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Accountant's Compilation Report

Board of Directors
Roxborough Village Metropolitan District
Douglas County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Roxborough Village Metropolitan District for the year ending December 31, 2016, including the estimate of comparative information for the year ending December 31, 2015 and the actual comparative information for the year ending December 31, 2014, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget 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 the accompanying budget.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Roxborough Village Metropolitan District.

A handwritten signature in cursive script that reads 'CliftonLarsonAllen LLP'.

Greenwood Village, Colorado
January 7, 2016

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT

SUMMARY

**2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
BEGINNING FUND BALANCES	\$ 3,417,401	\$ 2,061,636	\$ 2,163,763
REVENUE			
1 Property taxes	2,754,291	2,787,453	3,046,810
2 Specific ownership tax	250,162	262,700	274,200
3 Net investment income	5,119	7,500	7,000
4 Lottery proceeds	31,062	32,000	32,000
5 Bond proceeds	6,390,000	-	-
6 Sports field fees	1,720	1,400	1,500
7 Miscellaneous income	1,782	1,900	3,000
Total revenue	<u>9,434,136</u>	<u>3,092,953</u>	<u>3,364,510</u>
TRANSFERS IN	205,000	200,000	200,000
Total funds available	<u>13,056,537</u>	<u>5,354,589</u>	<u>5,728,273</u>
EXPENDITURES			
General			
8 Accounting	20,275	30,000	35,000
9 Audit	4,500	4,500	4,500
10 Algae control	3,480	4,700	5,000
11 Director fees	6,000	7,100	7,200
12 District management	73,002	72,800	90,000
13 Election costs	4,985	-	20,000
14 Engineering	22,209	25,200	35,000
15 Insurance	6,633	6,350	7,000
16 Landscape contract	194,040	184,400	194,000
17 Landscape irrigation maintenance	52,610	112,000	70,000
18 Landscape maintenance and supplies	41,589	70,000	70,000
19 Landscape weed contract	26,581	25,000	34,000
20 Tree maintenance	1,705	8,000	10,000
21 Tree replacement	24,477	-	-
22 Legal	71,253	70,000	75,000
23 Miscellaneous	1,650	2,000	4,000
24 Mosquito control	16,000	16,000	16,000
25 Communications/website	375	375	2,000
26 Graffiti removal/vandalism	2,873	3,000	6,000
27 Payroll tax	459	540	550
28 Portable restrooms	2,574	3,000	3,000
29 Repairs and maintenance	19,995	22,000	30,000
30 Skate Park maintenance	-	9,770	10,000
31 SDA - dues	867	1,156	1,200
32 Seasonal lights	8,890	8,000	8,500
33 Snow removal	14,705	30,000	32,000
34 Treasurer's fees	41,336	41,810	45,700
35 Trustee fees	2,550	2,550	2,550
36 Utilities	16,187	16,000	18,000
37 Non-potable water use	25,503	94,500	94,500
38 Repay developer advance	34,597	-	-
39 Update reserve study	-	-	8,000
40 Contingency	-	-	261,000
Debt Service			
41 Bond principal	800,000	560,000	620,554
42 Bond interest	725,039	495,497	444,251
43 Loan principal	125,000	780,000	785,000
44 Loan interest	13,332	127,198	111,346
45 Cost of issuance	104,326	-	-
46 Payment to escrow agent	7,587,326	-	-
Capital outlay	692,978	157,380	110,000
Total expenditures	<u>10,789,901</u>	<u>2,990,826</u>	<u>3,270,851</u>
TRANSFERS OUT	205,000	200,000	200,000
Total expenditures and transfers out requiring appropriation	<u>10,994,901</u>	<u>3,190,826</u>	<u>3,470,851</u>
ENDING FUND BALANCES	<u>\$ 2,061,636</u>	<u>\$ 2,163,763</u>	<u>\$ 2,257,422</u>
EMERGENCY RESERVE	\$ 27,200	\$ 28,000	\$ 31,400
CAPITAL RESERVE	\$ 528,757	\$ 500,000	\$ 500,000

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
ASSESSED VALUATION - DOUGLAS COUNTY			
Residential	\$ 45,197,420	\$ 45,198,240	\$ 54,233,910
Commercial	4,741,150	4,874,860	5,375,430
Vacant land	2,053,370	1,910,890	1,205,610
Personal property	1,832,480	856,540	749,270
State assessed	87,180	871,800	865,300
Certified Assessed Value	<u>\$ 53,911,600</u>	<u>\$ 53,712,330</u>	<u>\$ 62,429,520</u>
MILL LEVY			
General	12.087	12.087	12.087
Debt Service	39.300	39.300	35.900
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	-	-	-
Refund and abatements	0.331	0.293	0.817
Total mill levy	<u>51.718</u>	<u>51.680</u>	<u>48.804</u>
PROPERTY TAXES			
General	651,630	\$ 649,221	\$ 754,586
Debt Service	2,118,726	2,110,894	2,241,219
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	17,845	15,738	51,005
Levied property taxes	<u>2,788,201</u>	<u>2,775,853</u>	<u>3,046,810</u>
Adjustments to actual/rounding	(18,158)	-	-
Adjustments for refunds and abatements	(15,752)	11,600	-
Budgeted property taxes	<u>\$ 2,754,291</u>	<u>\$ 2,787,453</u>	<u>\$ 3,046,810</u>
BUDGETED PROPERTY TAXES			
GENERAL FUND	\$ 647,851	\$ 664,523	\$ 767,433
DEBT SERVICE FUND	2,106,440	2,122,930	2,279,377
	<u>\$ 2,754,291</u>	<u>\$ 2,787,453</u>	<u>\$ 3,046,810</u>

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accountant's compilation report and summary of significant assumptions.

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
GENERAL FUND
2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
BEGINNING FUND BALANCE	\$ 325,199	\$ 379,988	\$ 277,550
REVENUE			
1 Property taxes	647,851	664,523	767,433
2 Specific ownership tax	250,162	262,700	274,200
3 Net investment income	3,295	3,500	3,000
4 Sports field fees	1,720	1,400	1,500
5 Miscellaneous income	1,502	1,800	2,000
Total revenue	904,530	933,923	1,048,133
Total funds available	1,229,729	1,313,911	1,325,683
EXPENDITURES			
6 Accounting	20,275	30,000	32,000
7 Audit	4,500	4,500	4,500
8 Communications/website	375	375	2,000
9 Algae control	3,480	4,700	5,000
10 Director fees	6,000	7,100	7,200
11 District management - general	73,002	72,800	80,000
12 Election costs	4,985	-	20,000
13 Engineering	18,287	25,200	25,000
14 Insurance	6,633	6,350	7,000
15 Landscape contract	194,040	184,400	194,000
16 Landscape irrigation maintenance	52,610	112,000	70,000
17 Landscape maintenance and supplies	41,589	70,000	70,000
18 Landscape weed control	26,581	25,000	34,000
19 Tree maintenance	1,705	8,000	10,000
20 Legal	71,253	70,000	70,000
21 Miscellaneous	1,650	2,000	4,000
22 Mosquito control	16,000	16,000	16,000
23 Graffiti removal/vandalism	2,873	3,000	6,000
24 Payroll tax	459	540	550
25 Portable restrooms	2,574	3,000	3,000
26 Repairs and maintenance	19,995	22,000	30,000
27 Skate Park maintenance	-	9,770	10,000
28 Dues and subscriptions	867	1,156	1,200
29 Seasonal lights	8,890	8,000	8,500
30 Snow removal	14,705	30,000	32,000
31 Treasurer's fees	9,723	9,970	11,500
32 Utilities	16,187	16,000	18,000
33 Non-potable water use	25,503	94,500	94,500
34 Contingency/reserve	-	-	30,000
Total expenditures	644,741	836,361	895,950
TRANSFERS OUT			
Capital Projects Fund	205,000	200,000	200,000
Total transfers out	205,000	200,000	200,000
Total expenditures and transfers out requiring appropriation	849,741	1,036,361	1,095,950
ENDING FUND BALANCE	\$ 379,988	\$ 277,550	\$ 229,733
EMERGENCY RESERVE	\$ 27,200	\$ 28,000	\$ 31,400

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
BEGINNING FUND BALANCE	\$ 1,791,861	\$ 899,894	\$ 1,029,239
REVENUE			
1 Property taxes	2,106,440	2,122,930	2,279,377
2 Net investment income	779	3,500	3,500
3 Loan proceeds	6,390,000	-	-
Total revenue	8,497,219	2,126,430	2,282,877
Total funds available	10,289,080	3,026,324	3,312,116
EXPENDITURES			
4 Treasurer's fees	31,613	31,840	34,200
5 Trustee fees	2,550	2,550	2,550
6 Bond principal - Series 1993	800,000	560,000	620,554
7 Loan principal - Series 2014	125,000	780,000	785,000
8 Bond interest - Series 1993	725,039	495,497	444,251
9 Loan interest - Series 2014	13,332	127,198	111,346
10 Cost of issuance	104,326	-	-
11 Payment to escrow agent	7,587,326	-	-
12 Contingency	-	-	5,000
Total expenditures	9,389,186	1,997,085	2,002,901
Total expenditures and transfers out requiring appropriation	9,389,186	1,997,085	2,002,901
ENDING FUND BALANCE	\$ 899,894	\$ 1,029,239	\$ 1,309,215

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
BEGINNING FUND BALANCE	\$ 1,300,341	\$ 781,754	\$ 856,974
REVENUE			
1 Lottery proceeds	31,062	32,000	32,000
2 Net investment income	1,045	500	500
3 Miscellaneous	280	100	1,000
Total revenue	<u>32,387</u>	<u>32,600</u>	<u>33,500</u>
TRANSFERS IN			
General Fund	205,000	200,000	200,000
Total transfers in	<u>205,000</u>	<u>200,000</u>	<u>200,000</u>
Total funds available	<u>1,537,728</u>	<u>1,014,354</u>	<u>1,090,474</u>
EXPENDITURES			
4 Accounting	-	-	3,000
5 District management	-	-	10,000
6 Legal	-	-	5,000
7 Engineering - general	3,922	-	10,000
8 Community park ball field improvements	-	18,800	25,000
9 Irrigation upgrades/replacement	46,946	67,400	50,000
10 Parking lot improvements	-	-	10,000
11 Parks and Open Space Master Plan update	1,497	1,905	-
12 Capital outlay - Chatfield	7,750	-	-
13 Signage	6,710	44,275	-
14 Trails/bike path	5,450	25,000	25,000
15 Tree replacement	24,477	-	-
16 Water rights purchases	624,625	-	-
17 Update reserve study	-	-	8,000
18 Repay developer advance	34,597	-	-
19 Contingency	-	-	226,000
Total expenditures	<u>755,974</u>	<u>157,380</u>	<u>372,000</u>
Total expenditures and transfers out requiring appropriation	<u>755,974</u>	<u>157,380</u>	<u>372,000</u>
ENDING FUND BALANCE	\$ 781,754	\$ 856,974	\$ 718,474
CAPITAL RESERVES	<u>528,757</u>	<u>500,000</u>	<u>500,000</u>
FUND BALANCE AVAILABLE	<u>\$ 252,997</u>	<u>\$ 356,974</u>	<u>\$ 218,474</u>

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accountant's compilation report and summary of significant assumptions.

ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND - RESERVES
2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

1/7/2016

	ACTUAL 2014	ESTIMATED 2015	ADOPTED 2016
ENDING FUND BALANCE	\$ 781,754	\$ 856,974	\$ 718,474
RESERVES			
1 Tennis court	10,000	-	-
2 Basketball court	4,500	-	-
3 Restroom	21,437	-	-
4 Tennis court parking lot	105,000	-	-
5 Spillway	292,820	80,000	80,000
6 Trails/bike path	25,000	25,000	25,000
7 West Village Circle conversion R.O.W.	70,000	70,000	70,000
8 Retaining wall - 7 acre pond	-	85,000	85,000
9 Replace shelter - Community park	-	60,000	60,000
10 Upgrade wiring - Community park	-	60,000	60,000
11 Dredge 7 acre pond	-	120,000	120,000
	<u>528,757</u>	<u>500,000</u>	<u>500,000</u>
FUND BALANCE AVAILABLE	<u>\$ 252,997</u>	<u>\$ 356,974</u>	<u>\$ 218,474</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on July 10, 1985, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's operates under a Service Plan approved by Douglas County on July 24, 1985. The District's service area is located in Douglas County, Colorado. The District was established to provide irrigation, drainage and storm facilities, street improvements, park and recreational facilities.

On September 3, 1985, the District's voters authorized total indebtedness of \$12,000,000 for the above listed facilities and powers. The authorization provided that the bonds would be subject to a maximum net interest rate of 15% per annum. At a special election on December 30, 1992, the District's voters authorized an additional \$14,000,000. The authorization provided that the bonds would be subject to a minimum mill levy for property taxes which increases from 16.0 mills in 1993 to 39.5 mills in 2005 through 2042 adjusted for changes in the State mandated assessment procedures and the levy must be sufficient to generate a minimum revenue as stated in the ballot question. On November 2, 2004, the District's voters authorized additional indebtedness in an amount not to exceed \$10,500,000 at an interest rate not to exceed 7% per annum. At December 31, 2013 the District had authorized but unissued indebtedness of \$475,000 for the purpose of debt refunding.

The budget is in accordance with the TABOR Amendment limitations, which were modified by the voters in an election held on November 6, 2001. District voters approved authorization for the District to retain and spend District revenues, from any lawful source, in excess of the spending, revenue raising, or other limitations in Article X, Section 20 of the Colorado constitution. Emergency reserves, required under TABOR have been provided.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of C.R.S. 29-1-105.

Revenue

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenue (continued)

The District's maximum Required Mill Levy is 65.692 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

For collection year 2016, the District adopted a mill levy of 12.087 for operations, 35.900 for debt service, and 0.817 to recapture property tax refunds and abatements. The calculation is reflected on page 3 of the Budget.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected by both the General Fund and the Debt Service Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.32%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as management, legal, accounting, insurance, banking, meeting expense, repairs and maintenance and other operating expenses. Such expenses have been assumed to be at approximately the same levels as the prior year since no significant changes are anticipated in the level or scope of service.

Debt Service

Principal and interest payments in 2016 are provided based on the debt amortization schedule from the Series 1993 Bonds and Series 2014 Loan (discussed under Debt and Leases).

Capital Projects

Anticipated expenditures for capital outlay in 2016 are detailed on page 6 of the Budget.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 1993 Bonds

The bonds are payable only from the revenue from the voter approved mill levy (December 1991 election) to generate a “guaranteed revenue” deposited directly to the Trustee and restricted for Series A and B, including interest earned on the cash deposited. The requirement for a replenishable reserve of \$50,000 ended in 2003. Any unpaid interest compounds semi-annually.

1993 Series A

\$4,250,000 of principal bears interest at 9%, payable semiannually, and matures December 31, 2016, but is subject to mandatory redemption at increasing amounts beginning in 1999 through 2016. Unpaid interest will accrue interest compounded at 9%. The bonds are not callable at the option of the District or redeemable by action of the bondholders.

1993 Series B Principal Only

\$6,247,629 of principal bears interest at 10.41%, payable semiannually, and matures December 31, 2021. The Series B Principal Only Bonds are subject to mandatory redemption in increasing amounts in 2000 through 2021. The bonds are not callable at the option of the District.

Series 2014 Loan

\$6,390,000 General Obligation Refunding Tax-Free Loan, Series 2014, dated October 24, 2014, with interest of 2.03%. The Loan is payable semiannually and matures December 1, 2021, and is subject to mandatory redemption at increasing amounts beginning in 2014 through 2021 in increasing amounts.

Reserves

Emergency Reserves

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2016 as defined under TABOR.

Capital Reserves

The Board has established a capital reserve to allow for future defined capital expenditures. These reserves are detailed on page 7 of the Budget.

This information is an integral part of the accompanying budget.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Year	1993 Series A Interest Rate 9.00% Principal Paid December 31 Interest Paid June 30 and December 31		1993 Series B (Note A) Principal Only Bonds Interest Rate 10.41% Principal Paid December 31 Interest Paid June 30 and December 31	
	Principal	Interest	Principal	Interest
2016	\$ 240,554	\$ 21,650	\$ 380,000	\$ 422,601
2017	-	-	725,000	383,043
2018	-	-	800,000	307,570
2019	-	-	825,000	224,290
2020	-	-	900,000	138,407
2021	-	-	429,560	44,717
	<u>\$ 240,554</u>	<u>\$ 21,650</u>	<u>\$ 4,059,560</u>	<u>\$ 1,520,628</u>

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**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**2014 Series - \$6,390,000
General Obligation Refunding
Tax-Free Loan - dated October 24, 2014
Interest Rate 2.03%
Interest Paid**

Year	June 1 and December 1		Total		
	Principal	Interest	Principal	Interest	Total
2016	\$ 785,000	\$ 111,346	\$ 1,405,554	\$ 555,597	\$ 1,961,151
2017	755,000	95,410	1,480,000	478,453	1,958,453
2018	770,000	80,084	1,570,000	387,654	1,957,654
2019	845,000	64,453	1,670,000	288,743	1,958,743
2020	875,000	47,299	1,775,000	185,706	1,960,706
2021	1,455,000	29,537	1,884,560	74,254	1,958,814
	<u>\$ 5,485,000</u>	<u>\$ 428,129</u>	<u>\$ 9,785,114</u>	<u>\$ 1,970,407</u>	<u>\$ 11,755,521</u>

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