

Founders Village Metropolitan District  
Financial Statements

December 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 December 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 twelve 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.*

February 9, 2022  
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT  
 Balance Sheet  
 December 31, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,675	\$ 192,675
Cash in Checking - CTF Funds	379,303	379,303
County taxes receivable	36,272	36,272
	_____	_____
Total Assets	\$ <u>608,250</u>	\$ <u>608,250</u>
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 228,947	\$ 228,947
	_____	_____
Total liabilities	<u>228,947</u>	<u>228,947</u>
Fund Equity		
Fund balance	379,303	379,303
	_____	_____
	<u>379,303</u>	<u>379,303</u>
	_____	_____
	\$ <u>608,250</u>	\$ <u>608,250</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

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

See Accountants' Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Property taxes	\$ 5,327,226	\$ 5,327,233	\$ 7
Ownership taxes	479,956	513,749	33,793
System Development fees	488,040	-	(488,040)
Interest/other income	5,800	4,197	(1,603)
Conservation Trust	45,000	55,104	10,104
	<u>6,346,022</u>	<u>5,900,283</u>	<u>(445,739)</u>
Total revenues			
Expenditures:			
Transfer to District #4	5,583,065	5,765,209	(182,144)
Transfer to District #4 Capital	488,040	-	488,040
Treasurer's fees	79,920	79,970	(50)
Miscellaneous	-	30	(30)
CTF program Expenditures	150,000	-	150,000
	<u>6,301,025</u>	<u>5,845,209</u>	<u>455,816</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	44,997	55,074	10,077
Beginning fund balance	<u>328,718</u>	<u>324,229</u>	<u>(4,489)</u>
Ending fund balance	\$ <u><u>373,715</u></u>	\$ <u><u>379,303</u></u>	\$ <u><u>5,588</u></u>

Villages at Castle Rock Metropolitan District #4  
Financial Statements

December 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 December 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 twelve 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.*

February 16, 2022  
Englewood, Colorado

Villages at Castle Rock Metropolitan District #4  
 Combined Balance Sheet  
 December 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>
<b>Assets</b>					
<b>Current assets</b>					
Cash in Checking	\$ 183,458	\$ -	\$ -	\$ -	\$ 183,458
Cash in COLOTRUST	2,786,125	2,942,730	153,754	-	5,882,609
Taxes receivable	36	-	-	-	36
Prepaid expense	445	-	-	-	445
A/R Other	-	77,310	-	-	77,310
Accounts receivable	-	-	228,947	-	228,947
	<u>2,970,064</u>	<u>3,020,040</u>	<u>382,701</u>	<u>-</u>	<u>6,372,805</u>
<b>Other assets</b>					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	382,701	382,701
Amount to be provided for retirement of debt	-	-	-	148,334,290	148,334,290
	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,292,919</u>	<u>153,292,919</u>
	<u>\$ 2,970,064</u>	<u>\$ 3,020,040</u>	<u>\$ 382,701</u>	<u>\$ 153,292,919</u>	<u>\$ 159,665,724</u>
<b>Liabilities and Equity</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 384,241	\$ -	\$ -	\$ -	\$ 384,241
	<u>384,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>384,241</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	122,805,991	122,805,991
	<u>384,241</u>	<u>-</u>	<u>-</u>	<u>148,716,991</u>	<u>149,101,232</u>
<b>Fund Equity</b>					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	2,585,823	3,020,040	382,701	-	5,988,564
	<u>2,585,823</u>	<u>3,020,040</u>	<u>382,701</u>	<u>4,575,928</u>	<u>10,564,492</u>
	<u>\$ 2,970,064</u>	<u>\$ 3,020,040</u>	<u>\$ 382,701</u>	<u>\$ 153,292,919</u>	<u>\$ 159,665,724</u>

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

See Accountant's Compilation Report

	Annual <u>Budget</u>	Current <u>Month</u>	Year to <u>Date</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>				
Property taxes	\$ 5,248	\$ -	\$ 5,248	\$ -
Specific Ownership taxes	365	36	506	141
Reimbursements	9,500	-	-	(9,500)
Interest/Miscellaneous	500	2	376	(124)
Transfer-Founders Village	2,008,065	13,057	2,073,577	65,512
<b>Total revenues</b>	<u>2,023,678</u>	<u>13,095</u>	<u>2,079,707</u>	<u>56,029</u>
<b>Expenditures</b>				
Legal	70,000	4,951	87,561	(17,561)
Special council	16,500	-	-	16,500
Accounting	22,000	1,515	27,309	(5,309)
Audit	9,500	-	8,976	524
Insurance	16,000	-	20,467	(4,467)
Administrative	43,000	6,288	68,111	(25,111)
District management - Founders & #4	45,000	3,039	33,756	11,244
Director's fees & mileage	7,000	-	6,500	500
Payroll tax expense	536	-	705	(169)
Development assistance & referrals	9,500	1,094	13,411	(3,911)
Community outreach and website	5,000	-	420	4,580
SDA dues & conference	5,000	-	1,706	3,294
Miscellaneous/reprographic	500	2	379	121
Utilities-Electrical	7,000	585	6,595	405
Utilities-Irrigation Water	210,000	7,078	207,918	2,082
Operations & maintenance programs	2,475,000	62,998	1,098,824	1,376,176
Other enhancements and improvements	250,000	-	-	250,000
Project/Engineering GF projects	22,000	1,770	17,996	4,004
District #9 - Legal/Engineering	80,000	1,605	25,042	54,958
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
<b>Total expenditures</b>	<u>3,838,132</u>	<u>90,925</u>	<u>1,625,755</u>	<u>2,212,377</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,814,454)</b>	<b>(77,830)</b>	<b>453,952</b>	<b>(2,156,348)</b>
<b>Beginning Fund Balance</b>	<u>1,814,454</u>		<u>2,131,871</u>	<u>317,417</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>		<u>\$ 2,585,823</u>	<u>\$ (1,838,931)</u>



Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Twelve Months Ended December 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	\$ 238	\$ 2,905	\$ (82,095)
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	30,185	306,003	171,003
Miscellaneous income	-	47,126	47,126	47,126
	<u>843,627</u>	<u>77,549</u>	<u>356,034</u>	<u>(487,593)</u>
Expenditures				
Capital construction	175,000	-	-	175,000
Project management	6,500	-	-	6,500
Planning/engineering-Founders	24,500	7,328	52,939	(28,439)
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursements (Memmen)	83,300	-	-	83,300
	<u>299,300</u>	<u>7,328</u>	<u>52,939</u>	<u>246,361</u>
Excess (deficiency) of revenues over expenditures	544,327	70,221	303,095	(733,954)
Beginning Fund Balance	<u>2,054,014</u>		<u>2,716,945</u>	<u>662,931</u>
Ending Fund Balance	<u>\$ 2,598,341</u>		<u>\$ 3,020,040</u>	<u>\$ (71,023)</u>

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

See Accountant's Compilation Report

	<u>Amended</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	\$ 3,366,406	\$ 23,245	\$ 3,691,632	\$ 325,226
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	3,366,406	23,245	3,691,632	325,226
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures				
Payment to trustee	3,600,000	-	3,600,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	3,600,000	-	3,600,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	(233,594)	23,245	91,632	325,226
Beginning Fund Balance	<u>291,069</u>		<u>291,069</u>	<u>-</u>
Ending Fund Balance	<u>\$ 57,475</u>		<u>\$ 382,701</u>	<u>\$ 325,226</u>