

Founders Village Metropolitan District  
Financial Statements

September 30, 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 September 30, 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 nine 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, 2021  
Englewood, Colorado

FOUNDERS VILLAGE METROPOLITAN DISTRICT  
 Balance Sheet  
 September 30, 2021

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total Funds</u>
Assets		
Current assets		
Cash in MMKT	\$ 192,670	\$ 192,670
Cash in Checking - CTF Funds	365,412	365,412
County taxes receivable	44,393	44,393
	_____	_____
Total Assets	\$ <u>602,475</u>	\$ <u>602,475</u>
Liabilities and Equity		
Current liabilities		
Due to District #4	\$ 237,063	\$ 237,063
	_____	_____
Total liabilities	<u>237,063</u>	<u>237,063</u>
Fund Equity		
Fund balance	365,412	365,412
	_____	_____
	<u>365,412</u>	<u>365,412</u>
	\$ <u>602,475</u>	\$ <u>602,475</u>

FOUNDERS VILLAGE METROPOLITAN DISTRICT

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

For the Nine Months Ended September 30, 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	393,072	(86,884)
System Development fees	488,040	-	(488,040)
Interest/other income	5,800	3,218	(2,582)
Conservation Trust	45,000	41,213	(3,787)
	<u>6,346,022</u>	<u>5,747,186</u>	<u>(598,836)</u>
Total revenues			
Expenditures:			
Transfer to District #4	5,583,065	5,626,280	(43,215)
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>5,706,003</u>	<u>595,022</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	44,997	41,183	(3,814)
Beginning fund balance	<u>328,718</u>	<u>324,229</u>	<u>(4,489)</u>
Ending fund balance	<u>\$ 373,715</u>	<u>\$ 365,412</u>	<u>\$ (8,303)</u>

Villages at Castle Rock Metropolitan District #4  
Financial Statements

September 30, 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 September 30, 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 nine 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, 2021  
Englewood, Colorado

Villages at Castle Rock Metropolitan District #4  
 Combined Balance Sheet  
 September 30, 2021

See Accountant's Compilation Report

	General <u>Fund</u>	Capital <u>Fund</u>	Debt Service <u>Fund</u>	Account <u>Groups</u>	Total <u>All Funds</u>
Assets					
Current assets					
Cash in Checking	\$ 294,054	\$ -	\$ -	\$ -	\$ 294,054
Cash in COLOTRUST	2,870,163	2,885,311	1,906,678	-	7,662,152
Taxes receivable	42	-	-	-	42
Prepaid expense	445	-	-	-	445
A/R Other	-	-	-	-	-
Accounts receivable	-	-	237,063	-	237,063
	<u>3,164,704</u>	<u>2,885,311</u>	<u>2,143,741</u>	<u>-</u>	<u>8,193,756</u>
Other assets					
Improvements	-	-	-	4,575,928	4,575,928
Amount available in debt service fund	-	-	-	2,143,741	2,143,741
Amount to be provided for retirement of debt	-	-	-	146,573,250	146,573,250
	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,292,919</u>	<u>153,292,919</u>
	<u>\$ 3,164,704</u>	<u>\$ 2,885,311</u>	<u>\$ 2,143,741</u>	<u>\$ 153,292,919</u>	<u>\$ 161,486,675</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 214,834	\$ -	\$ -	\$ -	\$ 214,834
	<u>214,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,834</u>
Revenue Bonds Payable	-	-	-	25,911,000	25,911,000
Revenue Bonds Interest	-	-	-	122,805,991	122,805,991
	<u>214,834</u>	<u>-</u>	<u>-</u>	<u>148,716,991</u>	<u>148,931,825</u>
Fund Equity					
Investment in improvements	-	-	-	4,575,928	4,575,928
Fund balance	2,949,870	2,885,311	2,143,741	-	7,978,922
	<u>2,949,870</u>	<u>2,885,311</u>	<u>2,143,741</u>	<u>4,575,928</u>	<u>12,554,850</u>
	<u>\$ 3,164,704</u>	<u>\$ 2,885,311</u>	<u>\$ 2,143,741</u>	<u>\$ 153,292,919</u>	<u>\$ 161,486,675</u>

Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Nine Months Ended September 30, 2021  
General 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>
<b>Revenues</b>				
Property taxes	\$ 5,248	\$ -	\$ 5,248	\$ -
Specific Ownership taxes	365	43	386	21
Reimbursements	9,500	-	-	(9,500)
Interest/Miscellaneous	500	1	370	(130)
Transfer-Founders Village	2,008,065	15,967	2,023,608	15,543
<b>Total revenues</b>	<u>2,023,678</u>	<u>16,011</u>	<u>2,029,612</u>	<u>5,934</u>
<b>Expenditures</b>				
Legal	70,000	8,370	58,285	11,715
Special council	16,500	-	-	16,500
Accounting	22,000	1,735	22,085	(85)
Audit	9,500	-	-	9,500
Insurance	16,000	-	20,467	(4,467)
Administrative	43,000	6,331	48,245	(5,245)
District management - Founders & #4	45,000	2,384	23,775	21,225
Director's fees & mileage	7,000	1,300	5,200	1,800
Payroll tax expense	536	-	467	69
Development assistance & referrals	9,500	1,237	9,721	(221)
Community outreach and website	5,000	-	120	4,880
SDA dues & conference	5,000	-	1,706	3,294
Miscellaneous/reprographic	500	10	340	160
Utilities-Electrical	7,000	537	4,959	2,041
Utilities-Irrigation Water	210,000	43,467	136,362	73,638
Operations & maintenance programs	2,475,000	143,290	845,998	1,629,002
Other enhancements and improvements	250,000	-	-	250,000
Project/Engineering GF projects	22,000	1,608	14,118	7,882
District #9 - Legal/Engineering	80,000	2,713	19,686	60,314
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>212,982</u>	<u>1,211,613</u>	<u>2,626,519</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(1,814,454)	(196,971)	817,999	(2,620,585)
<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>\$ 2,949,870</u>	<u>\$ (2,303,168)</u>



Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Nine Months Ended September 30, 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>
<b>Revenues</b>				
Interest income	\$ 85,000	\$ 118	\$ 2,401	\$ (82,599)
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>118</u>	<u>185,437</u>	<u>(658,190)</u>
<b>Total revenues</b>				
<b>Expenditures</b>				
Capital construction	175,000	-	-	175,000
Project management	6,500	-	-	6,500
Planning/engineering-Founders	24,500	1,754	17,071	7,429
Miscellaneous projects	10,000	-	-	10,000
Developer reimbursements (Memmen)	83,300	-	-	83,300
	<u>299,300</u>	<u>1,754</u>	<u>17,071</u>	<u>282,229</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	544,327	(1,636)	168,366	(940,419)
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>\$ 2,885,311</u>	<u>\$ (277,488)</u>

Villages at Castle Rock Metropolitan District #4  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - Governmental Funds  
For the Nine Months Ended September 30, 2021  
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Current Month</u>	<u>Year to Date</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Transfer-Founders Village	\$ 3,575,000	\$ 28,427	\$ 3,602,672	\$ 27,672
	<u>3,575,000</u>	<u>28,427</u>	<u>3,602,672</u>	<u>27,672</u>
Total revenues				
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				
Excess (deficiency) of revenues over expenditures	25,000	28,427	1,852,672	(1,772,328)
Beginning Fund Balance	<u>-</u>		<u>291,069</u>	<u>291,069</u>
Ending Fund Balance	<u>\$ 25,000</u>		<u>\$ 2,143,741</u>	<u>\$ (1,481,259)</u>