

DOVE VALLEY METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2016

with

Independent Auditors' Report



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C O N T E N T S

	<u>Page</u>
<u>Independent Auditors' Report</u>	I
<u>Basic Financial Statements</u>	
Balance Sheet/Statement of Net Position - Governmental Funds	1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities - Governmental Funds	2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	3
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Special Revenue Fund - Conservation Trust Fund	4
Notes to Financial Statements	5
<u>Supplemental Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	21
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Capital Projects Fund	22
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected	23
Schedule of Debt Service Requirements to Maturity	24
<u>Continuing Disclosure Annual Financial Information – Unaudited</u>	
Table I – Comparative Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund – 2011 through 2016	26
Table II – Comparative Statement of Revenues, Expenditures and Changes in Fund Balance – Debt Service Fund – 2011 through 2016	27
Table III – Comparative Statement of Revenues, Expenditures and Changes in Fund Balance – Capital Projects Fund – 2011 through 2016	28
Table IV – Historical Debt Ratios	29
Table V – Ten Largest Taxpayers within the District	30
Table VI – History of District’s Mill Levies and Ad Valorem Property Tax Receipts	31
Table VII – History of District’s Assessed Value	32
Table XI – General Fund Budget Summary and Comparison	33
Table XII – Debt Service Fund Budget Summary and Comparison	34
Table XIII – Capital Projects Fund Budget Summary and Comparison	35

Board of Directors
Dove Valley Metropolitan District
Arapahoe County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Dove Valley Metropolitan District, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Dove Valley Metropolitan District as of December 31, 2016, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and for the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

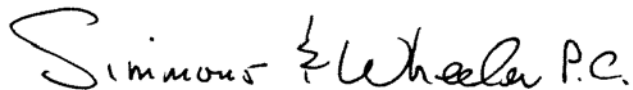
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dove Valley Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The continuing disclosure annual financial information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Englewood, CO
July 13, 2017

DOVE VALLEY METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Conservation Trust</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS							
Cash and investments	\$ 3,790,286	\$ -	\$ -	\$ -	\$ 3,790,286	\$ -	\$ 3,790,286
Cash and investments - restricted	-	783,787	5,366,816	33,728	6,184,331	-	6,184,331
Receivable - County Treasurer	4,304	12,055	-	-	16,359	-	16,359
Property taxes receivable	887,047	2,453,720	-	-	3,340,767	-	3,340,767
Accounts receivable - Build America Bonds	-	-	-	-	-	31,724	31,724
Deposits	-	-	187,690	-	187,690	-	187,690
Prepaid expenses	8,046	-	-	-	8,046	-	8,046
Capital assets, not being depreciated	-	-	-	-	-	2,164,095	2,164,095
Capital assets, net of depreciation	-	-	-	-	-	1,573,685	1,573,685
Total Assets	<u>4,689,683</u>	<u>3,249,562</u>	<u>5,554,506</u>	<u>33,728</u>	<u>13,527,479</u>	<u>3,769,504</u>	<u>17,296,983</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred loss on refunding	-	-	-	-	-	1,506,088	1,506,088
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,506,088</u>	<u>1,506,088</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,689,683</u>	<u>\$ 3,249,562</u>	<u>\$ 5,554,506</u>	<u>\$ 33,728</u>	<u>\$ 13,527,479</u>		
LIABILITIES							
Accounts payable	\$ 25,314	\$ -	\$ 47,136	\$ -	\$ 72,450	-	72,450
Accrued interest on bonds	-	-	-	-	-	97,357	97,357
Accrued interest on loan	-	-	-	-	-	88,196	88,196
Deferred grant revenue	-	-	57	-	57	-	57
Loan payable - due within one year	-	-	-	-	-	900,000	900,000
Long-term liabilities:							
Loan payable in greater than one year	-	-	-	-	-	38,010,000	38,010,000
Bonds payable in greater than one year	-	-	-	-	-	8,730,000	8,730,000
Total Liabilities	<u>25,314</u>	<u>-</u>	<u>47,193</u>	<u>-</u>	<u>72,507</u>	<u>47,825,553</u>	<u>47,898,060</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred property taxes	887,047	2,453,720	-	-	3,340,767	-	3,340,767
Total Deferred Inflows of Resources	<u>887,047</u>	<u>2,453,720</u>	<u>-</u>	<u>-</u>	<u>3,340,767</u>	<u>-</u>	<u>3,340,767</u>
FUND BALANCES/NET POSITION							
Fund Balances:							
Nonspendable:							
Prepays	8,046	-	-	-	8,046	(8,046)	-
Restricted:							
Emergencies	27,910	-	-	-	27,910	(27,910)	-
Debt service	-	795,842	-	-	795,842	(795,842)	-
Capital projects	-	-	5,507,313	-	5,507,313	(5,507,313)	-
Conservation trust	-	-	-	33,728	33,728	(33,728)	-
Assigned	562,314	-	-	-	562,314	(562,314)	-
Unassigned	3,179,052	-	-	-	3,179,052	(3,179,052)	-
Total Fund Balances	<u>3,777,322</u>	<u>795,842</u>	<u>5,507,313</u>	<u>33,728</u>	<u>10,114,205</u>	<u>(10,114,205)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,689,683</u>	<u>\$ 3,249,562</u>	<u>\$ 5,554,506</u>	<u>\$ 33,728</u>	<u>\$ 13,527,479</u>		
Net Position:							
Net investment in capital assets						(4,992,220)	(4,992,220)
Restricted for:							
Emergencies						27,910	27,910
Debt service						610,289	610,289
Capital projects						5,507,313	5,507,313
Conservation trust						33,728	33,728
Unrestricted						<u>(33,622,776)</u>	<u>(33,622,776)</u>
Total Net Position						<u>\$ (32,435,756)</u>	<u>\$ (32,435,756)</u>

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Conservation Trust</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES							
Accounting and audit	\$ 29,385	\$ -	\$ -	\$ -	\$ 29,385	\$ -	\$ 29,385
Contribution to City for traffic study	-	-	15,000	-	15,000	-	15,000
District management	41,092	-	12,588	-	53,680	(12,588)	41,092
Directors' fees	2,200	-	-	-	2,200	-	2,200
District identity and website	-	-	10,087	-	10,087	-	10,087
Economic development	5,000	-	-	-	5,000	-	5,000
Election	1,602	-	-	-	1,602	-	1,602
Insurance	9,566	-	-	-	9,566	-	9,566
Irrigation	89,768	-	-	-	89,768	-	89,768
Landscape maintenance	107,436	-	-	-	107,436	-	107,436
Legal	25,952	-	11,978	-	37,930	(11,978)	25,952
Miscellaneous expenses	6,581	-	-	-	6,581	-	6,581
Payroll taxes	168	-	-	-	168	-	168
Street lights	99,249	-	-	-	99,249	-	99,249
Treasurer's fees	12,676	35,231	-	-	47,907	-	47,907
Bond interest expense - 2010 Bonds	-	584,141	-	-	584,141	-	584,141
Loan principal - 2015 Loan	-	875,000	-	-	875,000	(875,000)	-
Loan interest expense - 2015 Loan	-	1,100,188	-	-	1,100,188	200,314	1,300,502
Paying agent fees	-	3,100	-	-	3,100	-	3,100
Project management	-	-	17,302	-	17,302	(17,302)	-
Depreciation	-	-	-	-	-	96,112	96,112
Capital improvements	-	-	874,588	-	874,588	(874,588)	-
Total Expenditures	430,675	2,597,660	941,543	-	3,969,878	(1,495,030)	2,474,848
GENERAL REVENUES							
Property taxes	845,568	2,350,442	-	-	3,196,010	-	3,196,010
Specific ownership taxes	67,124	186,505	-	-	253,629	-	253,629
Conservation trust funds	-	-	-	18,179	18,179	-	18,179
Interest income	3,202	838	4,619	12	8,671	-	8,671
Miscellaneous income	188	-	15,000	-	15,188	-	15,188
Total General Revenues	916,082	2,537,785	19,619	18,191	3,491,677	-	3,491,677
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	485,407	(59,875)	(921,924)	18,191	(478,201)	1,495,030	1,016,829
OTHER FINANCING SOURCES (USES)							
Reimbursement - Build America Bonds	-	190,547	-	-	190,547	(34)	190,513
Grant proceeds	-	-	284,149	-	284,149	-	284,149
Total Other Financing Sources (Uses)	-	190,547	284,149	-	474,696	(34)	474,662
NET CHANGES IN FUND BALANCES	485,407	130,672	(637,775)	18,191	(3,505)	3,505	-
CHANGE IN NET POSITION						1,491,491	1,491,491
FUND BALANCES/NET POSITION:							
BEGINNING OF YEAR	3,291,915	665,170	6,145,088	15,537	10,117,710	(44,044,957)	(33,927,247)
END OF YEAR	\$ 3,777,322	\$ 795,842	\$ 5,507,313	\$ 33,728	\$ 10,114,205	\$ (42,549,961)	\$ (32,435,756)

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2016

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 875,605	\$ 845,568	\$ (30,037)
Allowance for uncollectible accounts	(18,230)	-	18,230
Specific ownership taxes	59,040	67,124	8,084
Interest income	5,000	3,202	(1,798)
Miscellaneous income	-	188	188
	<u>921,415</u>	<u>916,082</u>	<u>(5,333)</u>
Total Revenues			
EXPENDITURES			
Accounting and audit	29,000	29,385	(385)
Consulting	1,500	-	1,500
District management	49,000	41,092	7,908
Directors' fees	3,200	2,200	1,000
Economic development	5,000	5,000	-
Election	1,000	1,602	(602)
Insurance	6,700	9,566	(2,866)
Irrigation	83,000	89,768	(6,768)
Landscape maintenance	105,000	107,436	(2,436)
Legal	47,000	25,952	21,048
Miscellaneous expenses	7,000	6,581	419
Payroll taxes	245	168	77
Street lights	75,000	99,249	(24,249)
Treasurer's fees	13,680	12,676	1,004
Emergency reserve	27,650	-	27,650
	<u>453,975</u>	<u>430,675</u>	<u>23,300</u>
Total Expenditures			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	467,440	485,407	17,967
OTHER FINANCING SOURCES (USES)			
Transfer (to) other funds	(1,000,000)	-	1,000,000
	<u>(1,000,000)</u>	<u>-</u>	<u>1,000,000</u>
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCE	(532,560)	485,407	1,017,967
FUND BALANCE:			
BEGINNING OF YEAR	<u>2,920,201</u>	<u>3,291,915</u>	<u>371,714</u>
END OF YEAR	<u>\$ 2,387,641</u>	<u>\$ 3,777,322</u>	<u>\$ 1,389,681</u>

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - CONSERVATION TRUST FUND For the Year Ended December 31, 2016

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Conservation trust funds	\$ 8,200	\$ 18,179	\$ 9,979
Interest income	<u>5</u>	<u>12</u>	<u>7</u>
Total Revenues	<u>8,205</u>	<u>18,191</u>	<u>9,986</u>
EXPENDITURES			
Miscellaneous expenses	-	-	-
Contingency	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	8,205	18,191	9,986
FUND BALANCE:			
BEGINNING OF YEAR	<u>8,160</u>	<u>15,537</u>	<u>7,377</u>
END OF YEAR	<u>\$ 16,365</u>	<u>\$ 33,728</u>	<u>\$ 17,363</u>

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Dove Valley Metropolitan District (“District”), located in Arapahoe County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on April 30, 1984 as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide street improvements, traffic and safety control devices, parks and recreational facilities, and transportation services that benefit the citizens of the District. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

In December 1988 and in January 2000, the District amended its Service Plan to include the operation and/or maintenance of water and sanitation services, local sanitary and drainage facilities and streets, either independently or pursuant to intergovernmental agreements with Arapahoe County, Parker Jordan Metropolitan District and Douglas County, as appropriate. In October 2004, the District again modified its Service Plan to reflect a modified Financial Plan and to grant the District the authority to issue the remaining voted debt in the amount of \$18,000,000.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Special Revenue Fund - Conservation Trust Fund – The Conservation Trust Fund is a special revenue fund used to account for all financial resources that are restricted, committed or assigned for Conservation Trust Fund eligible expenditures.

Budgetary Accounting

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

Assets, Liabilities and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2016, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred loss on refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt using the interest method. The amortization amount is reported as a component of interest expense.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Monumentation	20 years
Street lights	20 years

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 taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as prepaids or inventory) or are legally or contractually required to be maintained intact.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

The nonspendable fund balance in the General Fund in the amount of \$8,046 represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$27,910 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$795,842 is restricted for the payment of the debt service costs associated with the District's Series 2010 General Obligation Bonds, 2015 Loan and its IGA Obligation Debt (see Notes 4 & 5).

The restricted fund balance in the Capital Projects Fund in the amount of \$5,507,313 is restricted as unused bond proceeds to be used for the payment of the costs for capital improvements within the District.

The restricted fund balance in the Conservation Trust Fund in the amount of \$33,728 is restricted for use on Conservation Trust Fund eligible park and recreation expenditures.

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

The assigned fund balance in the General Fund in the amount of \$562,314 represents funds intended for use for operating expenses during 2016 per the adopted budget for 2016 approved by the Board of Directors.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2016, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 3,790,286
Cash and investments – Restricted	<u>6,184,331</u>
Total	<u>\$ 9,974,617</u>

Cash and investments as of December 31, 2016 consist of the following:

Deposits with financial institutions	\$ 4,034,197
Investments – Commercial paper	<u>5,940,420</u>
	<u>\$ 9,974,617</u>

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District’s deposits were exposed to custodial credit risk.

Investments

Investment Valuation

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series); money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee); and CSAFE which record their investments at amortized cost.

The District does not have any recurring fair value measurements as of December 31, 2016.

Credit Risk

The District investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

US Bank Commercial Paper

During 2016, the District's funds that were included in the bond related accounts at US Bank were invested in US Bank Open Monthly Manual Sweep Commercial Paper. Each share is equal in value to \$1.00 and is interest-bearing. The investment for the Series 2010 Bonds in the amount of \$5,812,567 matures on June 1, 2017 and the investment for the Series 2015 Loan in the amount of \$127,853 matures on August 1, 2017. The investment is rated A-1+ by Standard and Poor's. As of December 31, 2016, the District had \$5,940,420 in this investment, all of which was reserved for the repayment of bond/loan principal and interest or to be used for capital improvements.

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2016 follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>12-31-15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-16</u>
<u>Capital assets not being depreciated:</u>				
Construction in progress - monumentation	\$ 2,195	\$ -	\$ -	\$ 2,195
Construction in progress - trails	182,672	402,492	-	585,164
Construction in progress - medians	54,732	15,512	-	70,244
Construction in progress - streets/other	<u>1,008,040</u>	<u>498,452</u>	-	<u>1,506,492</u>
Total assets not being depreciated	<u>1,247,639</u>	<u>916,456</u>	-	<u>2,164,095</u>
<u>Capital assets being depreciated:</u>				
Monumentation	1,195,191	-	-	1,195,191
Street lights	<u>727,039</u>	-	-	<u>727,039</u>
Total assets being depreciated	1,922,230	-	-	1,922,230
<u>Accumulated depreciation</u>				
Monumentation	(179,729)	(59,760)	-	(239,489)
Street lights	<u>(72,704)</u>	<u>(36,352)</u>	-	<u>(109,056)</u>
Total accumulated depreciation	<u>(252,433)</u>	<u>(96,112)</u>	-	<u>(348,545)</u>
Net capital assets being depreciated	<u>1,669,797</u>	<u>(96,112)</u>	-	<u>1,573,685</u>
Government type assets, net	<u>\$ 2,917,436</u>	<u>\$ 820,344</u>	<u>\$ -</u>	<u>\$ 3,737,780</u>

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

It is the policy of Arapahoe County and the City of Centennial to accept the maintenance responsibility for improvements within the County only after a probationary period following the completion of construction. Upon final acceptance of the streets by the County or the City, the District will remove the costs of construction from its capital assets. The District will maintain the ownership and maintenance of the District-owned street lighting and monumentation once those projects are completed.

Note 4: Long Term Debt

The following is an analysis of changes in long-term debt for the period ending December 31, 2016:

	Balance 12-31-15	Additions	Deletions	Balance 12-31-16	Current Portion
Series 2010 Bonds	\$ 8,730,000	\$ -	\$ -	\$ 8,730,000	\$ -
Series 2015 Loan	39,785,000	-	875,000	38,910,000	900,000
	\$48,515,000	\$ -	\$ 875,000	\$47,640,000	\$900,000

A description of the long-term obligations as of December 31, 2016 is as follows:

\$40,635,000 Taxable (Convertible to Tax-Exempt) General Obligation Refunding Loan – Series 2015

On April 29, 2015, the District entered into a Loan Agreement with U. S. Bank for a \$40,635,000 Taxable (Convertible to Tax-Exempt) General Obligation Refunding Loan, Series 2015 (“2015 Loan”). The 2015 Loan is evidenced by a promissory note. The 2015 Loan was issued to provide funds to advance refund the District’s Series 2005 Bonds and to pay the costs of issuance. This refunding resulted in a net present value savings to the District of approximately \$7,200,000.

The 2015 Loan matures on April 29, 2025. Principal payments are due on December 1 of each year, commencing December 1, 2015. Interest is payable on June 1 and December 1 of each year beginning December 1, 2015. The Series 2015 Loan has a coupon rate of 3.89% through August 3, 2015 and 2.72% from August 3, 2015 through April 29, 2025.

The District may repay all or any part of the principal of the 2015 Loan on any one or more of the principal payment dates, upon payment of a prepayment fee equal to the greater of zero or the net of the principal amount of the loan or portion of the loan to be prepaid minus the net present value of the loan or portion of the loan, as determined by U. S. Bank.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

The following is a summary of the annual long-term debt principal and interest requirements to maturity as of December 31, 2016:

	Principal	Interest	Total
2017	\$ 900,000	\$ 1,073,051	\$ 1,973,051
2018	925,000	1,048,231	1,973,231
2019	950,000	1,022,722	1,972,722
2020	1,050,000	999,253	2,049,253
2021	1,075,000	967,566	2,042,566
2022 - 2025	34,010,000	3,060,317	37,070,317
	\$ 38,910,000	\$ 8,171,140	\$ 47,081,140

Series 2010 Bonds

On November 18, 2010, the District issued \$8,730,000 of Taxable General Obligation Direct Pay Build America Bonds, Series 2010 (“Series 2010 Bonds”). The Series 2010 Bonds bear interest with rates varying from 6.487% to 6.750% payable semiannually on May 1 and November 1, beginning May 1, 2011. The bonds mature on November 1, 2028 through November 1, 2040 and are subject to mandatory sinking fund redemption beginning in 2019, in accordance with schedules set forth in the bond documents. The bonds maturing on and after November 1, 2021 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000 in any order of maturity designated by the District and in whole or partial maturities on November 1, 2020, and on any date thereafter upon payment of par and accrued interest. Proceeds from the sale of the bonds will be used to finance capital projects, establish a reserve fund and to pay the costs of the issuance of the bonds. The required reserve fund amount is equal to \$554,449.

The Series 2010 Bonds were issued as “Build America Bonds” as defined by the American Recovery and Reinvestment Act of 2009. Per this act, the District expects to receive a cash subsidy payment from the United States Department of the Treasury equal to 35% of the interest payable on the bonds on or about each interest payment date. The cash payment does not constitute a full faith and credit guarantee of the United States government, but is required to be paid under the Recovery Act. For 2016, per notification from the IRS, the subsidy payments applied for were reduced by 6.8% in May 2016 and 6.9% in November 2016 (“Sequestration Reduction”).

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

The following is a summary of the annual long-term debt principal and interest requirements to maturity as of December 31, 2016 before the projected cash subsidy described above:

Principal	Interest	Total
\$ -	\$ 584,140	\$ 584,140
-	584,141	584,141
15,000	584,141	599,141
15,000	583,168	598,168
30,000	582,194	612,194
610,000	2,841,562	3,451,562
1,135,000	2,568,065	3,703,065
2,305,000	2,118,644	4,423,644
4,620,000	804,937	5,424,937
\$ 8,730,000	\$ 11,250,992	\$ 19,980,992

Debt Authorization

As of December 31, 2016, the District had remaining voted debt authorization of \$6,270,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District’s service area. The District did not budget to issue any debt in 2017.

Note 5: Intergovernmental Agreements

Intergovernmental Agreement Regarding 2013 Grant of Arapahoe County Open Space Program Funds – Project Name: Happy Canyon Trail and Bridge Project

On April 29, 2014, the District entered into an Intergovernmental Agreement Regarding 2013 Grant of Arapahoe County Open Space Program Funds – Project Name: Happy Canyon Trail and Bridge Project (“Grant”) with Arapahoe County (“County”) whereby the County awarded \$240,000 in grant funds from the Arapahoe County Open Space Fund for construction of the Happy Canyon Trail and Bridge Project. Upon execution of the Grant, the County deposited \$240,000 with the District. As part of the Grant, the District is required to supply matching funds of \$90,000.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

Intergovernmental Agreement Regarding Park Signage Construction and Future Signage Management – Project Name: Dove Valley Regional Park Monument Signage

On June 4, 2014, the District entered into an Intergovernmental Agreement Regarding Park Signage Construction and Future Signage Management – Project Name: Dove Valley Regional Park Monument Signage with Arapahoe County (“County”), whereby the County and the District agree to jointly fund the installation of two signage monuments (“Project”). Under the Agreement, each party is responsible for administration of certain portions of the Project, and the District agrees to contribute \$134,391 for the Project. The Dove Valley Regional Park Monument has been conveyed to the County for maintenance; however, the District and the County jointly retain decision making as it relates to any changes to the monument’s original appearance and ultimate useful life cycle.

Intergovernmental Agreement Regarding Contribution of Arapahoe County Open Space Program Funds – Project Name: Dove Valley Trails Initiative

On August 28, 2014, the District entered into an Intergovernmental Agreement Regarding Contribution of Arapahoe County Open Space Program Funds – Project Name: Dove Valley Trails Initiative with Arapahoe County (“County”), whereby the County agreed to contribute up to \$70,000 to the District to be used solely towards construction of a portion of the District’s planned system of public trails.

Intergovernmental Agreement Regarding Fremont Avenue/Eagle Street Realignment and Street Lighting

On April 27, 2015, the District entered into an Intergovernmental Agreement Regarding Fremont Avenue/Eagle Street Realignment and Street Lighting with Southeast Metro Stormwater Authority (“SEMSWA”), whereby the District is obligated to provide for the construction and installation of certain public on-site stormwater improvements per an approved Phase II Drainage Report. In order to secure the performance of the construction and installation of the improvements, the District is required to provide SEMSWA with collateral equal to 100% of the estimated cost of completion. Upon completion and acceptance, these improvements will be conveyed to SEMSWA.

Traffic Signals – City of Centennial

In April 2006, the District entered into an agreement with the City of Centennial (“City”) whereby the District agreed to fund \$997,500 towards the costs of traffic signals. Upon execution of the agreement, the District deposited \$427,500 with the City. Future deposits were to be made by the District as construction progressed. On October 4, 2012, the District and the City executed an Intergovernmental Agreement Regarding Construction and Cost-Sharing of Traffic Controls and Termination of Prior Intergovernmental Agreement Regarding Construction and Cost Sharing of Traffic Signals. The purpose of this agreement was to authorize the refunding of certain payments

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

previously collected from property owners within the City and to provide for the cost sharing and design processes related to future traffic control improvements. Upon execution of this agreement, the City refunded \$285,000 to the District which was on deposit with the City from the prior agreement.

The October 4, 2012 agreement was supplemented on July 30, 2013 by the “Letter Agreement – Potomac and Briarwood Signalization Funding” between the District and the City, whereby the \$302,909 estimated completion cost of the signalization project was established, and the District agreed to contribute its pro rata share of \$176,066 of the project costs to the City within 45 days of the date of the Letter Agreement.

On February 12, 2016, the District approved the First Amended and Restated Intergovernmental Agreement regarding Construction and Cost Sharing of Traffic Controls (“Amended and Restated IGA”) with the City, effective October 4, 2015, which amends and restates in its entirety the October 4, 2012 agreement. The purpose of the Amended and Restated IGA is to allocate between the parties the costs of the traffic controls located within the boundaries of the District and the City, and to establish the process by which such traffic controls will be designed and constructed.

Traffic Signals – Arapahoe County

On January 12, 2004, the District entered into an agreement with Arapahoe County for the cost sharing and construction of traffic signals for a number of intersections within the District. The District funded \$495,000 pursuant to the agreement in February 2004, which work has been completed. On October 23, 2006, the District and Arapahoe County amended the agreement to add an additional traffic signal at Broncos Parkway and Peoria Street with funding required from the District in the amount of \$100,000, and extended the term of the agreement to January 12, 2010. On November 17, 2009, the District approved a Second Amendment which extended the agreement until January 12, 2013. During 2012, the District approved a Third Amendment which was finalized in 2013 with an effective date of January 12, 2013, and which will extend the agreement until January 12, 2016. The Third Amendment states that the IGA will automatically be renewed for another three years, unless advance 90 day notice is given by either party.

Intergovernmental Agreement Regarding Contribution of Arapahoe County Open Space Program Funds – Project Name: Lone Tree Creek Trail Joint Project – Phase I

On January 5, 2015, the District entered into an Intergovernmental Agreement Regarding Contribution of Arapahoe County Open Space Program Funds – Project Name: Lone Tree Creek Trail Joint Project – Phase I with Arapahoe County (“County”) and the City of Centennial (“City”), whereby the County agreed to contribute \$100,000 towards completion of the Lone Tree Creek Trail Project, contingent upon contributions by the District of \$33,900 and by the City of \$80,000.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2016

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials’ liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

DOVE VALLEY METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2016

Note 8: Related Party

All of the members of the Board of Directors are employees, officers or are otherwise associated with the developers within the District and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds and loans payable, accrued bond and loan interest payable, and accrued bond interest receivable are not due and payable or receivable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their useful lives;
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the statement of activities; and
- 3) governmental funds report bond and loan principal payments as expenditures; however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

DOVE VALLEY METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2016

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 2,432,873	\$ 2,350,442	\$ (82,431)
Allowance for uncollectible accounts	(48,151)	-	48,151
Specific ownership taxes	154,700	186,505	31,805
Interest income	<u>1,000</u>	<u>838</u>	<u>(162)</u>
Total Revenues	<u>2,540,422</u>	<u>2,537,785</u>	<u>(2,637)</u>
EXPENDITURES			
Treasurer's fees	36,200	35,231	969
Bond interest expense - 2010 Bonds	584,141	584,141	-
Loan principal - 2015 Loan	875,000	875,000	-
Loan interest expense - 2015 Loan	1,082,152	1,100,188	(18,036)
Arbitrage calculations	20,000	-	20,000
Paying agent fees	<u>5,000</u>	<u>3,100</u>	<u>1,900</u>
Total Expenditures	<u>2,602,493</u>	<u>2,597,660</u>	<u>4,833</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(62,071)	(59,875)	2,196
OTHER FINANCING SOURCES (USES)			
Reimbursement - Build America Bonds	<u>189,524</u>	<u>190,547</u>	<u>1,023</u>
Total Other Financing Sources (Uses)	<u>189,524</u>	<u>190,547</u>	<u>1,023</u>
NET CHANGE IN FUND BALANCE	127,453	130,672	3,219
FUND BALANCE:			
BEGINNING OF YEAR	<u>932,813</u>	<u>665,170</u>	<u>(267,643)</u>
END OF YEAR	<u>\$ 1,060,266</u>	<u>\$ 795,842</u>	<u>\$ (264,424)</u>

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND For the Year Ended December 31, 2016

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$ 4,000	\$ 4,619	\$ 619
Miscellaneous income	-	15,000	15,000
Grant proceeds	<u>285,000</u>	<u>284,149</u>	<u>(851)</u>
Total Revenues	<u>289,000</u>	<u>303,768</u>	<u>14,768</u>
EXPENDITURES			
Contribution to City for traffic study	1,025,000	15,000	1,010,000
District management	15,000	12,588	2,412
District identity and website	50,000	10,087	39,913
Legal	25,000	11,978	13,022
Project management	30,000	17,302	12,698
Capital improvements	<u>5,839,320</u>	<u>874,588</u>	<u>4,964,732</u>
Total Expenditures	<u>6,984,320</u>	<u>941,543</u>	<u>6,042,777</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,695,320)	(637,775)	6,057,545
OTHER FINANCING SOURCES (USES)			
Transfer from other funds	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Total Other Financing Sources (Uses)	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
NET CHANGE IN FUND BALANCE	(5,695,320)	(637,775)	5,057,545
FUND BALANCE:			
BEGINNING OF YEAR	<u>6,405,104</u>	<u>6,145,088</u>	<u>(260,016)</u>
END OF YEAR	<u><u>\$ 709,784</u></u>	<u><u>\$ 5,507,313</u></u>	<u><u>\$ 4,797,529</u></u>

The notes to the financial statements are an integral part of these statements.

DOVE VALLEY METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2016

<u>Year Ended</u> <u>December 31,</u>	<u>Prior</u> <u>Year Assessed</u> <u>Valuation</u> <u>for Current</u> <u>Year Property</u> <u>Tax Levy</u>	<u>Mills</u> <u>Levied</u>	<u>Total Property Tax</u>		<u>Percent</u> <u>Collected</u> <u>to Levied</u>
			<u>Levied</u>	<u>Collected</u> ¹	
2000	\$ 86,262,380	21.500	\$ 1,854,641	\$ 1,782,580	96.11%
2001	\$ 99,952,060	21.500	\$ 2,148,969	\$ 2,123,686	98.82%
2002	\$ 127,791,190	21.500	\$ 2,747,511	\$ 2,594,572	94.43%
2003	\$ 130,142,260	21.500	\$ 2,798,058	\$ 2,767,058	98.89%
2004	\$ 127,847,190	20.000	\$ 2,556,944	\$ 2,496,372	97.63%
2005	\$ 128,247,540	21.500	\$ 2,757,322	\$ 2,724,430	98.81%
2006	\$ 141,109,180	19.984	\$ 2,814,824 ²	\$ 2,699,715	95.91%
2007	\$ 143,489,300	19.984	\$ 2,862,803 ³	\$ 2,762,283	96.49%
2008	\$ 151,815,500	19.984	\$ 3,024,973 ⁴	\$ 2,918,756	96.49%
2009	\$ 157,771,770	19.975	\$ 3,141,907 ⁵	\$ 3,032,422	96.52%
2010	\$ 180,670,500	18.594	\$ 3,352,227 ⁶	\$ 3,215,749	95.93%
2011	\$ 179,299,310	21.100	\$ 3,776,055 ⁷	\$ 3,564,224	94.39%
2012	\$ 161,359,090	18.900	\$ 3,392,780 ⁸	\$ 3,221,189	94.94%
2013	\$ 159,057,350	20.100	\$ 3,188,103 ⁹	\$ 3,052,834	95.76%
2014	\$ 159,948,710	18.100	\$ 2,886,457 ¹⁰	\$ 2,840,889	98.42%
2015	\$ 156,001,394	18.100	\$ 2,816,193 ¹¹	\$ 2,822,117	100.21%
2016	\$ 184,080,000	18.042	\$ 3,308,478 ¹²	\$ 3,196,010	96.60%
Estimated for year ended					
December 31, 2017	\$ 187,811,976	17.900	\$ 3,340,767 ¹³		

NOTE

- ¹ Property taxes collected in any one year include the collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment. The deficiencies from 1988 to 1994 are due to abatements filed by certain taxpayers.
- ² A portion of the AV equal to \$798,360 represents the 2004 exclusion to which only the 13.594 debt service mill levy is applied.
- ³ A portion of the AV equal to \$733,420 represents the 2004 exclusion to which only the 13.594 debt service mill levy is applied.
- ⁴ A portion of the AV equal to \$1,394,100 represents the 2004 exclusion to which only the 13.594 debt service mill levy is applied.
- ⁵ A portion of the AV equal to \$1,502,020 represents the 2004 exclusion to which only the 13.594 debt service mill levy is applied.
- ⁶ A portion of the AV equal to \$1,432,190 represents the 2004 exclusion to which only the 13.594 debt service mill levy is applied.
- ⁷ A portion of the AV equal to \$1,432,210 represents the 2004 exclusion to which only the 16.100 debt service mill levy is applied. Due to error, the 2011 debt service mill levy on the excluded property was too high. A reduced mill levy to offset this error was imposed in 2012. See Footnote 8 below.
- ⁸ A portion of the AV equal to \$1,294,760 represents the 2004 exclusion to which only the 11.911 debt service mill levy is applied. To remedy the 2011 debt service mill levy error, a reduced mill levy was imposed on the excluded property in 2012. See Footnote 7 above.
- ⁹ A portion of the AV equal to \$1,294,260 represents the 2004 exclusion to which only the 13.185 debt service mill levy is applied.
- ¹⁰ A portion of the AV equal to \$1,285,810 represents the 2004 exclusion to which only the 11.400 debt service mill levy is applied.
- ¹¹ A portion of the AV equal to \$1,115,664 represents the 2004 exclusion to which only the 11.438 debt service mill levy is applied.
- ¹² A portion of the AV equal to \$1,777,806 represents the 2004 exclusion to which only the 10.902 debt service mill levy is applied.
- ¹³ A portion of the AV equal to \$3,010,539 represents the 2004 exclusion to which only the 10.902 debt service mill levy is applied.

DOVE VALLEY METROPOLITAN DISTRICT

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

December 31, 2016

\$40,365,000 Taxable (Convertible to Tax-Exempt) General Obligation Refunding Loan Series 2015
Dated April 29, 2015
Interest Rates varying from 3.89% to 2.72%
Interest Payable June 1 and December 1
Principal Due December 1

\$8,730,000 General Obligation Direct Pay Build America Bonds Series 2010
Dated November 18, 2010
Interest Rates varying from 6.487% to 6.750%
Interest Payable May 1 and November 1
Principal Due November 1

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	900,000	1,073,051	1,973,051	-	584,140	584,140
2018	925,000	1,048,231	1,973,231	-	584,141	584,141
2019	950,000	1,022,722	1,972,722	15,000	584,141	599,141
2020	1,050,000	999,253	2,049,253	15,000	583,168	598,168
2021	1,075,000	967,566	2,042,566	30,000	582,194	612,194
2022	1,175,000	937,920	2,112,920	35,000	580,248	615,248
2023	1,200,000	905,516	2,105,516	120,000	577,978	697,978
2024	1,250,000	874,813	2,124,813	135,000	570,194	705,194
2025	30,385,000	342,068	30,727,068	150,000	561,436	711,436
2026	-	-	-	170,000	551,706	721,706
2027	-	-	-	190,000	540,678	730,678
2028	-	-	-	205,000	528,352	733,352
2029	-	-	-	225,000	515,054	740,054
2030	-	-	-	245,000	500,121	745,121
2031	-	-	-	270,000	483,860	753,860
2032	-	-	-	290,000	465,940	755,940
2033	-	-	-	320,000	446,693	766,693
2034	-	-	-	345,000	425,454	770,454
2035	-	-	-	370,000	402,557	772,557
2036	-	-	-	980,000	378,000	1,358,000
2037	-	-	-	1,045,000	311,850	1,356,850
2038	-	-	-	1,115,000	241,312	1,356,312
2039	-	-	-	1,190,000	166,050	1,356,050
2040	-	-	-	1,270,000	85,725	1,355,725
	<u>\$ 38,910,000</u>	<u>\$ 8,171,140</u>	<u>\$ 47,081,140</u>	<u>\$ 8,730,000</u>	<u>\$ 11,250,992</u>	<u>\$ 19,980,992</u>

Total Combined Debt Service

<u>Year Ended December 31,</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total</u>
2017	900,000	1,657,191	2,557,191
2018	925,000	1,632,372	2,557,372
2019	965,000	1,606,863	2,571,863
2020	1,065,000	1,582,421	2,647,421
2021	1,105,000	1,549,760	2,654,760
2022	1,210,000	1,518,168	2,728,168
2023	1,320,000	1,483,494	2,803,494
2024	1,385,000	1,445,007	2,830,007
2025	30,535,000	903,504	31,438,504
2026	170,000	551,706	721,706
2027	190,000	540,678	730,678
2028	205,000	528,352	733,352
2029	225,000	515,054	740,054
2030	245,000	500,121	745,121
2031	270,000	483,860	753,860
2032	290,000	465,940	755,940
2033	320,000	446,693	766,693
2034	345,000	425,454	770,454
2035	370,000	402,557	772,557
2036	980,000	378,000	1,358,000
2037	1,045,000	311,850	1,356,850
2038	1,115,000	241,312	1,356,312
2039	1,190,000	166,050	1,356,050
2040	<u>1,270,000</u>	<u>85,725</u>	<u>1,355,725</u>
	<u>\$ 47,640,000</u>	<u>\$ 19,422,132</u>	<u>\$ 67,062,132</u>

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION
UNAUDITED

DOVE VALLEY METROPOLITAN DISTRICT

Table I
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
2011 - 2016

UNAUDITED

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues						
Property taxes	\$ 837,205	\$ 758,926	\$ 755,962	\$ 780,797	\$ 776,078	\$ 845,568
Specific ownership taxes	52,986	51,879	54,218	57,111	58,429	67,124
Net investment income	13,997	13,464	10,187	7,011	5,077	3,202
Miscellaneous	-	6,475	289	348	319	188
Total Revenue	904,188	830,744	820,656	845,267	839,903	916,082
Expenditures						
Audit	7,585	6,209	6,100	4,863	6,593	5,665
Legal	24,268	21,003	36,297	32,326	36,627	25,952
Landscape maintenance	100,249	144,078	106,337	118,034	83,807	107,436
Director fees	2,200	2,200	3,100	2,300	2,500	2,200
Economic development	500	500	2,405	-	5,000	5,000
Election expenses	-	515	50	976	-	1,602
Insurance	3,467	5,491	5,601	6,027	6,266	9,566
Treasurer's fees	12,612	11,434	11,245	11,724	11,650	12,676
Management fees	24,217	35,064	39,952	31,429	40,380	41,092
Accounting	19,358	12,587	12,550	16,924	21,944	23,720
Irrigation	83,547	103,438	72,927	80,191	96,991	89,768
Street lights	32,292	69,254	69,837	71,475	75,279	99,249
Engineering/consulting	-	-	-	1,275	-	-
Miscellaneous	5,195	5,369	5,967	6,334	8,961	6,581
Payroll taxes	-	-	-	-	-	168
Total Expenditures	315,490	417,142	372,368	383,878	395,998	430,675
Excess (Deficiency) of Revenue Over Expenditures	588,698	413,602	448,288	461,389	443,905	485,407
Other Financing Sources (Uses)						
Transfer to other funds	(150,000)	(367,000)	(614,000)	(843,000)	(683,518)	-
Change in Fund Balance	438,698	46,602	(165,712)	(381,611)	(239,613)	485,407
Fund Balance, Beginning	3,593,551	4,032,249	4,078,851	3,913,139	3,531,528	3,291,915
Fund Balance, Ending	\$ 4,032,249	\$ 4,078,851	\$ 3,913,139	\$ 3,531,528	\$ 3,291,915	\$ 3,777,322

DOVE VALLEY METROPOLITAN DISTRICT

Table II
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance
Debt Service
2011 - 2016

UNAUDITED

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues						
Property taxes	\$ 2,727,019	\$ 2,462,263	\$ 2,296,872	\$ 2,060,092	\$ 2,046,039	\$ 2,350,442
Specific ownership taxes	171,897	167,767	164,910	150,685	154,047	186,505
Net investment income	7,978	9,807	6,890	3,395	2,639	838
Federal direct payment subsidy	194,795	204,449	186,978	189,627	190,036	190,547
Miscellaneous	-	-	-	-	-	-
Total Revenue	3,101,689	2,844,286	2,655,650	2,403,799	2,392,761	2,728,332
Expenditures						
Treasurer's fees	40,961	37,050	34,655	30,937	30,715	35,231
Bond/loan principal	565,000	640,000	660,000	735,000	1,605,000	875,000
Bond/loan interest	2,558,256	2,563,241	2,537,641	2,511,241	1,404,285	1,684,329
Loan issuance costs	-	-	-	-	327,688	-
County IGA interest	12,156	369	-	-	-	-
County IGA principal	165,711	5,594	-	-	-	-
Paying agent fees	334	1,167	1,250	1,250	2,600	3,100
Total Expenditures	3,342,418	3,247,421	3,233,546	3,278,428	3,370,288	2,597,660
Excess (Deficiency) of Revenue Over Expenditures	(240,729)	(403,135)	(577,896)	(874,629)	(977,527)	130,672
Other Financing Sources (Uses)						
Transfer from other funds	150,000	367,000	614,000	843,634	683,457	-
Refunding loan proceeds	-	-	-	-	40,635,000	-
Payment to refunding escrow	-	-	-	-	(40,278,267)	-
Total other financing sources (uses)	150,000	367,000	614,000	843,634	1,040,190	-
Change in Fund Balance	(90,729)	(36,135)	36,104	(30,995)	62,663	130,672
Fund Balance, Beginning	724,262	633,533	597,398	633,502	602,507	665,170
Fund Balance, Ending	\$ 633,533	\$ 597,398	\$ 633,502	\$ 602,507	\$ 665,170	\$ 795,842

DOVE VALLEY METROPOLITAN DISTRICT

**Table III
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance
Capital Projects Fund
2011 - 2016**

UNAUDITED

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues						
Interest Income	\$ 13,384	\$ 7,052	\$ 5,237	\$ 4,473	\$ 3,594	\$ 4,619
Reimbursement-projects	135,501	-	-	52,075	-	-
Miscellaneous	-	1,004	-	11,595	-	15,000
Total Revenue	148,885	8,056	5,237	68,143	3,594	19,619
Expenditures						
Contribution to City for traffic study	-	-	-	-	-	15,000
Legal	23,184	7,967	20,611	28,200	20,260	11,978
District management	-	-	13,004	8,938	15,556	12,588
District identity and website	-	-	-	12,979	54,020	10,087
Project Management	9,668	17,631	19,257	9,893	35,762	17,302
Capital Improvements	477,079	772,332	411,408	413,395	1,621,837	874,588
Total Expenditures	509,931	797,930	464,280	473,405	1,747,435	941,543
Excess (Deficiency) of Revenue Over Expenditures	(361,046)	(789,874)	(459,043)	(405,262)	(1,743,841)	(921,924)
Other Financing Sources (Uses)						
Grant proceeds	-	-	-	25,145	1,273	284,149
Transfer to other funds	-	-	-	(634)	-	-
Total other financing sources (uses)	-	-	-	24,511	1,273	284,149
Change in Fund Balance	(361,046)	(789,874)	(459,043)	(380,751)	(1,742,568)	(637,775)
Fund Balance, Beginning	9,878,370	9,517,324	8,727,450	8,268,407	7,887,656	6,145,088
Fund Balance, Ending	\$ 9,517,324	\$ 8,727,450	\$ 8,268,407	\$ 7,887,656	\$ 6,145,088	\$ 5,507,313

DOVE VALLEY METROPOLITAN DISTRICT

**Table IV
Historical Debt Ratios**

UNAUDITED

	Fiscal Years Ending December 31,						
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Outstanding	\$ 50,510,000	\$ 49,945,000	\$ 49,305,000	\$ 48,645,000	\$ 47,910,000	\$ 48,515,000	\$ 47,640,000
Assessed Value	\$ 179,299,310	\$ 161,359,090	\$ 159,057,350	\$ 159,948,710	\$ 156,001,394	\$ 184,080,000	\$ 187,811,976
Ratio of Debt to Assessed Value	28.17%	30.95%	31.00%	30.41%	30.71%	26.36%	25.37%

DOVE VALLEY METROPOLITAN DISTRICT

Table V
Ten Largest Taxpayers within the District

UNAUDITED

<u>Taxpayer</u>	<u>Type of Property</u>	<u>2016 Assessed Valuation</u>	<u>Percent of District Total Assessed Valuation</u> ⁽¹⁾
Oppenhiemer Funds, Inc.	Real	\$ 7,850,010	4.18%
pdb Sports Ltd.	Real	7,844,212	4.18%
VVP DVA LLC	Real	3,634,719	1.94%
PayPal	Personal	3,512,860	1.87%
Dove Valley Properties, LLC	Real	3,472,751	1.85%
Qwest Corporation	State Assessed	3,276,600	1.74%
Columbia Healthone LLC	Real	3,190,000	1.70%
PPG MOB FUND IA LLC	Real	2,813,870	1.50%
NGP V DENVER CO LLC	Real	2,813,290	1.50%
Santa Ana 6961 LLC	Real	2,306,080	1.23%
Total		<u>\$ 40,714,392</u>	<u>21.68%</u>

⁽¹⁾ Based on the 2016 Certified Valuation of \$187,811,976
Source: Arapahoe County Assessor's Office

DOVE VALLEY METROPOLITAN DISTRICT

Table VI

History of District's Mill Levies and Ad Valorem Property Tax Receipts

UNAUDITED

Levy/Collection Year	Mill Levies			Total
	<u>General</u>	<u>Bond</u> <u>Redemption</u>	<u>Abatements/</u> <u>Refunds</u>	
2004/2005	6.700	14.800	-	21.500
2005/2006	6.390	13.594	-	19.984
2006/2007	6.390	13.594	-	19.984
2007/2008	6.390	13.594	-	19.984
2008/2009	6.381	13.594	-	19.975
2009/2010	5.000	13.594	-	18.594
2010/2011	5.000	16.100	-	21.100
2011/2012	5.000	16.100	(2.200)	18.900
2012/2013	5.000	15.100	-	20.100
2013/2014	5.000	13.100	-	18.100
2014/2015	5.000	13.100	-	18.100
2015/2016	5.000	13.293	(0.251)	18.042

DOVE VALLEY METROPOLITAN DISTRICT

Table VII

History of District's Assessed Value

UNAUDITED

Levy/Collection Year	Assessed Value	Percent Change
2004/2005	\$ 128,247,540	0.00%
2005/2006	141,109,180	10.03%
2006/2007	143,489,300	1.69%
2007/2008	151,815,500	5.80%
2008/2009	157,771,770	3.92%
2009/2010	180,670,500	14.51%
2010/2011	179,299,310	-0.76%
2011/2012	161,359,090	-10.01%
2012/2013	159,057,350	-1.43%
2013/2014	159,948,710	0.56%
2014/2015	156,001,394	-2.47%
2015/2016	184,080,000	18.00%

DOVE VALLEY METROPOLITAN DISTRICT

**Table XI
General Fund Budget Summary and Comparison**

2015-2017

UNAUDITED

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2017</u>
	<u>Budget as amended</u>	<u>Budget as adopted</u>	<u>Budget as adopted</u>	<u>YTD unaudited</u>
Revenues				
Property taxes	\$ 758,940	\$ 857,375	\$ 868,567	\$ 733,551
Specific ownership taxes	59,040	59,040	59,000	29,261
Net investment income	5,100	5,000	2,550	1,598
Miscellaneous	188	-	-	1,473
Total Revenue	823,268	921,415	930,117	765,883
Expenditures				
Audit	4,863	8,000	7,000	905
Consulting	-	1,500	1,500	-
Legal	47,000	47,000	47,000	11,767
Landscape maintenance	105,000	105,000	105,000	19,431
Director fees	2,800	3,200	3,200	500
Economic development	-	5,000	-	-
Election expenses	-	1,000	-	-
Insurance	6,027	6,700	10,100	8,702
Treasurer's fees	11,700	13,680	13,306	11,004
Management fees	48,500	49,000	50,150	13,785
Accounting	21,000	21,000	21,320	7,817
Irrigation	80,191	83,000	100,000	19,285
Street Lights	75,000	75,000	78,700	46,323
Website Maintenance	-	-	-	-
Emergency reserve	-	27,650	27,910	-
Miscellaneous	12,000	7,245	7,245	2,147
Total Expenditures	414,081	453,975	472,431	141,666
Excess (Deficiency) of Revenue Over Expenditures	409,187	467,440	457,686	624,217
Other Financing Sources (Uses)				
Transfer to other funds	(1,425,919)	(1,000,000)	(1,020,000)	-
Total other financing sources (uses)	(1,425,919)	(1,000,000)	(1,020,000)	-
Excess of revenues and other sources over expenditures and other uses	(1,016,732)	(532,560)	(562,314)	624,217
Fund Balance, Beginning	3,531,528	2,920,201	3,780,720	3,777,322
Fund Balance, Ending	\$ 2,514,796	\$ 2,387,641	\$ 3,218,406	\$ 4,401,539

DOVE VALLEY METROPOLITAN DISTRICT

**Table XII
Debt Service Fund Budget Summary and Comparison**

2015-2017

UNAUDITED

	<u>2015</u>		<u>2016</u>		<u>2017</u>		<u>2017</u>
	<u>Budget as amended</u>		<u>Budget as adopted</u>		<u>Budget as adopted</u>		<u>YTD unaudited</u>
Revenues							
Property taxes	\$ 1,983,235	\$	2,384,722	\$	2,404,646	\$	2,041,222
Specific ownership taxes	154,692		154,700		163,600		81,746
Net investment income	1,101		1,000		500		845
Federal direct payment subsidy	379,253		189,524		190,546		95,171
Total Revenue	2,518,281		2,729,946		2,759,292		2,218,984
Expenditures							
Treasurer's fees	30,185		36,200		36,900		30,619
Bond/loan principal	1,605,000		875,000		900,000		-
Bond/loan interest	2,169,627		1,666,293		1,642,493		827,126
Loan issuance costs	327,688		-		-		-
Arbitrage calculations	-		20,000		-		-
Paying agent fees	5,000		5,000		5,000		2,600
Total Expenditures	4,137,500		2,602,493		2,584,393		860,345
Excess (Deficiency) of Revenue Over Expenditures	(1,619,219)		127,453		174,899		1,358,639
Other Financing Sources (Uses)							
Refunding loan proceeds	40,635,000		-		-		-
Payment to refunding escrow	(40,292,500)		-		-		-
Transfer to (from) other funds	1,425,858		-		-		-
Total other financing sources (uses)	1,768,358		-		-		-
Excess of revenues and other sources over expenditures and other uses	149,139		127,453		174,899		1,358,639
Fund Balance, Beginning	602,507		932,813		803,004		795,843
Fund Balance, Ending	\$ 751,646	\$	1,060,266	\$	977,903	\$	2,154,482

DOVE VALLEY METROPOLITAN DISTRICT

**Table XIII
Capital Projects Fund Budget Summary and Comparison**

2015-2017

UNAUDITED

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2017</u>
	<u>Budget as adopted</u>	<u>Budget as adopted</u>	<u>Budget as adopted</u>	<u>YTD unaudited</u>
Revenues				
Grant Proceeds	\$ 100,000	\$ 285,000	\$ -	\$ 4,193
Interest Income	7,000	4,000	4,900	-
Miscellaneous	-	-	-	-
Total Revenue	<u>107,000</u>	<u>289,000</u>	<u>4,900</u>	<u>4,193</u>
Expenditures				
Legal	25,000	25,000	25,000	2,080
District management	15,000	15,000	15,400	3,942
District identity and website	50,000	50,000	50,000	750
Project Management	20,000	30,000	30,000	-
Capital Improvements	3,370,000	5,839,320	3,915,000	402,094
Contingency	3,707,363	1,025,000	-	-
Total Expenditures	<u>7,187,363</u>	<u>6,984,320</u>	<u>4,035,400</u>	<u>408,866</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(7,080,363)</u>	<u>(6,695,320)</u>	<u>(4,030,500)</u>	<u>(404,673)</u>
Other Financing Sources (Uses)				
Transfer (to) from other funds	-	1,000,000	1,020,000	-
Total other financing sources (uses)	<u>-</u>	<u>1,000,000</u>	<u>1,020,000</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	<u>(7,080,363)</u>	<u>(5,695,320)</u>	<u>(3,010,500)</u>	<u>(404,673)</u>
Fund Balance, Beginning	<u>7,080,363</u>	<u>6,405,104</u>	<u>3,013,279</u>	<u>5,532,017</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 709,784</u>	<u>\$ 2,779</u>	<u>\$ 5,127,344</u>