

Founders Village Metropolitan District
Financial Statements

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

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

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

Simmons & Wheeler P.C.

April 15, 2021
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT
Balance Sheet
March 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,654	\$ 192,654
Cash in Checking - CTF Funds	324,229	324,229
County taxes receivable	234,432	234,432
Total Assets	\$ 751,315	\$ 751,315
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 427,086	\$ 427,086
Total liabilities	427,086	427,086
Fund Equity		
Fund balance	324,229	324,229
	324,229	324,229
	\$ 751,315	\$ 751,315

FOUNDERS VILLAGE METROPOLITAN DISTRICT

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

For the Three Months Ended March 31, 2021

See Accountants' Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 5,327,226	\$ 2,626,302	\$ (2,700,924)
Ownership taxes	479,956	126,740	(353,216)
System Development fees	488,040	-	(488,040)
Interest/other income	5,800	81	(5,719)
Conservation Trust	45,000	-	(45,000)
	<u>6,346,022</u>	<u>2,753,123</u>	<u>(3,592,899)</u>
Total revenues			
Expenditures:			
Transfer to District #4	5,583,065	2,713,728	2,869,337
Transfer to District #4 Capital	488,040	-	488,040
Treasurer's fees	79,920	39,395	40,525
CTF program Expenditures	150,000	-	150,000
	<u>6,301,025</u>	<u>2,753,123</u>	<u>3,547,902</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	44,997	-	(44,997)
Beginning fund balance	<u>328,718</u>	<u>324,229</u>	<u>(4,489)</u>
Ending fund balance	<u>\$ 373,715</u>	<u>\$ 324,229</u>	<u>\$ (49,486)</u>

Villages at Castle Rock Metropolitan District #4
Financial Statements

March 31, 2021

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

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

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

Simmons & Wheeler P.C.

April 15, 2021
Englewood, Colorado

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

See Accountant's Compilation Report

	<u>General</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Account</u> <u>Groups</u>	<u>Total</u> <u>All Funds</u>
Assets					
Current assets					
Cash in Checking	\$ 268,190	\$ -	\$ -	\$ -	\$ 268,190
Cash in COLOTRUST	2,713,907	2,492,382	1,601,662	-	6,807,951
Taxes receivable	345	-	-	-	345
Accounts receivable	-	-	427,086	-	427,086
	<u>2,982,442</u>	<u>2,492,382</u>	<u>2,028,748</u>	<u>-</u>	<u>7,503,572</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	2,028,748	2,028,748
Amount to be provided for retirement of debt	-	-	-	136,361,319	136,361,319
	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,965,995</u>	<u>142,965,995</u>
	<u>\$ 2,982,442</u>	<u>\$ 2,492,382</u>	<u>\$ 2,028,748</u>	<u>\$ 142,965,995</u>	<u>\$ 150,469,567</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 110,935	\$ -	\$ -	\$ -	\$ 110,935
	<u>110,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,935</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	112,479,067	112,479,067
Total liabilities	<u>110,935</u>	<u>-</u>	<u>-</u>	<u>138,390,067</u>	<u>138,501,002</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	<u>2,871,507</u>	<u>2,492,382</u>	<u>2,028,748</u>	<u>-</u>	<u>7,392,637</u>
	<u>2,871,507</u>	<u>2,492,382</u>	<u>2,028,748</u>	<u>4,575,928</u>	<u>11,968,565</u>
	<u>\$ 2,982,442</u>	<u>\$ 2,492,382</u>	<u>\$ 2,028,748</u>	<u>\$ 142,965,995</u>	<u>\$ 150,469,567</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Three Months Ended March 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	\$ 298	\$ 2,389	\$ (2,859)
Specific Ownership taxes	365	52	125	(240)
Reimbursements	9,500	-	-	(9,500)
Interest/Miscellaneous	500	3	5	(495)
Transfer-Founders Village	2,008,065	84,321	976,049	(1,032,016)
Total revenues	<u>2,023,678</u>	<u>84,674</u>	<u>978,568</u>	<u>(1,045,110)</u>
Expenditures				
Legal	70,000	12,204	26,016	43,984
Special council	16,500	-	-	16,500
Accounting	22,000	3,150	6,979	15,021
Audit	9,500	-	-	9,500
Insurance	16,000	-	20,467	(4,467)
Administrative	43,000	3,520	10,580	32,420
District management - Founders & #4	45,000	3,180	8,325	36,675
Director's fees & mileage	7,000	2,500	2,500	4,500
Payroll tax expense	536	-	-	536
Development assistance & referrals	9,500	857	2,995	6,505
Community outreach and website	5,000	-	-	5,000
SDA dues & conference	5,000	1,238	1,238	3,762
Miscellaneous/reprographic	500	30	280	220
Utilities-Electrical	7,000	482	1,557	5,443
Utilities-Irrigation Water	210,000	3,560	3,560	206,440
Operations & maintenance programs	2,475,000	61,613	145,538	2,329,462
Other enhancements and improvements	250,000	-	-	250,000
Project/Engineering GF projects	22,000	1,483	4,436	17,564
District #9 - Legal/Engineering	80,000	2,190	4,425	75,575
Snowplow damage-repairs	6,000	-	-	6,000
Weather damage-repairs	5,000	-	-	5,000
Treasurer's fees	84	5	36	48
Contingency (2 month carryover)	434,373	-	-	434,373
Emergency reserve	99,139	-	-	99,139
Total expenditures	<u>3,838,132</u>	<u>96,012</u>	<u>238,932</u>	<u>3,599,200</u>
Excess (deficiency) of revenues over expenditures	(1,814,454)	(11,338)	739,636	(4,644,310)
Beginning Fund Balance	<u>1,814,454</u>		<u>2,131,871</u>	<u>317,417</u>
Ending Fund Balance	<u>\$ -</u>		<u>\$ 2,871,507</u>	<u>\$ (4,326,893)</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Three Months Ended March 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	\$ 338	\$ 1,042	\$ (83,958)
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	-	-	(135,000)
	<u>843,627</u>	<u>338</u>	<u>1,042</u>	<u>(842,585)</u>
Total revenues				
Expenditures				
Capital construction	175,000	-	-	175,000
Project management	6,500	-	-	6,500
Planning/engineering-Founders	24,500	1,548	3,755	20,745
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursements (Memmen)	83,300	-	-	83,300
	<u>299,300</u>	<u>1,548</u>	<u>3,755</u>	<u>295,545</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	544,327	(1,210)	(2,713)	(1,138,130)
Beginning Fund Balance	<u>2,054,014</u>		<u>2,495,095</u>	<u>441,081</u>
Ending Fund Balance	<u>\$ 2,598,341</u>		<u>\$ 2,492,382</u>	<u>\$ (697,049)</u>

Villages at Castle Rock Metropolitan District #4
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Three Months Ended March 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	\$ 150,116	\$ 1,737,679	\$ (1,837,321)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	3,575,000	150,116	1,737,679	(1,837,321)
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures				
Payment to trustee	3,550,000	-	-	3,550,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	3,550,000	-	-	3,550,000
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	25,000	150,116	1,737,679	(5,387,321)
Beginning Fund Balance	<hr/> -		291,069	291,069
Ending Fund Balance	\$ <u>25,000</u>		\$ <u>2,028,748</u>	\$ <u>(5,096,252)</u>