

Respectfully submitted,

By: _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL JULY 18, 2018 MINUTES OF THE FOUNDERS VILLAGE METROPOLITAN DISTRICT AND VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Jerry Biesboer

Ron Claussen

Jeremy Groves

Patrice Neef

Thomas Valdez

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2017

with

Independent Auditors' Report

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Board of Directors
Founders Village Metropolitan District
Douglas County, Colorado

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Founders Village Metropolitan District (the "District") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards general accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Founders Village Metropolitan District as of December 31, 2017, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the management's discussion and analysis that accounting principles general accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Stratagem PC
Certified Public Accountants
Lakewood, Colorado

July 30, 2018

FOUNDERS VILLAGE METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION

GOVERNMENTAL FUNDS

December 31, 2017

	General	Debt Service	Capital Project	Total	Adjustments	Statement of Net Position
ASSETS						
Cash and investments	\$ 847,418	\$ -	\$ -	\$ 847,418	\$ -	\$ 847,418
Cash and investments - restricted	262,866	41,448	145,418	449,732	-	449,732
Receivable County Treasurer	25,733	-	-	25,733	-	25,733
Property taxes receivable	4,410,820	-	-	4,410,820	-	4,410,820
Prepaid expenses	10,061	-	-	10,061	-	10,061
Capital assets, net of depreciation	-	-	-	-	5,081,524	5,081,524
Total Assets	<u>\$ 5,556,898</u>	<u>\$ 41,448</u>	<u>\$ 145,418</u>	<u>\$ 5,743,764</u>	<u>5,081,524</u>	<u>10,825,288</u>
LIABILITIES						
Accounts payable	\$ 44,898	\$ -	\$ -	\$ 44,898	-	44,898
Retainage payable	2,882	-	20,579	23,461	-	23,461
Long-term liabilities						
Due in more than one year	-	-	-	-	120,207,030	120,207,030
Total Liabilities	<u>47,780</u>	<u>-</u>	<u>20,579</u>	<u>68,359</u>	<u>120,207,030</u>	<u>120,275,389</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	<u>4,410,820</u>	<u>-</u>	<u>-</u>	<u>4,410,820</u>	<u>-</u>	<u>4,410,820</u>
Total Deferred Inflows of Resources	<u>4,410,820</u>	<u>-</u>	<u>-</u>	<u>4,410,820</u>	<u>-</u>	<u>4,410,820</u>
FUND BALANCE						
Nonspendable:						
Prepays	10,061	-	-	10,061	(10,061)	-
Restricted:						
Emergencies	62,761	-	-	62,761	(62,761)	-
Conservation trust	200,105	-	-	200,105	(200,105)	-
Debt service	-	41,448	-	41,448	(41,448)	-
Committed						
Capital projects	-	-	124,839	124,839	(124,839)	-
Assigned:						
Designated for future expenditures	355,619	-	-	355,619	(355,619)	-
Unassigned:						
Unassigned:	<u>469,752</u>	<u>-</u>	<u>-</u>	<u>469,752</u>	<u>(469,752)</u>	<u>-</u>
Total Fund Balances	<u>1,098,298</u>	<u>41,448</u>	<u>124,839</u>	<u>1,264,585</u>	<u>(1,264,585)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of resources and Fund Balances	<u>\$ 5,556,898</u>	<u>\$ 41,448</u>	<u>\$ 145,418</u>	<u>\$ 5,743,764</u>		
NET POSITION						
Restricted for:						
Emergencies					62,761	62,761
Debt service					41,448	41,448
Capital projects					124,839	124,839
Unrestricted					(114,089,969)	(114,089,969)
Total Net Position (Deficit)					<u>\$ (113,860,921)</u>	<u>\$ (113,860,921)</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	General	Debt Service	Capital Project	Total	Adjustments	Statement of Activities
EXPENDITURES						
Accounting and audit	\$ 25,987	\$ -	\$ -	\$ 25,987	\$ -	\$ 25,987
Directors' fees	7,279	-	-	7,279	-	7,279
District management	39,835	-	-	39,835	-	39,835
Insurance	11,029	-	-	11,029	-	11,029
Legal and election	45,104	-	-	45,104	-	45,104
Miscellaneous expenses	868	-	-	868	-	868
Administrative	32,368	-	-	32,368	-	32,368
SDA dues and conference	4,812	-	-	4,812	-	4,812
Development/referrals	13,323	-	-	13,323	-	13,323
Operations and maintenance	894,550	-	-	894,550	-	894,550
Utilities	147,297	-	-	147,297	-	147,297
Treasurer's fees	52,630	-	-	52,630	-	52,630
Bond interest expense	-	2,500,000	-	2,500,000	7,255,982	9,755,982
Capital improvements	-	-	437,077	437,077	(437,077)	-
Project management/Planning/engineering	-	-	60,761	60,761	(60,761)	-
Depreciation	-	-	-	-	155,839	155,839
Total Expenditures	<u>1,275,082</u>	<u>2,500,000</u>	<u>497,838</u>	<u>4,272,920</u>	<u>6,913,983</u>	<u>11,186,903</u>
PROGRAM REVENUES						
Intergovernmental agreement - Castle Rock	-	-	89,572	89,572	-	89,572
Intergovernmental agreement - District No. 7	-	-	5,587	5,587	-	5,587
Conservation trust	37,202	-	-	37,202	-	37,202
Total Program Revenues	<u>37,202</u>	<u>-</u>	<u>95,159</u>	<u>132,361</u>	<u>-</u>	<u>132,361</u>
Net Program (Expense)	(1,237,880)	(2,500,000)	(402,679)	(4,140,559)	(6,913,983)	(11,054,542)
GENERAL REVENUES						
Property taxes	3,506,478	-	-	3,506,478	-	3,506,478
Specific ownership taxes	384,170	-	-	384,170	-	384,170
Other income	1,672	-	-	1,672	-	1,672
Interest income	2,339	-	22,756	25,095	-	25,095
Total General Revenues	<u>3,894,659</u>	<u>-</u>	<u>22,756</u>	<u>3,917,415</u>	<u>-</u>	<u>3,917,415</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	2,656,779	(2,500,000)	(379,923)	(223,144)	(6,913,983)	(7,137,127)
OTHER FINANCING SOURCES (USES)						
Transfer from/(to) other funds	(2,438,382)	2,438,382	-	-	-	-
Total Other Financing Sources (Uses)	<u>(2,438,382)</u>	<u>2,438,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE						
	218,397	(61,618)	(379,923)	(223,144)	223,144	
CHANGES IN NET POSITION						
					(7,137,127)	(7,137,127)
FUND BALANCE/NET POSITION						
BEGINNING OF YEAR	<u>879,901</u>	<u>103,066</u>	<u>504,762</u>	<u>1,487,729</u>	<u>(108,211,523)</u>	<u>(106,723,794)</u>
END OF YEAR	<u>\$ 1,098,298</u>	<u>\$ 41,448</u>	<u>\$ 124,839</u>	<u>\$ 1,264,585</u>	<u>\$(115,125,506)</u>	<u>\$(113,860,921)</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 3,506,997	\$ 3,506,478	\$ (519)
Specific ownership taxes	281,278	384,170	102,892
Other income	9,500	1,672	(7,828)
Interest income	2,500	2,339	(161)
System development fees	140,000	-	(140,000)
Conservation trust	<u>45,000</u>	<u>37,202</u>	<u>(7,798)</u>
 Total Revenues	 <u>3,985,275</u>	 <u>3,931,861</u>	 <u>(53,414)</u>
 EXPENDITURES			
Accounting and audit	28,335	25,987	2,348
Directors' fees and expenses	7,600	7,279	321
District management	39,000	39,835	(835)
Insurance	13,500	11,029	2,471
Legal and election	60,000	45,104	14,896
Miscellaneous expenses	2,000	868	1,132
Administrative	32,000	32,368	(368)
SDA dues and conference	6,500	4,812	1,688
Development/referrals	9,500	13,323	(3,823)
Operations and maintenance	1,301,000	894,550	406,450
Utilities	185,000	147,297	37,703
Treasurer's fees	52,625	52,630	(5)
Contingency	231,900	-	231,900
Emergency reserve	<u>50,536</u>	<u>-</u>	<u>50,536</u>
 Total Expenditures	 <u>2,019,496</u>	 <u>1,275,082</u>	 <u>744,414</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 1,965,779	 2,656,779	 691,000
 OTHER FINANCING SOURCES (USES)			
Transfer to other funds	<u>(2,364,289)</u>	<u>(2,438,382)</u>	<u>(74,093)</u>
 Total Other Financing Sources (Uses)	 <u>(2,364,289)</u>	 <u>(2,438,382)</u>	 <u>(74,093)</u>
 NET CHANGE IN FUND BALANCE	 (398,510)	 218,397	 616,907
 FUND BALANCE - BEGINNING OF YEAR	 <u>647,562</u>	 <u>879,901</u>	 <u>232,339</u>
 FUND BALANCE - END OF YEAR	 <u>\$ 249,052</u>	 <u>\$ 1,098,298</u>	 <u>\$ 849,246</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Founders Village Metropolitan District, located in Douglas County, Colorado, conform to the accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on August 15, 1984, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was formerly known as Villages at Castle Rock Metropolitan District No. 1 and changed its name on February 23, 2006. The District's service area is located entirely within the Town of Castle Rock ("Town"). The District was established to finance the construction and acquisition of arterial roadways, major storm drainage facilities, traffic safety protection, potable water systems, sewer systems, irrigation systems and recreation facilities that benefit the citizens of the District. Upon completion, the District will dedicate and transfer the improvements to the Town for maintenance and operation. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

The District has no employees and all operations and administrative functions are contracted.

As required by GAAP, these financial statements present the activities of the District, and its component unit for which the District is considered to be financially accountable. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The blended component unit, although a legally separate entity, is in substance part of the District's operations; therefore, data from this government entity is combined with data of the primary government. The blended component unit has a December 31 year end.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017Blended Component Unit

The Villages at Castle Rock Metropolitan District No. 4 ("District No. 4") is governed by a board comprised of the District's board. By Order of Dissolution entered by the Douglas County District Court on December 20, 1993, the then Board of Directors of District No. 4 were discontinued from office and the Board of Directors of the District (and each of their successors in office) are to act as the Board of Directors of District No. 4, carrying out the statutory responsibilities of District No. 4 and those responsibilities imposed under an Intergovernmental Agreement dated February 16, 1993, until District No. 4 ceases to exist on the earlier of June 30, 2031 or upon the date all outstanding bonds have been paid in full. District No. 4 will be dissolved upon satisfaction of the terms of its outstanding indebtedness and contractual obligations or June 30, 2031, whichever is sooner. District No. 4's primary revenue source is from intergovernmental revenue from the District. District No. 4's operations are included in the General Fund, Debt Service Fund and Capital Projects Fund.

The current primary purpose of the District is to satisfy its contractual obligations to District No. 4.

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2017

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs accounted for in District No. 4.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets accounted for in District No. 4.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

During 2017, total appropriations in the Debt Service Fund was amended from \$2,300,000 to \$2,500,000 as a result of unanticipated increased payment on the District No. 4 Revenue Refunding Bonds (see Note 4).

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017Assets, Liabilities and Net PositionFair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2017, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2017

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Streetscaping and landscape	30-40 years
Boulevard and open space fencing	30 years

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance of \$62,761 in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. \$200,105 of the fund balance has been restricted for unspent conservation trust fund proceeds.

The restricted fund balance in the Debt Service Fund in the amount of \$41,488 is restricted for the payment of the debt service costs associated with the District No. 4 Revenue Refunding Bonds (see Note 4).

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

The fund balance in the Capital Projects Fund in the amount of \$124,839 is committed for the payment of the costs for capital improvements within District No. 4.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

The assigned fund balance in the General Fund in the amount of \$355,619 represents the amount appropriated for use in the budget for the year ending December 31, 2018.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets. At December 31, 2017, the District had no amount to report in this category.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2017, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 847,418
Cash and investments – restricted	<u>449,732</u>
	<u>\$1,297,150</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

Cash and investments as of December 31, 2017, consist of the following:

Deposits with financial institutions	\$ 508,630
Investments – COLOTRUST	<u>788,520</u>
	<u>\$1,297,150</u>

DepositsCustodial Credit Risk

The Colorado Public Deposit Protection Act, (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District does not have a formal policy for deposits. None of the District’s deposits were exposed to custodial credit risk.

InvestmentsInvestment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investment is not required to be categorized within the fair value hierarchy. This investment’s value is calculated using the net asset value method (NAV) per share.

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint ventures established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2017, the District had \$788,520 invested in COLOTRUST.

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2017 follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>1/1/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2017</u>
<u>Capital assets not being depreciated:</u>				
Construction in progress	\$ 475,275	\$ 497,838	\$ -	\$ 973,113
Total capital assets not being depreciated:	<u>475,275</u>	<u>497,838</u>	<u>-</u>	<u>973,113</u>
<u>Capital assets being depreciated:</u>				
Streetscaping and irrigation systems	3,646,877	-	-	3,646,877
Boulevard and Open Space Fencing	1,640,000	-	-	1,640,000
Entry monuments	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
Total capital assets being depreciated:	5,686,877	-	-	5,686,877
Accumulated Depreciation	<u>(1,422,627)</u>	<u>(155,839)</u>	<u>-</u>	<u>(1,578,466)</u>
Net capital assets being depreciated:	<u>4,264,250</u>	<u>(155,839)</u>	<u>-</u>	<u>4,108,411</u>
Government type assets, net	<u>\$ 4,739,525</u>	<u>\$ 341,999</u>	<u>\$ -</u>	<u>\$ 5,081,524</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2017

Pursuant to an Agreement dated February 1, 2007, the District agreed to accept a Bill of Sale from Founders Village Master Association, Inc. which conveyed specified fences within Founders Village to the District. The District and District No. 4 agreed to be responsible for all maintenance obligations concerning these fences. At the time this conveyance was made, the specified fences had a value of \$1,640,000. Over the past 8 years District No. 4 has repaired and or replaced the fence, these costs were recorded as expenses.

The District remains responsible for maintenance of certain streetscape and irrigation facilities within the arterial and collector street right-of-ways. Upon completion and final acceptance by the Town, all other infrastructure and utility improvements will be conveyed to the Town. Improvements that are to be conveyed are not depreciated.

Note 4: Long Term Debt

A description of the long-term obligations as of December 31, 2017, is as follows:

Revenue Refunding Bonds – Series 1991

The Revenue Refunding Bonds were issued by District No. 4, a blended component unit of the District (see Note 1). The Revenue Refunding Bonds, Series 1991, bear interest payable semiannually on June 1 and December 1 of each year at the rate of 8.5% per annum, compounded semiannually.

Payments are to be made to current interest first, then unpaid interest, then to principal. The bonds mature on June 1, 2031. Any principal and accrued interest remaining unpaid after June 1, 2031, will be deemed to be discharged, satisfied and no longer due and payable.

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The bonds are secured by a pledge of revenues consisting of certain payments under the Intergovernmental Agreement with the District, District No. 4 and the Villages at Castle Rock Metropolitan District No. 9 (“District No. 9”). The District and District No. 9 are obligated to make payments to District No. 4 in an amount sufficient to pay the principal and interest on the bonds. The bonds do not constitute general obligation debt of District No. 4 and may only be paid from the revenues received from the District and District No. 9. Currently, the District is the sole source of revenue to District No. 4 under this agreement since District No. 9 is inactive. If District No. 9 becomes active, District No. 4 shall not develop roads, water or sewer facilities for the benefit of District No. 9 until District No. 9 adopts a facility development fee resolution.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

Due to the uncertainty of the timing of the principal and interest payments on the Bonds, a schedule of the timing of these payments is not available.

The following is an analysis of changes in long-term debt for the period ending December 31, 2017:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017	Current Portion
Revenue Refunding Bonds -					
Series 1991	\$ 25,911,000	\$ -	\$ -	\$ 25,911,000	\$ -
Accrued interest	87,040,048	9,755,982	2,500,000	94,296,030	-
	<u>\$ 112,951,048</u>	<u>\$ 9,755,982</u>	<u>\$ 2,500,000</u>	<u>\$ 120,207,030</u>	<u>\$ -</u>

Debt Authorization

The District has no remaining General Obligation Debt authorization.

Note 5: AgreementsIntergovernmental Agreement - Town

The District entered into an intergovernmental agreement with the Town on September 7, 1984. This agreement was merged into the Master Intergovernmental Agreement dated May 1, 1995, between the District, District No. 4 and the Town, and subsequently amended on August 22, 1996 and June 13, 2006. The agreement required the District to construct or acquire various facilities and improvements which shall be conveyed to the Town. Upon acceptance, the Town will maintain and operate certain public facilities and improvements. Construction is performed by District No. 4 under the terms of the intergovernmental financial agreement. As stated in Note 3, the District has certain maintenance responsibilities under this agreement.

Intergovernmental Financing Agreement

The District (not inclusive of its blended component unit of District No. 4) entered into an Amended Intergovernmental Financing Agreement with District No. 4 on September 12, 1991, which was approved by the U. S. Bankruptcy Court on December 17, 1991 as part of the court's approval of District No. 4's Plan for Adjustment of Debts. According to the amended agreement, the District is required to reimburse District No. 4 for providing certain improvements and facilities and also obligates the District to repay the outstanding revenue bonds of District No. 4. The agreement also requires District No. 4, on behalf of the District, to pay all of the operating and maintenance expenditures of the District.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

The agreement delineates specific mill levy requirements that will enable the District to sufficiently fund the debt service requirements of District No. 4. The District is required to impose a minimum mill levy for each year that District No. 4's bonds are outstanding. The minimum mill levies are as follows:

<u>Year</u>	<u>Mill Levy</u>
1991-1999	32 mills
2000-2004	37 mills
2005-2031	42 mills

If the methods of assessment are changed during the term of District No. 4's 1991 bonds, the mill levy required in the District automatically will be changed to yield the same revenue which would be produced from the mill levies stated above, based upon the 1991 methods of assessment. Based upon these criteria, the mill levy certified for property taxes to be collected in 2017 was 79.146 mills.

In addition, beginning in January 2000, the District must select five special districts in Douglas County which are comparable to the District ("Comparison Districts"). The mill levy must be adjusted so that the total overlapping property tax levies for property owners in the District is not less than the mean average of the total overlapping property tax levied for the preceding year for the Comparison Districts. The analysis of Comparison Districts is completed and adopted annually and submitted to the Trustee.

The agreement is valid until the earlier of December 31, 2031, or the date District No. 4's revenue bonds are paid in full.

Facilities Development Fee Resolution

The District (not inclusive of its blended component unit of District No. 4) approved a Facilities Development Fee Resolution as part of the Intergovernmental Financing Agreement with District No. 4. This resolution states that the District will impose facilities development fees on developable property within the District if the District fails to collect a minimum amount of property taxes. The minimum annual amounts are as follows:

<u>Property Tax Revenue</u>	<u>Year</u>
\$ 804,183	2000-2004
\$ 1,291,224	2005-2009
\$ 1,913,010	2010-2014
\$ 2,322,225	2015-2019
\$ 2,692,095	2020-2024
\$ 3,120,876	2025 and thereafter

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2017

If the District does not collect the minimum amount of property taxes, the amount of the deficiency will be payable by the owners of the developable property based on acreage. The fees are payable beginning in the year 2001 (based on the year 2000 property tax revenue) and will continue as long as District No. 4's revenue bonds are outstanding. The status of a property as "developable" will be determined as of January 1 of the prior year in which the fees are payable.

Restated Intergovernmental Agreement – District No. 7

District No. 4 and the Villages at Castle Rock Metropolitan District No. 7 ("District No. 7") entered into an intergovernmental agreement on November 16, 2000, which replaced the 1991 and 1992 agreements between the parties. District No. 7's previous obligation to the District of approximately \$2,800,000 has been terminated. District No. 7 has agreed that upon the receipt of any development fee, District No. 7 will pay to the District the amount of \$5,587 per development fee until the District has been paid \$2,000,000 or November 16, 2030, whichever comes first. As of December 31, 2017, the District has been paid \$1,268,249 under this agreement. District No. 4 estimates that there are 11 lots still existing in District 7 which will generate additional development fee payment.

Development Fee Rebates from Castle Rock

The 1995 Master Intergovernmental Agreement (MIGA) states that District No. 4 has constructed certain Water and Wastewater Facilities, with capacities in excess of District 4's build-out requirements. The Wastewater Facilities include oversized sewer interceptors through the Woodlands PUD and the East Plum Creek Interceptor. The MIGA provides that the Town of Castle Rock will rebate to District No. 4, 30% of the prevailing Sewer Development Fees collected in the MIGA Rebate Area for not-to-exceed 1,220 single-family equivalents (SFE). The MIGA Rebate area no longer includes Castlewood Ranch. The Water Facilities include wells, treatment, pumping, storage and transmission systems. The MIGA provides that the Town will rebate 25% of the prevailing Water Development Fees collected in the MIGA Rebate Area, not-to-exceed 350 SFEs. Depending upon the rate of residential growth, it is estimated that District No. 4 could receive \$815,000 in Water Fee Rebates and \$1,140,000 in Sewer Fee Rebates. As depicted in this Audit, District No. 4 received \$89,572 in Development Fee Rebates from Castle Rock in 2017.

District 4 Facilities and Capacities Constructed for District 9

Consistent with the 1995 Service Plan, the MIGA and the 1986 Amended Regional Facilities Agreement (Amended 1987) District 4 has constructed water and wastewater facilities (and capacities) to serve the buildout in District (Founders), District 7 (Woodlands) and District 9 (Homestead). The Water Facilities include water supply (wells), treatment, pumping, storage tanks and transmission mains. The Wastewater Facilities include gravity interceptors, lift stations, force mains, treatment and reuse systems. In 2013, the District Manager evaluated all water and wastewater facilities constructed-to-date and confirmed the following facilities and construction costs constructed for the benefit of District 9:

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

Water Supply / Treatment / Storage and Transmission Facilities	\$2,795,244
Wastewater Treatment / Interceptors and Regional Diversions	1,324,770
Total Facilities Constructed for District 9	<u>\$4,120,014</u>

At such time that District 9 has been reorganized and approved by the State, and the underlying properties are sold, entitled and developed, District 9 and District 4 shall negotiate a new, Intergovernmental Financing Agreement (“IGFA”) to address Development Fee Collections, Mill Levies, new Capital facilities and a reimbursement to District 4, for those facilities built and costs incurred for the benefit of District 9.

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2017

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 8: Interfund and Operating Transfers

The transfer of \$2,438,382 from the General Fund to the Debt Service Fund was for the purpose of providing funds to pay the debt service obligations.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds payable and accrued bond interest payable, are not due and payable in the current period and, therefore, are not in the funds.

The Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their estimated useful lives;
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities; and,
- 3) transfers between funds have been eliminated in the government-wide financial statements.

SUPPLEMENTAL INFORMATION

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended December 31, 2017

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES				
Bond interest expense	\$ 2,300,000	\$ 2,500,000	\$ 2,500,000	\$ -
Total Expenditures	<u>2,300,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	<u>2,261,615</u>	<u>2,500,000</u>	<u>2,438,382</u>	<u>(61,618)</u>
Total Other Financing Sources (Uses)	2,261,615	2,500,000	2,438,382	(61,618)
NET CHANGE IN FUND BALANCE	(38,385)	-	(61,618)	(61,618)
FUND BALANCE - BEGINNING OF YEAR	<u>96,551</u>	<u>103,066</u>	<u>103,066</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 58,166</u>	<u>\$ 103,066</u>	<u>\$ 41,448</u>	<u>\$ (61,618)</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2017

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES			
Intergovernmental agreement - Castle Rock	\$ 55,000	\$ 89,572	\$ 34,572
Transfer from Founders	140,000	-	(140,000)
Intergovernmental agreement - District No. 7	11,174	5,587	(5,587)
Interest income	<u>13,000</u>	<u>22,756</u>	<u>9,756</u>
 Total Revenues	 <u>219,174</u>	 <u>117,915</u>	 <u>(101,259)</u>
 EXPENDITURES			
Capital improvements	594,000	437,077	156,923
Project management/Planning/engineering	71,980	60,761	11,219
Legal and election	<u>5,000</u>	<u>-</u>	<u>5,000</u>
 Total Expenditures	 <u>670,980</u>	 <u>497,838</u>	 <u>173,142</u>
 NET CHANGE IN FUND BALANCE	 (451,806)	 (379,923)	 71,883
 FUND BALANCE - BEGINNING OF YEAR	 <u>451,806</u>	 <u>504,762</u>	 <u>52,956</u>
 FUND BALANCE - END OF YEAR	 <u>\$ -</u>	 <u>\$ 124,839</u>	 <u>\$ 124,839</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

COMBINING BALANCE SHEET

GENERAL FUND

December 31, 2017

	<u>Villages at</u> <u>Castle Rock #4</u>	<u>General</u> <u>Fund</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 935,865	\$ 174,419	\$ 1,110,284
Receivable County Treasurer	47	25,686	25,733
Property taxes receivable	5,868	4,404,952	4,410,820
Prepaid expenses	<u>10,061</u>	<u>-</u>	<u>10,061</u>
Total Assets	<u>\$ 951,841</u>	<u>\$ 4,605,057</u>	<u>\$ 5,556,898</u>
LIABILITIES			
Accounts payable	\$ 44,898	\$ -	\$ 44,898
Retainage payable	<u>2,882</u>	<u>-</u>	<u>2,882</u>
Total Liabilities	<u>47,780</u>	<u>-</u>	<u>47,780</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	<u>5,868</u>	<u>4,404,952</u>	<u>4,410,820</u>
Total Deferred Inflows of Resources	<u>5,868</u>	<u>4,404,952</u>	<u>4,410,820</u>
FUND BALANCE			
Nonspendable:			
Prepays	10,061	-	10,061
Restricted:			
Emergencies	62,761	-	62,761
Conservation trust	-	200,105	200,105
Assigned:			
Designated for future expenditures	355,619	-	355,619
Unassigned:	<u>469,752</u>	<u>-</u>	<u>469,752</u>
Total Fund Balances	<u>898,193</u>	<u>200,105</u>	<u>1,098,298</u>
Total Liabilities, Deferred Inflows of resources and Fund Balances	<u>\$ 951,841</u>	<u>\$ 4,605,057</u>	<u>\$ 5,556,898</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GENERAL FUND

For the Year Ended December 31, 2017

	Villages at Castle Rock #4	General Fund	<u>Total</u>
EXPENDITURES			
Accounting and audit	\$ 25,987	\$ -	\$ 25,987
Directors' fees and expenses	7,279	-	7,279
District management	39,835	-	39,835
Insurance	11,029	-	11,029
Legal	45,104	-	45,104
Miscellaneous expenses	868	-	868
Administrative	32,368	-	32,368
SDA dues and conference	4,812	-	4,812
Development/referrals	13,323	-	13,323
Operations and maintenance	894,550	-	894,550
Utilities	147,297	-	147,297
Treasurer's fees	97	52,533	52,630
	<u>1,222,549</u>	<u>52,533</u>	<u>1,275,082</u>
PROGRAM REVENUES			
Conservation trust	-	37,202	37,202
	<u>-</u>	<u>37,202</u>	<u>37,202</u>
Net Program (Expense)			
	(1,222,549)	(15,331)	(1,237,880)
GENERAL REVENUES			
Property taxes	6,437	3,500,041	3,506,478
Specific ownership taxes	705	383,465	384,170
Other income	1,672	-	1,672
Interest income (expense)	(101)	2,440	2,339
	<u>8,713</u>	<u>3,885,946</u>	<u>3,894,659</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(1,213,836)	3,870,615	2,656,779
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	-	(3,833,413)	(3,833,413)
Transfer from other funds	1,395,031	-	1,395,031
	<u>1,395,031</u>	<u>(3,833,413)</u>	<u>(2,438,382)</u>
NET CHANGE IN FUND BALANCE			
	181,195	37,202	218,397
FUND BALANCE			
BEGINNING OF YEAR	716,998	162,903	879,901
	<u>716,998</u>	<u>162,903</u>	<u>879,901</u>
END OF YEAR	\$ 898,193	\$ 200,105	\$1,098,298
	<u>\$ 898,193</u>	<u>\$ 200,105</u>	<u>\$1,098,298</u>

The notes to the financial statements are an integral part of these statements.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

December 31, 2017

<u>Year Ended</u> <u>December 31,</u>	<u>Prior</u> <u>Year Assessed</u> <u>Valuation</u> <u>for Current</u> <u>Year Property</u> <u>Tax Levy</u>	<u>Mills Levied</u> <u>General Fund</u>	<u>Total Property Tax</u>		<u>Percent</u> <u>Collected</u> <u>to Levied</u>
			<u>Levied</u>	<u>Collected</u>	
1998	\$ 16,744,410	49.281	\$ 825,181	\$ 814,214	98.67%
1999	\$ 17,357,090	49.281	\$ 855,375	\$ 854,942	99.95%
2000	\$ 19,661,040	56.982	\$ 1,120,325	\$ 1,120,325	100.00%
2001	\$ 22,764,348	56.982	\$ 1,297,158	\$ 1,297,038	99.99%
2002	\$ 30,071,560	60.656	\$ 1,824,000	\$ 1,823,266	99.96%
2003	\$ 32,357,546	60.656	\$ 1,962,679	\$ 1,964,997	100.12%
2004	\$ 34,600,894	69.724	\$ 2,412,513	\$ 2,411,826	99.97%
2005	\$ 35,831,860	79.146	\$ 2,835,948	\$ 2,835,923	100.00%
2006	\$ 38,939,000	79.146	\$ 3,081,866	\$ 3,082,827	100.03%
2007	\$ 39,198,400	79.146	\$ 3,102,397	\$ 3,101,898	99.98%
2008	\$ 41,492,190	79.146	\$ 3,283,941	\$ 3,292,739	100.27%
2009	\$ 41,662,370	79.146	\$ 3,297,410	\$ 3,270,938	99.20%
2010	\$ 40,691,070	79.146	\$ 3,220,535	\$ 3,244,892	100.76%
2011	\$ 40,700,390	79.146	\$ 3,221,273	\$ 3,220,539	99.98%
2012	\$ 35,962,750	79.146	\$ 2,846,308	\$ 2,847,925	100.06%
2013	\$ 35,840,730	79.146	\$ 2,836,650	\$ 3,500,041	123.39%
2014	\$ 35,499,091	79.146	\$ 2,809,611	\$ 2,815,513	100.21%
2015	\$ 35,800,810	79.146	\$ 2,833,491	\$ 2,814,380	99.33%
2016	\$ 44,053,090	79.146	\$ 3,486,626	\$ 3,485,455	99.97%
2017	\$ 44,229,140	79.146	\$ 3,500,560	\$ 3,500,041	99.99%
Estimated for year ending December 31, 2018	\$ 50,449,550	87.314	\$ 4,404,952		

NOTES

1. Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

2. This information does not include Village's at Castle Rock Metropolitan District # 4 which is a blended component unit

Account	PO/Cont	Check #	Invoice	Date	Description	Amount
06-903-09800	0	8475	21 meters	07/31/2018	21 meters streetscape electrical	519.80
	**** TOTAL ****		Intermountain Rural Electric			519.80
06-901-07100	2300	8476	4096	07/31/2018	July management o/m	3,050.49
04-072-07150	2301	8476	4097	07/31/2017	July cpf plan/engineering	1,525.20
04-082-07151	3290	8476	4098	07/31/2018	July cpf plan/engineer #9	1,329.71
06-901-07090	2385	8476	4099	07/31/2018	July development assistance	995.13
04-199-07125	3393	8476	4100	07/31/2018	July cpf project mgmt	1,644.20
	**** TOTAL ****		CIMARRON CONSULTANTS, INC.			8,544.73
06-999-09802	3388	8477	13208	01/2018	July pool/clubhouse ops	45,995.13
	**** TOTAL ****		PCMS			45,995.13
06-905-09200	2993	8478	728756	07/26/2018	July general counsel	2,925.00
	**** TOTAL ****		Robinson Waters & O'Dorisio PC			2,925.00
06-999-09803	3430	8479	314-1608	08/2018	Mikelson Phase 5 permitting	1,852.60
06-999-09803	3177	8479	274-3208	08/2018	Landscape consulting parsons tract	1,446.33
06-999-09803	2995	8479	239-13108	08/2018	Irrigation consulting june recordin	1,050.00
	**** TOTAL ****		Eccles Design, Inc.			4,348.93
06-915-09300	3136	8480	13310	07/25/2018	July admin/secretary	2,780.71
06-903-09325	3483	8480	13311	07/25/2018	July outreach/website/subcommittee	1,184.50
	**** TOTAL ****		Pinnacle Consulting Group Inc.			3,965.21
06-999-09803	3199	8481	S3089074	07/03/2018	Irrigation repair parts	202.84
06-999-09803	3199	8481	S3130521	08/02/2018	Irrigation repair parts	589.68
06-999-09803	3199	8481	S3111472	07/19/2018	Irrigation repair parts	183.87
06-999-09803	3199	8481	S3111906	07/24/2018	Irrigation repair parts	944.41
	**** TOTAL ****		DBC Irrigation Supply			1,920.80
06-999-09803	3465	8482	5828816	07/01/2018	July base contract	29,955.06
06-903-09803	3382	8482	5892618	07/30/2018	July pest control	950.00
06-903-09803	3382	8482	5857410	07/10/2018	July pest control	1,080.00
06-999-09803	3047	8482	3408148	07/31/2018	Irrigation controller wiring	300.00
06-999-09803	3489	8482	5896691	07/31/2018	Structural tree prunint	20,337.66
06-999-09803	3487	8482	5896692	07/31/2018	Intermediate tree pruning	12,623.00
06-999-09803	3492	8482	5884781	07/26/2018	Parsons tract demo/rehab	5,902.59
06-999-09803	3490	8482	5896693	07/31/2018	Partial cedar mulch select beds	5,000.00
06-999-09803	3448	8482	5892639	07/30/2018	July conex rental	816.00
	**** TOTAL ****		BrightView Landscape Services			76,964.31
06-999-09803	3436	8483	40719	2018	PD site plan amendment	2,739.66
	**** TOTAL ****		Jeff Swanson Architect P.C.			2,739.66
04-120-05900	3410	8484	PA#708	09/2018	PA#7 WMC Filing 9 trail	1,580.00
	**** TOTAL ****		HUDICK EXCAVATING INC			1,580.00
06-999-09803	3468	8485	181408	09/2018	4 stone columns mikelson 5	16,000.00
06-999-02350	3468	8485	181408	09/2018	4 stone columns mikelson 5	(1,600.00)
	**** TOTAL ****		Pineco, LLC			14,400.00
06-903-09801	0	8486	July meter	07/31/2018	July irrigation meters	34,051.67
	**** TOTAL ****		TOWN OF CASTLE ROCK			34,051.67
06-999-09803	3488	8487	PA#107	07/31/2018	PA#1 Mikelson Blvd PH5	66,076.00
06-999-02350	3488	8487	PA#107	07/31/2018	PA#1 Mikelson Blvd PH5	(6,607.60)

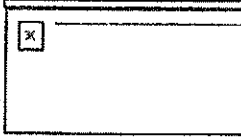
Account	PO/Cont	Check #	Invoice	Date	Description	Amount
		**** TOTAL ****			BrightView Landscape Services	59,468.40
06-903-09050	0	8488		2912907/31/2018	2017 Audit Founders/VCR4	8,800.00
		**** TOTAL ****			STRATAGEM P.C.	8,800.00
06-903-09450	0	8489		2306307/31/2018	Check order	88.95
06-903-09000	0	8489		2306307/31/2018	July services	1,645.00
		**** TOTAL ****			SIMMONS & WHEELER, P.C.	1,733.95
		*** GRAND TOTAL ***				267,957.59

Villages at Castle Rock Metropolitan District #4
 First Bank Debit Card Activity

<u>Date</u>	<u>Description</u>	<u>REFUND</u>	<u>PAID</u>
07/02/18	Keystone		163.35
07/11/18	HOA Online Resources		600.00
07/13/18	Hyatt Place Keystone		637.84
07/18/18	SDA of Colorado		1,333.00
<u>Total</u>		-	<u>2,734.19</u>

Karl Kasch

From: Reservations <resconfirm@vailresorts.com>
Sent: Thursday, June 28, 2018 6:04 PM
To: Traci Miller
Subject: Travel Confirmation for Jeremy Groves 6QRT5 K



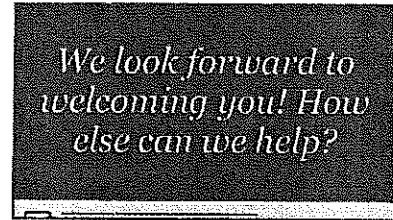
[View summary for Confirmation # 6QRT5](#) [View with images](#) | [Print Confirmation](#)

Dear Jeremy Groves,
Thank you for your reservation at Keystone Resort. Please review the summary and details below and save this receipt for future reference. Additional information about your arrival will be sent in another correspondence a week prior to your arrival date, so keep an eye on your inbox!

Reservation Summary

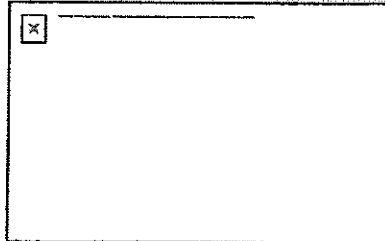
for confirmation # 6QRT5 sent on June 28, 2018

Jeremy Groves
1319 N TABOR DR
CASTLE ROCK, CO 80104
(970) 669-3611
tracim@pinnacleconsultinggroupinc.com
Group Code: CK2SD8
Group Name: SPECIAL DISTRICT ASSOCIAT



UPDATE PREFERENCES »

Make the most of your trip! Be in the know about big snow, upcoming events, resort news and more - check out your current email preferences [here](#).



Property: Lakeside Village
Condos,
[Check-in Directions](#)
(see below for details)

Reserved Under: Jeremy Groves
Room Number:
Unit Size: Conference Village
Studio/1 Bath
Number of Nights: 3
Arrival: September 11, 2018
Departure: September 14, 2018
Number of Adults: 2
Number of Children: 0
[Cancellation Policy \(see below for details\)](#)

Airport Shuttles

Colorado Mountain Express, with 35 years of mountain driving experience, has airport shuttles and private cars to your favorite Colorado Mountain Resort.
[Reserve Now »](#)



Item: Play For Free:
Day of Arrival Golf
Quantity: 2

Start Date: September 11, 2018

Item: Play For Free:
Free Yoga Class

Quantity: 2

Start Date: September 11, 2018

Item: Play for Free: 1 Hour
Tennis Court Rental

Quantity: 2

Start Date: September 11, 2018

Activity Details (see below for details)

ITEMS PURCHASED:	\$435.00
5.9% SURCHARGE:	\$26.58
RESORT FEE:	\$15.00
SUBTOTAL:	\$476.58
APPLICABLE TAXES:	\$30.36
TOTAL:	\$506.94
DEPOSIT RECEIVED:	\$163.35
BALANCE DUE :	\$343.59
DEPOSIT 1 DUE :	\$0.00

All lodging properties package resort amenities in a convenient Resort Fee. This taxable daily Resort Fee includes items such as parking, internet access, and other services and amenities to enhance your visit. Conference guests will be subject to Resort Fees as negotiated in the group contract. For more resort fee information visit www.snow.com/info/resortfees.aspx.

Your package includes a 5.9% surcharge, airport facility fee, if applicable, and applicable taxes thereon. Surcharge and taxes are subject to change without notice.

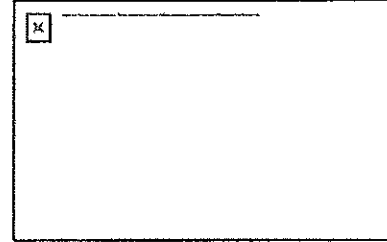
* Credit card on file will be auto-charged balances per stated policy.

Questions? Need to update or change your

Official Rental Car Company

Easily book a rental car as part of your mountain vacation.

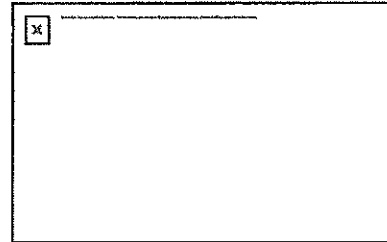
[Learn More »](#)



Summer Activities

There is serious fun to be had on-mountain, off-mountain and everywhere in between! With so much to do, there's no better place for you and your family or friends to have the summer time of your lives

[Learn More »](#)



Plan Your Fun

Treat your friends and your taste buds. Keystone's dining choices range from casual mountain dining to five-star fare.

[Learn More »](#)




Upcoming Events

HOA Online Resource

6070 46th Lane
Vero Beach, FL 32967
(888) 462-1090

Association Website Design and Hosting Agreement

Customer/Management Company Pinnacle Consulting Group Inc			Date 6/21/2018
Billing Address 6551 S. Revere Pkwy, Suite 265			Property Name The Villages at Castlerock Metropolitan District No 4
City Centennial	State CO	Zip 80111	Website foundersvillagemetro.org
Phone (970) 231-9758	Fax (970) 669-3612		Contact Name Chelsey Green/Jerry Blesboer
Email Address vcrmetro4@cimarronia.com			Authorized Signature 

FEE SCHEDULE

Website Design Fee (One Time)	\$300.00
Includes setup on HOA Online Resource servers and original design	
Website Hosting, Maintenance and Support (Annual Fee)	\$300/year
Includes renewal of domain name, hosting of website on HOA Online Resource servers and unlimited support and training	

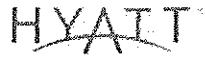
CUSTOMER CHECKLIST

To expedite delivery of your website, please utilize the checklist below to help us with your design. Once a contract is received we will need the below items to begin designing your website. Once an agreement has been made on the design, it usually takes 24-48 hours to put the website on the server. Once payment is received we will point the domain name to the server.

Photography

Color Schemes

Logos/Artwork



SDA Conference
(Don't Debit Card)

Thank you for choosing to stay with Hyatt Hotels & Resorts

Confirmation: # 7680597

Hyatt Place Keystone

23044 US Hwy 6 PO Box 38 (K-66) Keystone, Colorado, 80435 USA

Tel: +1 970 455 8631

Reservation Summary

Check-in Tue, Sep 11, 2018 4:00 P.M.

Checkout Sat, Sep 15, 2018 11:00 A.M.

Room 1 Two Queen Beds

Guest 1 Adult

Guest Details

Jerry Biesboer
tracim@pinnacleconsultinggroupinc.com
550 West Eisenhower Blvd
Loveland, CO 80537 US
Colorado9706693611

Payment Details

Visa xxxx7146
6/2019

Rate Advance Purchase

Summary of Charges

Tue, Sep 11 \$141.55 USD

Wed, Sep 12 \$141.55 USD

Thu, Sep 13 \$141.55 USD

Fri, Sep 14 \$141.55 USD

Subtotal \$566.20 USD

Keystone Surchar \$33.41 USD

Resort Fees \$112.68 USD

Sales Tax \$36.10 USD

Surcharge Tax \$2.13 USD

Total Taxes & Fees \$184.32 USD

Total Per Room* \$750.52 USD

*Changes in taxes or fees will affect the total price.

Special Requests



Thank you for choosing to stay with Hyatt Hotels & Resorts

Confirmation: # 8172446

Hyatt Place Keystone

23044 US Hwy 6 PO Box 38 (K-66) Keystone, Colorado, 80435 USA

Tel: +1 970 455 8631

Reservation Summary

Check-in	Tue, Sep 11, 2018 4:00 P.M.
Checkout	Sat, Sep 15, 2018 11:00 A.M.
Room	1 King Bed (plus sofa bed)
Guest	1 Adult
Guest Details	Tom Valdez tracim@pinnacleconsultinggroupinc.com 550 West Eisenhower Loveland, CO 80537 US CO9706693611
Payment Details	Visa xxxx7146 6/2019

Rate Advance Purchase

Summary of Charges

Tue, Sep 11	\$141.55 USD
Wed, Sep 12	\$141.55 USD
Thu, Sep 13	\$141.55 USD
Fri, Sep 14	\$141.55 USD
Subtotal	\$566.20 USD
Keystone Surchar	\$33.41 USD
Resort Fees	\$112.68 USD
Sales Tax	\$36.10 USD
Surcharge Tax	\$2.13 USD
Total Taxes & Fees	\$184.32 USD
Total Per Room*	\$750.52 USD

*Changes in taxes or fees will affect the total price.

Special Requests



Thanks for Spreading the Word

[Print Receipt](#)

Thank you for registering, please use the following information to make your hotel reservations

Keystone Resort and Conference Center - Discount Code CK2SD8

Hotel reservations: (800) 258-0437
21966 Highway 6, Keystone CO 80435

[Click here for Keystone Online Reservations](#)

Other Resources

[How to Document Sales to Retailers, Tax-Exempt Organizations and Direct Pay Permit Holders](#)

Keystone Place Hyatt - Discount Code G-2SD8

Hotel reservations: (800) 455-8630
23044 US Hwy 6, Keystone CO 80435

[Click here for Keystone Hyatt Reservations](#)

We have more guest activities available

- Golf Outing Call (800) 464-3494 to book your golf outing if interested.
- Spa Appointments Spa Appointments will be available throughout the conference. To make your appointment call (970) 496-4118. Tell them you're with SDA Conference and receive **15% off** all services.
- Shopping Shop at the Silverthorne Outlets. Transportation on your own. Approximately 15 minutes from the conference center.

Thanks for spreading the word about this event to your friends.

SDA Conference Receipt

Your registration has been processed successfully. Please print this page for your records.
A registration confirmation email has also been sent to mbwalker@pinnacleconsultinggroupinc.com

Event Information

2018 Annual Conference - Sept 12 - 14

When September 12th, 2018 7:00 AM through September 14th, 2018 1:30 PM

Location Keystone, CO
United States

Register as...

Participant 1 Tom Valdez

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 2 Jerry Biesboer

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 3 Jeremy Groves

Item	Qty	Unit Price	Total Price
Registrant Type - SDA Conference (Includes extras)	1	\$ 315.00	\$ 315.00

Participant 4 Andrea Groves

Item	Qty	Unit Price	Total Price
Registrant Type - Spouse/Vendor (Includes extras)	1	\$ 388.00	\$ 388.00

Event Total: \$ 1,333.00

Transaction Date: July 17th, 2018 4:41 PM

Transaction #: 4WM84312YT975971R

Registered Email

mbwalker@pinnacleconsultinggroupinc.com

Your Contact Information

First Name Kammy
 Last Name Tinney
 Street Address (Primary) 550 W. Eisenhower Blvd.
 City (Primary) Loveland
 Postal Code (Primary) 80537
 Country (Primary) United States
 State (Primary) Colorado

Participant Information - Participant

Additional Conference Participant

First Name Tom
 Last Name Valdez
 Street Address (Primary) 550 West Eisenhower Boulevard
 City (Primary) Loveland
 Postal Code (Primary) 80537
 Country (Primary) United States
 State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
 Registered Events SDA Conference
 District Founders Village Metro District
 Title Board Member
 Name as Desired on Name Tag Tom Valdez

Opportunities
 Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
 Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
 General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
 General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
 Thursday Evening Reception - 5:00 - 6:30 pm
 General Breakfast Friday with Floyd Cirull - 7:00 am - 7:45 am
 Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
 Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Jerry
Last Name Biesboer
Street Address (Primary) 550 W Eisenhower Boulevard
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
Registered Events SDA Conference
District Founders Village Metro District
Title Board Member
Name as Desired on Name Tag Jerry Biesboer
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Ciruli - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Jeremy
Last Name Groves
Street Address (Primary) 550 West Eisenhower Boulevard
City (Primary) Loveland
Postal Code (Primary) 80537
Country (Primary) United States
State (Primary) CO

SDA Annual Conference

Registrant Type Registrant
Registered Events SDA Conference
District Founders Village Metro District
Title Board Member
Name as Desired on Name Tag Jeremy Groves
Opportunities
Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
Thursday Evening Reception - 5:00 - 6:30 pm
General Breakfast Friday with Floyd Ciruli - 7:00 am - 7:45 am
Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
Wednesday Breakfast - 7:00 - 8:00 am

Participant Information - Participant

Additional Conference Participant

First Name Andrea
Last Name Groves

SDA Annual Conference

Registrant Type Guest
Registered Events SDA Conference Guest
District Founders Village Metro District
Title Mrs.
Name as Desired on Name Tag Andrea Groves
Opportunities Wednesday Lunch - Keynote Speaker: Celeste Headlee - 11:45 am - 1:15 pm
 Wednesday Night Extravaganza - 5:00 pm - 8:30 pm
 General Breakfast Thursday - Keynote Speaker: Manley Feinberg - 7:00 am - 8:45 am
 General Lunch Thursday - Keynote Speaker- John O'Leary - Thursday - 11:15 am - 1:45 pm
 Thursday Evening Reception - 5:00 - 6:30 pm
 General Breakfast Friday with Floyd Cirulli - 7:00 am - 7:45 am
 Awards Luncheon Friday - Keynote Speaker: Karyn Buxman - 11:30 am - 1:30 pm
 Discovery Walk - Friday 9:00 to 10:30 am
 Craft Class - Thursday 2:00 - 4:00 pm
 Wednesday Breakfast - 7:00 - 8:00 am

[Print Receipt](#)

[» Back to "2018 Annual Conference - Sept 12 - 14" event information](#)



Founders Village Metropolitan District
Financial Statements

July 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 July 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 seven 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

August 10, 2018
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
Balance Sheet
July 31, 2018

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 189,547	\$ 189,547
Cash in Checking - CTF Funds	219,767	219,767
County taxes receivable	56,022	56,022
Total Assets	\$ <u>465,336</u>	\$ <u>465,336</u>
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 245,569	\$ 245,569
Total liabilities	<u>245,569</u>	<u>245,569</u>
Fund Equity		
Investment in improvements	-	-
Fund balance	<u>219,767</u>	<u>219,767</u>
	<u>219,767</u>	<u>219,767</u>
	\$ <u>465,336</u>	\$ <u>465,336</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Seven Months Ended July 31, 2018

See Accountants' Compilation Report

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 4,404,952	\$ 4,342,400	\$ (62,552)
Ownership taxes	352,396	263,154	(89,242)
System Development fees	210,000	309,400	99,400
Town SDF rebates	-	50,949	50,949
Interest/other income	2,000	1,559	(441)
Conservation Trust	40,000	19,662	(20,338)
	<hr/>	<hr/>	<hr/>
Total revenues	<u>5,009,348</u>	<u>4,987,124</u>	<u>(22,224)</u>
Expenditures:			
Transfer to District #4	4,903,262	4,902,315	947
Treasurer's fees	66,086	65,147	939
CTF expense	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>4,969,348</u>	<u>4,967,462</u>	<u>1,886</u>
Excess (deficiency) of revenues over expenditures	40,000	19,662	(20,338)
Beginning fund balance	<u>198,903</u>	<u>200,105</u>	<u>1,202</u>
Ending fund balance	\$ <u><u>238,903</u></u>	\$ <u><u>219,767</u></u>	\$ <u><u>(19,136)</u></u>

Villages at Castle Rock Metropolitan District #4
Financial Statements

July 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 July 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 seven 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, PC

August 14, 2018
Englewood, Colorado

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

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	\$ 179,240	\$ -	\$ -	\$ -	\$ 179,240
Cash in COLOTRUST	1,785,898	595,198	1,021,058	-	3,402,154
Taxes receivable	55	-	-	-	55
Accounts receivable	-	-	245,569	-	245,569
	<u>1,965,193</u>	<u>595,198</u>	<u>1,266,627</u>	<u>-</u>	<u>3,827,018</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	1,266,627	1,266,627
Amount to be provided for retirement of debt	-	-	-	118,940,402	118,940,402
	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,782,957</u>	<u>124,782,957</u>
	<u>\$ 1,965,193</u>	<u>\$ 595,198</u>	<u>\$ 1,266,627</u>	<u>\$ 124,782,957</u>	<u>\$ 128,609,975</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 267,958	\$ -	\$ -	\$ -	\$ 267,958
941 Payroll Liability	428	-	-	-	428
Retainage payable	8,208	4,796	-	-	13,004
	<u>276,594</u>	<u>4,796</u>	<u>-</u>	<u>-</u>	<u>281,390</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	94,296,029	94,296,029
Total liabilities	<u>276,594</u>	<u>4,796</u>	<u>-</u>	<u>120,207,029</u>	<u>120,488,419</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	1,688,599	590,402	1,266,627	-	3,545,628
	<u>1,688,599</u>	<u>590,402</u>	<u>1,266,627</u>	<u>4,575,928</u>	<u>8,121,556</u>
	<u>\$ 1,965,193</u>	<u>\$ 595,198</u>	<u>\$ 1,266,627</u>	<u>\$ 124,782,957</u>	<u>\$ 128,609,975</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Seven Months Ended July 31, 2018
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>
Beginning Fund Balance	\$ 714,828	\$ -	\$ 898,193	\$ 183,365
Revenues				
Property taxes	5,868	-	5,868	-
Specific Ownership taxes	587	56	351	(236)
Reimbursements	9,500	-	2,775	(6,725)
Miscellaneous	500	7	504	4
Transfer-Founders Village	1,893,262	22,476	1,816,787	(76,475)
Total revenues	<u>1,909,717</u>	<u>22,539</u>	<u>1,826,285</u>	<u>(83,432)</u>
Total available	<u>2,624,545</u>	<u>22,539</u>	<u>2,724,478</u>	<u>99,933</u>
Expenditures				
Legal	60,000	2,925	59,802	198
Special council	-	-	14,365	(14,365)
Accounting	18,835	4,350	16,805	2,030
Audit	9,500	8,800	8,800	700
Insurance	13,500	-	10,061	3,439
Administrative	34,000	2,780	19,502	14,498
District management - Founders & #4	40,000	3,051	23,793	16,207
Director's fees & mileage	7,000	-	5,356	1,644
Payroll tax expense	600	-	337	263
Development assistance & referrals	10,500	995	7,676	2,824
Community outreach	-	1,184	8,055	(8,055)
SDA dues & conference	6,500	2,134	4,609	1,891
Miscellaneous/reprographic	2,000	691	825	1,175
Election expense	45,000	-	819	44,181
Utilities-Electrical	8,500	520	3,670	4,830
Utilities-Irrigation Water	175,000	34,052	113,960	61,040
Operations & maintenance programs	1,650,000	214,045	737,356	912,644
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	62,761	-	-	62,761
Total expenditures	<u>2,624,545</u>	<u>\$ 275,527</u>	<u>1,035,879</u>	<u>1,588,666</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,688,599</u>	<u>\$ 1,688,599</u>

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

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Current Month</u>	<u>Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Beginning Fund Balance	\$ 113,399	\$ -	\$ 124,840	\$ 11,441
Revenues				
Interest income	15,000	5,564	23,494	8,494
Tap Agreement with District #7	67,044	-	13,794	(53,250)
Transfer from Founders (Dev fees)	210,000	86,649	360,349	150,349
Development fee rebates from Town	165,000	-	104,623	(60,377)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	457,044	92,213	502,260	45,216
	<hr/>	<hr/>	<hr/>	<hr/>
Total available	570,443	92,213	627,100	56,657
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures				
Capital construction	105,000	1,580	3,756	101,244
Project management	21,500	1,644	10,913	10,587
Planning/engineering-Founders	25,000	1,525	11,965	13,035
Planning/engineering-District #9	15,000	1,329	10,064	4,936
Miscellaneous projects	10,000	-	-	10,000
Legal/intergovernmental-District #9	5,000	-	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	181,500	\$ 6,078	36,698	144,802
	<hr/>	<hr/>	<hr/>	<hr/>
Ending Fund Balance	\$ 388,943	\$ -	\$ 590,402	\$ 201,459
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Villages at Castle Rock Metropolitan District #4
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual - Governmental Funds
 For the Seven Months Ended July 31, 2018
 Debt Service 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>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Beginning Fund Balance	\$ <u>18,066</u>	\$ <u>-</u>	\$ <u>41,448</u>	\$ <u>23,382</u>
Revenues				
Transfer-Founders Village	<u>2,800,000</u>	<u>33,713</u>	<u>2,725,179</u>	<u>(74,821)</u>
Total revenues	<u>2,800,000</u>	<u>33,713</u>	<u>2,725,179</u>	<u>(74,821)</u>
Total available	<u>2,818,066</u>	<u>33,713</u>	<u>2,766,627</u>	<u>(51,439)</u>
Expenditures				
Payment to trustee	<u>2,800,000</u>	<u>-</u>	<u>1,500,000</u>	<u>1,300,000</u>
Total expenditures	<u>2,800,000</u>	<u>\$ -</u>	<u>1,500,000</u>	<u>1,300,000</u>
Ending Fund Balance	\$ <u><u>18,066</u></u>		\$ <u><u>1,266,627</u></u>	\$ <u><u>1,248,561</u></u>