

Founders Village Metropolitan District
Financial Statements

August 31, 2021

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Founders Village Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Founders Village Metropolitan District, as of and for the period ended August 31, 2021, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the eight months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

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

Simmons & Wheeler P.C.

October 19, 2021
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
 Balance Sheet
 August 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,668	\$ 192,668
Cash in Checking - CTF Funds	352,993	352,993
County taxes receivable	73,054	73,054
	\$ 618,715	\$ 618,715
Total Assets	\$ 618,715	\$ 618,715
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 265,722	\$ 265,722
	265,722	265,722
Total liabilities	265,722	265,722
Fund Equity		
Fund balance	352,993	352,993
	352,993	352,993
	\$ 618,715	\$ 618,715

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Eight Months Ended August 31, 2021

See Accountants' Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 5,327,226	\$ 5,309,683	\$ (17,543)
Ownership taxes	479,956	348,679	(131,277)
System Development fees	488,040	-	(488,040)
Interest/other income	5,800	3,217	(2,583)
Conservation Trust	45,000	28,794	(16,206)
	<u>6,346,022</u>	<u>5,690,373</u>	<u>(655,649)</u>
Total revenues			
Expenditures:			
Transfer to District #4	5,583,065	5,581,886	1,179
Transfer to District #4 Capital	488,040	-	488,040
Treasurer's fees	79,920	79,693	227
Miscellaneous	-	30	(30)
CTF program Expenditures	150,000	-	150,000
	<u>6,301,025</u>	<u>5,661,609</u>	<u>639,416</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	44,997	28,764	(16,233)
Beginning fund balance	<u>328,718</u>	<u>324,229</u>	<u>(4,489)</u>
Ending fund balance	<u>\$ 373,715</u>	<u>\$ 352,993</u>	<u>\$ (20,722)</u>

Villages at Castle Rock Metropolitan District #4
 Combined Balance Sheet
 August 31, 2021

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	\$ 252,199	\$ -	\$ -	\$ -	\$ 252,199
Cash in COLOTRUST	3,202,399	2,886,947	1,849,592	-	7,938,938
Taxes receivable	42	-	-	-	42
Prepaid expense	445	-	-	-	445
A/R Other	-	-	-	-	-
Accounts receivable	-	-	265,722	-	265,722
	<u>3,455,085</u>	<u>2,886,947</u>	<u>2,115,314</u>	<u>-</u>	<u>8,457,346</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	2,115,314	2,115,314
Amount to be provided for retirement of debt	-	-	-	146,601,677	146,601,677
	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,292,919</u>	<u>153,292,919</u>
	<u>\$ 3,455,085</u>	<u>\$ 2,886,947</u>	<u>\$ 2,115,314</u>	<u>\$ 153,292,919</u>	<u>\$ 161,750,265</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 308,244	\$ -	\$ -	\$ -	\$ 308,244
	<u>308,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>308,244</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	122,805,991	122,805,991
	<u>308,244</u>	<u>-</u>	<u>-</u>	<u>148,716,991</u>	<u>149,025,235</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	3,146,841	2,886,947	2,115,314	-	8,149,102
	<u>3,146,841</u>	<u>2,886,947</u>	<u>2,115,314</u>	<u>4,575,928</u>	<u>12,725,030</u>
	<u>\$ 3,455,085</u>	<u>\$ 2,886,947</u>	<u>\$ 2,115,314</u>	<u>\$ 153,292,919</u>	<u>\$ 161,750,265</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2021
General Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 5,248	\$ -	\$ 5,248	\$ -
Specific Ownership taxes	365	41	343	(22)
Reimbursements	9,500	-	-	(9,500)
Interest/Miscellaneous	500	-	369	(131)
Transfer-Founders Village	2,008,065	26,276	2,007,641	(424)
Total revenues	<u>2,023,678</u>	<u>26,317</u>	<u>2,013,601</u>	<u>(10,077)</u>
Expenditures				
Legal	70,000	6,594	49,915	20,085
Special council	16,500	-	-	16,500
Accounting	22,000	2,528	20,350	1,650
Audit	9,500	-	-	9,500
Insurance	16,000	-	20,467	(4,467)
Administrative	43,000	6,398	41,914	1,086
District management - Founders & #4	45,000	2,541	21,391	23,609
Director's fees & mileage	7,000	1,400	3,900	3,100
Payroll tax expense	536	-	467	69
Development assistance & referrals	9,500	1,367	8,484	1,016
Community outreach and website	5,000	-	120	4,880
SDA dues & conference	5,000	(469)	1,706	3,294
Miscellaneous/reprographic	500	20	330	170
Utilities-Electrical	7,000	594	4,422	2,578
Utilities-Irrigation Water	210,000	44,940	92,895	117,105
Operations & maintenance programs	2,475,000	234,592	702,708	1,772,292
Other enhancements and improvements	250,000	-	-	250,000
Project/Engineering GF projects	22,000	1,763	12,510	9,490
District #9 - Legal/Engineering	80,000	1,432	16,973	63,027
Snowplow damage-repairs	6,000	-	-	6,000
Weather damage-repairs	5,000	-	-	5,000
Treasurer's fees	84	-	79	5
Contingency (2 month carryover)	434,373	-	-	434,373
Emergency reserve	99,139	-	-	99,139
Total expenditures	<u>3,838,132</u>	<u>303,700</u>	<u>998,631</u>	<u>2,839,501</u>
Excess (deficiency) of revenues over expenditures	(1,814,454)	(277,383)	1,014,970	(2,849,578)
Beginning Fund Balance	<u>1,814,454</u>		<u>2,131,871</u>	<u>317,417</u>
Ending Fund Balance	<u>\$ -</u>		<u>\$ 3,146,841</u>	<u>\$ (2,532,161)</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2021
Capital Fund

See Accountant's Compilation Report

	<u>Annual</u> <u>Budget</u>	<u>Current</u> <u>Month</u>	<u>Year to</u> <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues				
Interest income	\$ 85,000	\$ 180	\$ 2,283	\$ (82,717)
Tap Agreement with District #7	5,587	-	-	(5,587)
Development fees (Memmen)	130,000	-	-	(130,000)
Transfer from Founders (Dev fees)	488,040	-	-	(488,040)
Development fee rebates from Town	135,000	-	183,036	48,036
	<u>843,627</u>	<u>180</u>	<u>185,319</u>	<u>(658,308)</u>
Total revenues				
Expenditures				
Capital construction	175,000	-	-	175,000
Project management	6,500	-	-	6,500
Planning/engineering-Founders	24,500	3,518	15,317	9,183
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursements (Memmen)	83,300	-	-	83,300
	<u>299,300</u>	<u>3,518</u>	<u>15,317</u>	<u>283,983</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	544,327	(3,338)	170,002	(942,291)
Beginning Fund Balance	<u>2,054,014</u>		<u>2,716,945</u>	<u>662,931</u>
Ending Fund Balance	\$ <u><u>2,598,341</u></u>		\$ <u><u>2,886,947</u></u>	\$ <u><u>(279,360)</u></u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Eight Months Ended August 31, 2021
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>
Revenues				
Transfer-Founders Village	\$ 3,575,000	\$ 46,779	\$ 3,574,245	\$ (755)
	<u>3,575,000</u>	<u>46,779</u>	<u>3,574,245</u>	<u>(755)</u>
Total revenues	<u>3,575,000</u>	<u>46,779</u>	<u>3,574,245</u>	<u>(755)</u>
Expenditures				
Payment to trustee	3,550,000	-	1,750,000	1,800,000
	<u>3,550,000</u>	<u>-</u>	<u>1,750,000</u>	<u>1,800,000</u>
Total expenditures	<u>3,550,000</u>	<u>-</u>	<u>1,750,000</u>	<u>1,800,000</u>
Excess (deficiency) of revenues over expenditures	25,000	46,779	1,824,245	(1,800,755)
Beginning Fund Balance	<u>-</u>		<u>291,069</u>	<u>291,069</u>
Ending Fund Balance	<u>\$ 25,000</u>		<u>\$ 2,115,314</u>	<u>\$ (1,509,686)</u>