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Accountant's Compilation Report

Board of Directors
Roxborough Village Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Roxborough Village Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). 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 AICPA. 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.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

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.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 13, 2020

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 3,261,810	\$ 3,978,814	\$ 4,320,799
REVENUES			
Property taxes	3,187,309	3,211,220	1,812,077
Specific ownership tax	338,719	314,000	163,087
Interest income	90,297	80,000	65,000
Lottery proceeds	35,399	34,000	36,000
Sports field fees	4,300	1,000	1,000
Miscellaneous Income	11,817	2,800	7,000
Total revenues	<u>3,667,841</u>	<u>3,643,020</u>	<u>2,084,164</u>
TRANSFERS IN	<u>270,000</u>	<u>215,000</u>	<u>-</u>
Total funds available	<u>7,199,651</u>	<u>7,836,834</u>	<u>6,404,963</u>
EXPENDITURES			
General Fund	894,789	972,057	1,158,303
Debt Service Fund	1,996,308	1,996,978	1,980,846
Capital Projects Fund	59,740	332,000	846,000
Total expenditures	<u>2,950,837</u>	<u>3,301,035</u>	<u>3,985,149</u>
TRANSFERS OUT	<u>270,000</u>	<u>215,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>3,220,837</u>	<u>3,516,035</u>	<u>3,985,149</u>
ENDING FUND BALANCES	<u>\$ 3,978,814</u>	<u>\$ 4,320,799</u>	<u>\$ 2,419,814</u>
EMERGENCY RESERVE	<u>\$ 36,200</u>	<u>\$ 35,400</u>	<u>\$ 35,000</u>
TOTAL RESERVE	<u>\$ 36,200</u>	<u>\$ 35,400</u>	<u>\$ 35,000</u>

These financial statements 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
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/2020

ACTUAL	ESTIMATED	BUDGET
2018	2019	2020

ASSESSED VALUATION - Douglas

Residential	\$ 60,577,790	\$ 61,224,420	\$ 71,613,170
Commercial	6,355,570	6,355,570	6,248,890
State assessed	947,100	920,900	1,053,500
Vacant land	641,010	508,460	647,070
Personal property	695,020	667,990	631,970
Certified Assessed Value	\$ 69,216,490	\$ 69,677,340	\$ 80,194,600

MILL LEVY

General	12.087	12.087	12.087
Debt Service	34.000	34.000	10.200
Refund and abatements	0.188	0.000	0.309
Total mill levy	46.275	46.087	22.596

PROPERTY TAXES

General	\$ 836,621	\$ 842,191	\$ 969,312
Debt Service	2,353,361	2,369,029	817,985
Refund and abatements	13,013	-	24,780
Levied property taxes	3,202,995	3,211,220	1,812,077
Adjustments to actual/rounding	(15,686)	-	-
Budgeted property taxes	\$ 3,187,309	\$ 3,211,220	\$ 1,812,077

BUDGETED PROPERTY TAXES

General	\$ 835,920	\$ 842,190	\$ 982,751
Debt Service	2,351,389	2,369,030	829,326
	\$ 3,187,309	\$ 3,211,220	\$ 1,812,077

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

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 403,106	\$ 443,415	\$ 436,348
REVENUES			
Property taxes	835,920	842,190	982,751
Specific ownership tax	338,719	314,000	163,087
Interest income	22,052	20,000	10,000
Sports field fees	4,300	1,000	1,000
Miscellaneous income	4,107	2,800	7,000
Total revenues	<u>1,205,098</u>	<u>1,179,990</u>	<u>1,163,838</u>
Total funds available	<u>1,608,204</u>	<u>1,623,405</u>	<u>1,600,186</u>
EXPENDITURES			
General and administrative			
Accounting	37,567	42,000	45,000
Auditing	4,950	5,000	5,200
County Treasurer's fee	12,545	12,633	14,741
Directors' fees	7,000	8,000	8,000
Dues and licenses	1,468	1,169	1,200
Insurance and bonds	9,492	10,143	13,000
District management	132,156	120,000	120,750
Legal services	61,979	70,000	70,000
Miscellaneous	3,038	4,000	4,000
Newsletter	-	3,000	3,000
Payroll taxes	536	612	612
Election expense (Board and TABOR Prep)	39,557	-	65,000
Engineering	38,279	35,000	45,000
Communications/website	3,271	600	15,000
Community events	-	17,000	35,000
Foothills Park and Recreation fees	16,567	20,000	20,000
Operations and maintenance			
Algae control	5,104	5,400	5,000
Graffiti removal/ vandalism	1,801	5,000	5,000
Landscape contract	158,686	160,000	164,800
Landscape improvement	31,955	67,500	75,000
Landscape irrigation maintenance	43,026	20,000	25,000
Landscape weed control	39,590	20,000	20,000
Mosquito control	14,000	16,000	16,000
Nonpotable water purchase usage	69,368	70,000	70,000
Open space maintenance / fire mitigation	-	25,000	25,000
Portable restrooms	2,808	3,000	3,000
Playground repairs and maintenance	31,437	5,000	30,000
Repairs and maintenance	16,616	25,000	20,000
Seasonal lights	11,668	13,000	14,000
Skate Park maintenance	-	41,000	15,000
Snow removal	15,881	52,000	40,000
Tree maintenance	21,605	80,000	80,000
Tree spraying	49,745	-	40,000
Utilities	13,094	15,000	15,000
Contingency	-	-	30,000
Total expenditures	<u>894,789</u>	<u>972,057</u>	<u>1,158,303</u>
TRANSFERS OUT			
Transfers to other funds	<u>270,000</u>	<u>215,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,164,789</u>	<u>1,187,057</u>	<u>1,158,303</u>
ENDING FUND BALANCE	<u>\$ 443,415</u>	<u>\$ 436,348</u>	<u>\$ 441,883</u>
EMERGENCY RESERVE	<u>\$ 36,200</u>	<u>\$ 35,400</u>	<u>\$ 35,000</u>
TOTAL RESERVE	<u>\$ 36,200</u>	<u>\$ 35,400</u>	<u>\$ 35,000</u>

These financial statements 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
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 1,467,937	\$ 1,898,973	\$ 2,331,025
REVENUES			
Property taxes	2,351,389	2,369,030	829,326
Interest income	68,245	60,000	55,000
Miscellaneous income	7,710	-	-
Total revenues	<u>2,427,344</u>	<u>2,429,030</u>	<u>884,326</u>
Total funds available	<u>3,895,281</u>	<u>4,328,003</u>	<u>3,215,351</u>
EXPENDITURES			
Bond interest - Series 1993	308,237	224,290	138,407
Loan interest - Series 2014	80,084	64,453	47,299
Bond principal - Series 1993	800,000	825,000	900,000
Loan principal - Series 2014	770,000	845,000	875,000
County Treasurer's fee	35,287	35,535	12,440
Contingency	-	-	5,000
Paying agent fees	2,700	2,700	2,700
Total expenditures	<u>1,996,308</u>	<u>1,996,978</u>	<u>1,980,846</u>
Total expenditures and transfers out requiring appropriation	<u>1,996,308</u>	<u>1,996,978</u>	<u>1,980,846</u>
ENDING FUND BALANCE	<u>\$ 1,898,973</u>	<u>\$ 2,331,025</u>	<u>\$ 1,234,505</u>

These financial statements 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
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 1,390,767	\$ 1,636,426	\$ 1,553,426
REVENUES			
Lottery proceeds	35,399	34,000	36,000
Total revenues	<u>35,399</u>	<u>34,000</u>	<u>36,000</u>
TRANSFERS IN			
Transfers from other funds	<u>270,000</u>	<u>215,000</u>	<u>-</u>
Total funds available	<u>1,696,166</u>	<u>1,885,426</u>	<u>1,589,426</u>
EXPENDITURES			
General and Administrative			
Accounting	-	3,000	3,000
Contingency	-	-	100,000
District management	164	45,000	40,000
Engineering	-	5,000	20,000
Legal services	-	5,000	5,000
Capital Projects			
Baseball field improvements	22,635	10,000	5,000
Capital outlay	1,132	-	-
Irrigation upgrades/replacement	13,384	100,000	150,000
Parking lot improvements	-	6,000	3,000
Trails/bike path	-	3,000	25,000
Spillway / embankment	-	-	150,000
Water rights enhancements	22,425	5,000	20,000
Master plan	-	150,000	325,000
Total expenditures	<u>59,740</u>	<u>332,000</u>	<u>846,000</u>
Total expenditures and transfers out requiring appropriation	<u>59,740</u>	<u>332,000</u>	<u>846,000</u>
ENDING FUND BALANCE	<u>\$ 1,636,426</u>	<u>\$ 1,553,426</u>	<u>\$ 743,426</u>

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

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
2020 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, 2017 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 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

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
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

The District's maximum Required Mill Levy for the Series 1993 Bonds is 73.109 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 an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

The calculation of taxes levied is displayed on the Property Tax Summary Information page of the budget using the adopted mill levy imposed by District.

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 historical interest earnings.

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.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5 % of property tax collections.

Debt Service

Principal and interest payments in 2020 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 are detailed on the Capital Project Fund page of the Budget.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
2020 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 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 beginning in 2014 through 2021 in increasing amounts. The Loan is not subject to redemption prior to maturity.

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.

**ROXBOROUGH VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019**

Year	1993 Series B (Note A) Principal Only Bonds Interest Rate 10.41% Principal Paid December 31 Interest Paid June 30 and December 31		2014 Series - \$6,390,000 General Obligation Refunding Tax-Free Loan October 24, 2014 Interest Rate 2.03% Interest Paid June 1 and December 1		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2020	\$ 900,000	\$ 138,407	\$ 875,000	\$ 47,299	\$ 1,775,000	\$ 185,706	\$ 1,960,706
2021	429,560	44,717	1,455,000	29,537	1,884,560	74,254	1,958,814
	<u>\$ 1,329,560</u>	<u>\$ 183,124</u>	<u>\$ 2,330,000</u>	<u>\$ 76,836</u>	<u>\$ 3,659,560</u>	<u>\$ 259,960</u>	<u>\$ 3,919,520</u>

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