

Founders Village Metropolitan District  
Financial Statements

October 31, 2020

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 October 31, 2020, 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 ten 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.*

November 17, 2020  
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT  
 Balance Sheet  
 October 31, 2020

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,630	\$ 192,630
Cash in Checking - CTF Funds	315,175	315,175
County taxes receivable	73,045	73,045
	\$ 580,850	\$ 580,850
Total Assets	\$ 580,850	\$ 580,850
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 265,675	\$ 265,675
	265,675	265,675
Total liabilities	265,675	265,675
Fund Equity		
Fund balance	315,175	315,175
	315,175	315,175
	\$ 580,850	\$ 580,850

FOUNDERS VILLAGE METROPOLITAN DISTRICT

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

For the Ten Months Ended October 31, 2020

See Accountants' Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 5,272,850	\$ 5,260,839	\$ (12,011)
Ownership taxes	475,063	372,669	(102,394)
System Development fees	418,000	589,579	171,579
Interest/other income	5,800	4,882	(918)
Conservation Trust	47,000	32,900	(14,100)
	<hr/>	<hr/>	<hr/>
Total revenues	<u>6,218,713</u>	<u>6,260,869</u>	<u>42,156</u>
Expenditures:			
Transfer to District #4	5,674,608	6,148,989	(474,381)
Transfer to District #4 Capital	418,000	-	418,000
Treasurer's fees	79,105	78,981	124
Miscellaneous	-	12	(12)
CTF program Expenditures	150,000	4,000	146,000
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>6,321,713</u>	<u>6,231,982</u>	<u>89,731</u>
Excess (deficiency) of revenues over expenditures	(103,000)	28,887	131,887
Beginning fund balance	<u>283,561</u>	<u>286,288</u>	<u>2,727</u>
Ending fund balance	<u>\$ 180,561</u>	<u>\$ 315,175</u>	<u>\$ 134,614</u>

Villages at Castle Rock Metropolitan District #4  
Financial Statements

October 31, 2020

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 October 31, 2020, 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 ten months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

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

*Simmons & Wheeler P.C.*

November 17, 2020  
Englewood, Colorado

Villages at Castle Rock Metropolitan District #4  
 Combined Balance Sheet  
 October 31, 2020

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>
<b>Assets</b>					
<b>Current assets</b>					
Cash in Checking	\$ 84,736	\$ -	\$ -	\$ -	\$ 84,736
Cash in COLOTRUST	2,311,508	1,980,812	1,410,590	-	5,702,910
Taxes receivable	40	-	-	-	40
Prepaid expense	445	-	-	-	445
Accounts receivable	-	-	265,675	-	265,675
	<u>2,396,729</u>	<u>1,980,812</u>	<u>1,676,265</u>	<u>-</u>	<u>6,053,806</u>
<b>Other assets</b>					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	1,676,265	1,676,265
Amount to be provided for retirement of debt	-	-	-	138,153,802	138,153,802
	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,405,995</u>	<u>144,405,995</u>
	<u>\$ 2,396,729</u>	<u>\$ 1,980,812</u>	<u>\$ 1,676,265</u>	<u>\$ 144,405,995</u>	<u>\$ 150,459,801</u>
<b>Liabilities and Equity</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 77,315	\$ -	\$ -	\$ -	\$ 77,315
	<u>77,315</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,315</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	113,919,067	113,919,067
	<u>77,315</u>	<u>-</u>	<u>-</u>	<u>139,830,067</u>	<u>139,907,382</u>
<b>Fund Equity</b>					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	2,319,414	1,980,812	1,676,265	-	5,976,491
	<u>2,319,414</u>	<u>1,980,812</u>	<u>1,676,265</u>	<u>4,575,928</u>	<u>10,552,419</u>
	<u>\$ 2,396,729</u>	<u>\$ 1,980,812</u>	<u>\$ 1,676,265</u>	<u>\$ 144,405,995</u>	<u>\$ 150,459,801</u>

Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Ten Months Ended October 31, 2020  
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	\$ 1,173,696	\$ -	\$ 1,350,931	\$ 177,235
<b>Revenues</b>				
Property taxes	5,226	-	5,205	(21)
Specific Ownership taxes	523	39	369	(154)
Reimbursements	9,500	-	101	(9,399)
Interest/Miscellaneous	500	2	756	256
Transfer-Founders Village	2,020,358	28,077	2,136,739	116,381
Total revenues	<u>2,036,107</u>	<u>28,118</u>	<u>2,143,170</u>	<u>107,063</u>
Total available	<u>3,209,803</u>	<u>28,118</u>	<u>3,494,101</u>	<u>284,298</u>
<b>Expenditures</b>				
Legal	38,000	-	17,131	20,869
Special council	5,000	-	-	5,000
Accounting	22,000	-	14,062	7,938
Audit	9,500	-	-	9,500
Insurance	15,000	-	13,162	1,838
Administrative	43,000	3,520	35,474	7,526
District management - Founders & #4	45,000	3,211	28,406	16,594
Director's fees & mileage	7,000	-	4,300	2,700
Payroll tax expense	536	-	329	207
Development assistance & referrals	9,500	1,662	13,926	(4,426)
Community outreach and website	8,500	-	300	8,200
SDA dues & conference	5,000	-	2,475	2,525
Miscellaneous/reprographic	500	168	579	(79)
Election expense	60,000	-	289	59,711
Utilities-Electrical	8,500	-	4,292	4,208
Utilities-Irrigation Water	200,000	18,087	186,266	13,734
Operations & maintenance programs	1,960,000	47,831	818,523	1,141,477
Project/Engineering GF projects	85,000	-	-	85,000
District #9 - Legal/Engineering	70,000	2,056	35,095	34,905
Snowplow damage-repairs	8,000	-	-	8,000
Weather damage-repairs	6,000	-	-	6,000
Treasurer's fees	86	-	78	8
Contingency (2 month carryover)	525,497	-	-	525,497
Emergency reserve	78,184	-	-	78,184
Total expenditures	<u>3,209,803</u>	<u>\$ 76,535</u>	<u>1,174,687</u>	<u>2,035,116</u>
Ending Fund Balance	<u>\$ -</u>		<u>\$ 2,319,414</u>	<u>\$ 2,319,414</u>



Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Ten Months Ended October 31, 2020  
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	\$ <u>1,335,544</u>	\$ <u>-</u>	\$ <u>1,271,898</u>	\$ <u>(63,646)</u>
Revenues				
Interest income	85,000	890	26,192	(58,808)
Tap Agreement with District #7	5,587	-	-	(5,587)
Development fees (Memmen)	130,000	-	-	(130,000)
Transfer from Founders (Dev fees)	418,000	-	589,579	171,579
Development fee rebates from Town	135,000	-	104,808	(30,192)
	<u>773,587</u>	<u>890</u>	<u>720,579</u>	<u>(53,008)</u>
Total revenues	<u>773,587</u>	<u>890</u>	<u>720,579</u>	<u>(53,008)</u>
Total available	<u>2,109,131</u>	<u>890</u>	<u>1,992,477</u>	<u>(116,654)</u>
Expenditures				
Project management	6,500	-	-	6,500
Planning/engineering-Founders	24,500	848	11,665	12,835
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursemnts (Memmen)	83,300	-	-	83,300
	<u>124,300</u>	<u>848</u>	<u>11,665</u>	<u>112,635</u>
Total expenditures	<u>124,300</u>	<u>848</u>	<u>11,665</u>	<u>112,635</u>
Ending Fund Balance	\$ <u><u>1,984,831</u></u>		\$ <u><u>1,980,812</u></u>	\$ <u><u>(4,019)</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 Ten Months Ended October 31, 2020  
Debt Service Fund

See Accountant's Compilation Report

	Amended <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable <u>(Unfavorable)</u>
Beginning Fund Balance	\$ <u>30,031</u>	\$ <u>-</u>	\$ <u>53,594</u>	\$ <u>23,563</u>
Revenues				
Transfer-Founders Village	<u>3,236,250</u>	<u>44,973</u>	<u>3,422,671</u>	<u>186,421</u>
Total revenues	<u>3,236,250</u>	<u>44,973</u>	<u>3,422,671</u>	<u>186,421</u>
Total available	<u>3,266,281</u>	<u>44,973</u>	<u>3,476,265</u>	<u>209,984</u>
Expenditures				
Payment to trustee	<u>3,240,000</u>	<u>-</u>	<u>1,800,000</u>	<u>1,440,000</u>
Total expenditures	<u>3,240,000</u>	\$ <u>-</u>	<u>1,800,000</u>	<u>1,440,000</u>
Ending Fund Balance	\$ <u><u>26,281</u></u>		\$ <u><u>1,676,265</u></u>	\$ <u><u>1,649,984</u></u>