



**ANNUAL FINANCIAL STATEMENTS**

**December 31, 2016**



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# INDEPENDENT AUDITOR'S REPORT

July 21, 2017

To the Board of Directors  
Riverdale Dunes Metropolitan District No 1

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major funds of Riverdale Dunes Metropolitan District No 1 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 and 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 entity's preparation and fair appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express so such opinion. An audit also includes evaluating the appropriateness of accounting policies 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.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities and the major funds of Riverdale Dunes Metropolitan District No 1, as of December 31, 2016 and the respective changes in financial position and the budgetary comparison for the General Fund, Reserve Fund and Debt 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 an opinion on the financial statements that collectively comprise Riverdale Dunes Metropolitan District No 1's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The Supplementary 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 it.

B F Boyer CPA PC

**Certified Public Accountants**  
**Lakewood, CO**

## Table of Contents

STATEMENT OF NET POSITION .....	1
STATEMENT OF ACTIVITIES.....	1
BALANCE SHEET – GOVERNMENTAL FUNDS .....	1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES .....	1
GENERAL FUND .....	1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL 1	
GENERAL FUND EXPENDITURE DETAILS .....	1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL 1	
NOTES TO FINANCIAL STATEMENTS.....	9
SUPPLEMENTARY INFORMATION .....	22
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL.....	1
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL.....	1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY .....	1
SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED.....	1
OTHER SUPPLEMENTARY INFORMATION.....	27
CHANGE IN TOTAL OVERLAPPING MILL LEVY .....	1
HISTORICAL DEBT RATIOS .....	1

## RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1

**STATEMENT OF NET POSITION**

December 31, 2016

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 731,538
Cash and investments – restricted	69,437
Accounts receivable – due from residents	2,400
Accounts receivable – specific ownership taxes	--
Property taxes receivable	367,000
Prepaid expenses	9,648
Property, structures and equipment, net	775,259
Land	30,350
<b>Total Assets</b>	<b>\$ 1,985,632</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 4,503
Accrued interest payable	7,400
Current portion of municipal bonds	95,000
Municipal bonds	2,665,000
<b>Total Liabilities</b>	<b>2,771,903</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenue	367,000
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>3,138,903</b>
<b>NET POSITION</b>	
Restricted:	
Emergency reserves	6,300
Debt service	63,137
Assigned	739,083
Unassigned:	( 1,961,791)
<b>Total Net Position</b>	<b>(\$ 1,153,271)</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**STATEMENT OF ACTIVITIES**  
For the 12-Month Period Ended December 31, 2016

Functions/Programs	Expenses	Program Revenue			Net (Expense)
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Primary Government:</b>					
<b>Government Activities:</b>					
General government activities	\$ 185,488	\$ -	\$ -	\$ 5,971	(\$ 179,517)
Interest and related costs on long-term debt	169,060	-	-	-	( 169,060)
Capital project activities	10,046	-	-	-	( 10,046)
	<u>\$ 364,594</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,971</u>	<u>( 358,623)</u>
<b>General Revenues</b>					
	Property taxes				\$ 367,005
	Specific ownership taxes				28,085
	Other revenue				1,815
	Net investment income				3,794
	Total general revenue				<u>400,699</u>
	Change in net position				<u>42,076</u>
	<b>Net Position (Deficit) – Beginning of Year</b>				<u>( 1,195,347)</u>
	<b>Net Position (Deficit) – End of Year</b>				<u>(\$ 1,153,271)</u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**

December 31, 2016

	General	Debt Service	Capital Projects	Total Government Funds
<b>ASSETS</b>				
Cash and investments	\$ 23,692	\$ -	\$ 707,846	\$ 731,538
Cash and investments - Restricted	6,300	63,137	-	69,437
Accounts receivable – due from residents	2,400	-	-	2,400
Accounts receivable – spec ownership taxes	-	-	-	-
Property taxes receivable	190,000	177,000	-	367,000
Prepaid expenses	9,648	-	-	9,648
<b>TOTAL ASSETS</b>	<b>\$ 232,040</b>	<b>\$ 240,137</b>	<b>\$ 707,846</b>	<b>\$ 1,180,023</b>
<b>LIABILITIES</b>				
Accounts payable	4,503	-	-	4,503
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property tax revenue	190,000	177,000	-	367,000
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>194,503</b>	<b>177,000</b>	<b>-</b>	<b>371,503</b>
<b>FUND BALANCES</b>				
Restricted:				
Emergencies (TABOR)	6,300	-	-	6,300
Series 2016 Bonds	-	63,137	-	63,137
Assigned:				
Subsequent year's expenditures	31,237	-	707,846	739,083
<b>Total Fund Balances</b>	<b>37,537</b>	<b>63,137</b>	<b>707,846</b>	<b>808,520</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 232,040</b>	<b>\$ 240,137</b>	<b>\$ 707,846</b>	

**Amounts reported for governmental activities in the statement of net position are different because:**

Other long-term assets are not available or otherwise cannot be converted to cash to pay for current expenditures and, therefore, are recorded as expenditures in the funds

Property, structures and equipment \$ 775,259

Land 30,350

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds

Bonds payable ( 2,760,000)

Accrued interest payable ( 7,400)

Net position of governmental activities (\$1,153,271)

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year Ended December 31, 2016

	General	Debt Service	Capital Projects	Total Government Funds
<b>REVENUES</b>				
Property taxes	\$ 190,005	\$ 177,000	\$ -	\$ 367,005
Specific ownership taxes	14,540	13,545	-	28,085
Conservation trust fund contributions	5,971	-	-	5,971
Property violation fines	400	-	-	400
Net investment income	1,540	2,254	-	3,794
Other revenue	1,415	-	-	1,415
<b>Total revenues</b>	<b>213,871</b>	<b>192,799</b>	<b>-</b>	<b>406,670</b>
<b>EXPENDITURES</b>				
General and administration	49,397	-	-	49,397
Landscaping and maintenance	51,746	-	-	51,746
Pool maintenance and operations	40,677	-	-	40,677
Other	3,749	-	-	3,749
Debt service				
Bond interest	-	113,923	-	113,923
Bond principal – Series 2006	-	85,000	-	85,000
Collections – County Treasurer	-	2,657	-	2,657
Paying agent fees	-	500	-	500
Repayment of Series 2006 Bonds	-	2,300,000	-	2,300,000
Bond issuance costs	-	140,566	-	140,566
Capital projects				
Major capital projects	-	-	10,046	10,046
<b>Total Expenditures</b>	<b>145,569</b>	<b>2,642,646</b>	<b>10,046</b>	<b>2,798,261</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>68,302</b>	<b>(2,449,847)</b>	<b>( 10,046)</b>	<b>( 2,391,591)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Series 2016 refunding bond proceeds	-	2,847,482	-	2,847,482
Transfers in (out)	( 200,000)	( 400,000)	600,000	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>( 131,698)</b>	<b>( 2,365)</b>	<b>589,954</b>	<b>455,891</b>
<b>FIND BALANCES – BEGINNING OF YEAR</b>	<b>169,235</b>	<b>65,502</b>	<b>117,892</b>	<b>352,629</b>
<b>FUND BALANCES – END OF YEAR</b>	<b>\$ 37,537</b>	<b>\$ 63,137</b>	<b>\$ 707,846</b>	<b>\$ 808,520</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2016

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – Total government funds	\$ 455,891
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The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Proceeds from issuance of Series 2016 bonds	( 2,847,482)
Series 2016 bond premium	87,482
Principal repayment of Series 2006 bonds	2,385,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Depreciation expense on property, structures and equipment	( 39,919)
Accrued interest on bonds – Decrease in liability	1,104

<b>Changes in net position of governmental activities</b>	<b>\$ 42,076</b>
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These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amend Budget
<b>REVENUES</b>				
Property taxes	\$ 190,000	\$190,000	\$ 190,005	\$ 5
Specific ownership taxes	15,200	15,200	14,450	( 750)
Conservation trust fund contributions	5,200	5,200	5,971	771
Net investment income	300	300	1,540	1,240
Property violation fines	5,000	5,000	400	( 4,600)
<b>Total revenues</b>	<u>215,700</u>	<u>215,700</u>	<u>213,871</u>	<u>( 3,334)</u>
<b>EXPENDITURES</b>				
General and administration	50,400	56,000	49,397	6,603
Election services	3,000	-	-	-
Landscaping and maintenance	45,400	56,300	51,746	4,554
Pool maintenance and operation	34,600	40,400	40,677	( 277)
Other	12,000	5,300	3,749	1,551
<b>Total expenditures</b>	<u>145,400</u>	<u>158,000</u>	<u>145,569</u>	<u>12,431</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>70,300</u>	<u>57,700</u>	<u>68,302</u>	<u>10,602</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out – Capital Proj service fund	( 257,000)	( 200,000)	( 200,000)	-
<b>Total other financing sources (uses)</b>	<u>( 257,000)</u>	<u>( 200,000)</u>	<u>( 200,000)</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>( 186,700)</u>	<u>( 142,300)</u>	<u>( 131,698)</u>	<u>10,602</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>211,223</u>	<u>169,235</u>	<u>169,235</u>	<u>-</u>
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 24,523</u>	<u>\$ 26,935</u>	<u>\$ 37,537</u>	<u>\$ 10,602</u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**GENERAL FUND EXPENDITURE DETAILS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amend Budget
<b>GENERAL AND ADMINISTRATION</b>				
1. District management fees	\$ 19,600	\$ 23,000	\$ 21,320	\$ 1,680
2. Administrative costs	4,900	7,000	4,966	2,034
3. Audit fees	4,500	3,800	3,780	20
4. Collection fees – County Treasurer	2,900	2,900	2,852	48
5. Board of Directors’ fees	2,500	4,300	4,900	( 600)
6. Board training and conferences	2,000	1,500	1,422	78
7. Insurance	6,000	6,000	200	5,800
8. Legal fees	5,000	4,500	7,003	( 2,503)
9. Newsletter publications	1,000	1,200	1,154	46
10. Website maintenance	1,000	1,800	1,800	-
11. Contingency	1,000	-	-	-
<b>Total General and Administration</b>	<b>\$ 50,400</b>	<b>\$ 56,000</b>	<b>\$ 49,397</b>	<b>\$ 6,603</b>
<b>LANDSCAPING MAINTENANCE</b>				
1. Ground maintenance fees	\$ 20,000	\$ 19,900	\$ 19,860	\$ 40
2. Tree maintenance & replacement	2,500	4,900	4,850	50
3. Perimeter fence maintenance	1,500	700	682	18
4. Playground maintenance	1,000	500	1,404	( 904)
5. Sprinkler repairs	4,500	3,500	2,673	827
6. Sprinklers – water	14,600	23,000	20,091	2,909
7. Sprinklers – electricity	1,300	1,800	1,439	361
8. Grounds improvements	-	2,000	747	1,253
<b>Total Landscaping Maintenance</b>	<b>\$ 45,400</b>	<b>\$ 56,300</b>	<b>\$ 51,746</b>	<b>\$ 4,554</b>
<b>POOL MAINTENANCE AND OPERATION</b>				
1. Maintenance fees	\$ 6,200	\$ 6,200	\$ 6,200	\$ -
2. Chemicals	3,300	3,300	3,300	-
3. Repairs and supplies	4,000	4,600	4,853	( 253)
4. Lighting repairs and maintenance	-	-	-	-
5. Electricity	2,700	3,700	4,044	( 344)
6. Gas – pool heating	2,600	2,300	2,125	175
7. Water and sewer	2,000	2,100	2,055	45
8. Gate attendant services	13,000	15,600	16,189	( 589)
9. Pool key administration	800	2,600	1,911	689
<b>Total Pool Maintenance and Operation</b>	<b>\$ 32,400</b>	<b>\$ 40,400</b>	<b>\$ 40,677</b>	<b>(\$ 277)</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**GENERAL FUND EXPENDITURE DETAILS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
Year Ended December 31, 2016  
*(concluded)*

	Original Budget	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amend Budget
<b>OTHER DISTRICT EXPENSES</b>				
1. Snow removal	\$ 4,000	\$ 2,500	\$ 1,540	\$ 960
2. Social activities	7,000	2,800	2,209	591
3. Vandalism	1,000	-	-	-
<b>Total Other District Expenses</b>	<b>\$ 11,000</b>	<b>\$ 5,300</b>	<b>\$ 3,749</b>	<b>\$ 1,551</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Riverdale Dunes Metropolitan District No. 1 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County on November 19, 1996, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the amended service plan approved by Commerce City (City) in July 2000 and as modified on November 20, 2006. The District's service area is located in Adams County, Colorado entirely within the boundaries of the City. The District was established to provide financing for the construction of streets and safety controls, park and recreation, water facilities, sanitary sewer, and storm drainage within the Dunes Park subdivision.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set 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 organizations 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 District has no employees and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies of the District are as follows:

**Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities are normally supported by property taxes.

The statement of net position reports all financial and capital resources of the District. The difference between the assets and liabilities of the District is reported as net position.

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.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Government-wide and Fund Financial Statements (concluded)**

Separate financial statements are provided for governmental funds. 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 related cash flows. 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 major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for (1) the acquisition and construction of capital equipment and facilities and (2) major repairs that extend the lives of the District's existing capital assets.

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

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. 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.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Pooled Cash and Investments**

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 single bank account. 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.

Investments are carried at fair value.

**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 property taxes collected monthly to the District.

Property taxes are recorded initially as deferred revenue in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

When purchased or constructed, the District classifies newly acquired property, equipment and structures by functional area. The depreciable lives assigned to each functional area is as follows: pool cabana (20 years), pool equipment (7 years), pool furniture (3 years), park equipment (15 years), perimeter fencing (15 years), monument signage (10 years), sprinkler systems (20 years), sidewalks (40 years) and parking lot (20 years). The estimated depreciable lives assigned to each asset class are based on the assumption that such assets are reasonably and regularly maintained and used for their intended purpose.

**Fund Equity**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)**

**Fund Equity (concluded)**

Governmental funds report up to five fund balance classifications: non-spendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- **Non-spendable fund balance** – The portion of a fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- **Restricted fund balance** – The portion of a fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- **Committed fund balance** – The portion of a fund balance that can only be used for specific purposes pursuant to constraints imposed by 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** – The portion of a fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- **Unassigned fund balance** – The residual portion of a fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

**NOTE 3 – CASH AND INVESTMENTS**

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

Statement of net position:	
Cash and investments – unassigned	\$ 731,538
Cash and investments – restricted	69,437
Total cash and investments	<u>\$ 800,975</u>

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 3 – CASH AND INVESTMENTS (continued)**

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

Deposits with financial institutions	\$ 21,773
Investments	<u>779,202</u>
Total cash and investments	<u>\$ 800,975</u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 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.

At December 31, 2016, the District's cash deposits had a bank balance of \$21,773 and a carrying balance of \$22,720.

**Investments**

The District has adopted a formal investment policy which requires the District to follow state statutes regarding investments.

The District generally limits its concentration of investments to those listed below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 3 – CASH AND INVESTMENTS (continued)**

**Investments (concluded)**

As of December 31, 2016, the District’s investments were comprised of the following:

Investment	Maturity	Fair Value
ColoTrust Plus+ (Colostrust)	Weighted average under 60 days	\$ 779,202

**Colostrust**

The District invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus finds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement.

The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. ColoTrust is rated AAAM by Standard & Poor's.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 4 – PROPERTY, EQUIPMENT & STRUCTURES**

Acquisitions and dispositions of District property, equipment and structures are as follows:

	<u>Balance at 12/31/15</u>	<u>Purchases</u>	<u>Disposals</u>	<u>Balance at 12/31/16</u>	<u>Accumulated Depreciation</u>
Pool cabana	\$ 40,000	\$ -	\$ -	\$ 40,000	(\$ 6,000)
Pool structure & fencing	200,000	-	-	200,000	( 30,000)
Pool equipment	17,000	-	-	17,000	( 7,290)
Pool furniture	7,000	-	-	7,000	( 7,000)
Park equipment & drainage system	144,232	-	-	144,232	( 20,001)
Detention pond landscaping	4,020	-	-	4,020	-
Perimeter fencing	53,000	-	-	53,000	( 10,599)
Monument signage	21,262	-	-	21,262	( 4,500)
Sprinkler systems	90,000	-	-	90,000	( 13,500)
Backflow valves	10,000	-	-	10,000	( 2,001)
Sidewalks	221,500	-	-	221,500	( 16,614)
Parking lot	15,000	-	-	15,000	( 2,250)
Water rights & taps	72,000	-	-	72,000	--
	<u>\$ 895,014</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 895,014</u>	<u>(\$ 119,755)</u>

**NOTE 5 – LAND**

The District owns and maintains approximately 303,500 square feet (i.e. 6.956 acres) of open space land in the Dunes Park subdivision. Per the plat map filed with the Adams County Clerk and Recorder’s Office on April 12, 2001, District-owned tracts of land is comprised of Tracts A, B, C, D, F, G, H, J, K, and L. The land is recorded by the District at a nominal value of \$30,350.

On February 28, 2014, the District entered into a perpetual land license agreement with the City and County of Denver regarding the District’s use and access to a portion of tract R as recorded on the Dunes Park plat map.

**NOTE 6 – LONG-TERM DEBT**

The following is a summary of the changes in the District's long-term debt:

Balance at December 31, 2015	\$ 2,385,000
Issuance of Series 2016 Bonds	2,760,000
Repayments of Series 2006 Bonds	<u>( 2,385,000)</u>
Balance at December 31, 2016	<u>\$ 2,760,000</u>

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 6 – LONG-TERM DEBT (continued)**

Details regarding the District's long-term obligations are as follows:

**Series 2016 Bonds**

On October 13, 2016, the District issued \$2,760,000 in General Obligation Refunding Bonds for the purpose of (1) refunding of the Series 2006 Bonds, (2) upgrading the storm water drainage system within the District and (2) funding the installation of new public park facilities and landscaping. The bonds are term bonds with interest of 4.000%. The bonds are subject to mandatory sinking fund redemption commencing on December 01, 2020 and on each December 1st thereafter in increasing amounts annually prior to the maturity of the bonds. Additionally, the bonds are subject to redemption prior to maturity, at the option of the District, beginning December 1, 2026 and on any date thereafter, without redemption premium. The principal and interest of these bonds are insured as to repayment by Assured Guaranty Municipal Corp. As of December 31, 2016, Assured Guaranty Municipal Corp. was rated "AA/Stable/--" by Standard & Poor Global Ratings.

The District's long-term obligation will mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 95,000	\$ 89,119	\$ 184,119
2018	100,000	85,319	185,319
2019	100,000	81,319	181,319
2020	105,000	77,319	182,319
2021	110,000	75,481	185,481
2022 to 2026	580,000	340,824	920,824
2027 to 2031	675,000	243,656	918,656
2032 to 2036	815,000	105,938	920,938
2037	180,000	5,625	185,625
	<u>\$ 2,760,000</u>	<u>\$ 1,104,600</u>	<u>\$ 3,864,600</u>

**Authorized Debt**

On November 5, 1996, the District's electors authorized the issuance of debt (excluding \$4,110,000 for refunding of debt) up to a maximum of \$4,110,000. In November 2016 – 20 years after the original debt authorization election, the remaining, unused debt issuance authorization totaling \$1,688,060 has expired in accordance with 32-1-1101(2), C.R.S. The remaining, unused debt issuance authorization as of December 31, 2016 totaling \$8,031,940 is attributed to debt issuances authorized by the electors on November 7, 2000, which if unused will expire in November 2020.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 6 – LONG-TERM DEBT (concluded)**

**Authorized Debt (concluded)**

In accordance with 32-1-1101(2), C.R.S. , the current unused authorization obtained from the District’s electors for the issuance of debt for the purpose of refunding existing debt (\$4,310,000 unused authorization as of December 31, 2016) will expire when the District’s current general obligation debt is paid down to a balance of \$400,000 or less.

	Debt Authorization Remaining at Dec. 31, 2015	Authorization Expired	Authorization Used Series 2016 Bonds	Debt Authorization Remaining at Dec. 31, 2016
Parks and recreation	\$ 657,000	(\$ 157,000)	(\$ 350,000)	\$ 150,000
Streets	2,469,020	-	-	2,469,020
Storm and sanitary sewer	1,564,500	( 64,500)	( 50,000)	1,450,000
Water	796,560	( 296,560)	-	500,000
Operations and maintenance	322,920	-	-	322,920
<b>Subtotal</b>	<b>5,810,000</b>	<b>( 518,060)</b>	<b>( 400,000)</b>	<b>4,891,940</b>
Refunding of debt	6,670,000	-	( 2,360,000)	4,310,000
<b>Total</b>	<b>\$ 12,480,000</b>	<b>(\$ 518,060)</b>	<b>(\$ 2,760,000)</b>	<b>\$ 9,201,940</b>

Pursuant to the District's Service Plan, the District cannot issue more than \$4,110,000 in bond indebtedness (exclusive of refunding of debt). Pursuant to the second modification to the District's Service Plan, approved on November 20, 2006, there is no cap on the debt mill levy that the District is permitted to impose pursuant to Section 32-1-1101(6)(a), C.R.S. For collection year 2016, the District levied 30.896 mills for debt service.

**Purpose of Debt Issuance**

All of the District’s current outstanding debt was originally issued prior to 2003 and was used to fund the construction of various infrastructure assets within the Dunes Park subdivision including roads, sidewalks, storm drains, park, pool, open space landscaping, perimeter fencing, etc. Upon completion of the construction of these infrastructure assets, these assets were conveyed by the District to one of the following entities: City of Commerce City, South Adams County Water and Sanitation District and the Dunes Master Owners Association, Inc. (the Association). These entities accepted the maintenance and ownership responsibilities for these improvements.

In 2013, the Association dissolved and, consequently, returned all assets to the District that was originally conveyed by the District to the Association.

**NOTE 7 – NET POSITION**

The District has net position consisting of three components – restricted, assigned and unassigned.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 7 – NET POSITION (concluded)**

**Restricted Net Position**

The District's restricted net position as of December 31, 2016 in the general fund, debt service and capital project fund totaled \$6,300, \$63,137 and \$0, respectively. The restricted net position within the general fund is due to spending restrictions established by TABOR. See Note 12 for further details. The restricted net position within the debt service fund is comprised of funds that are restricted to servicing the Series 2016 Bonds per debt mill levy and Series 2016 Bond agreement.

**Assigned Net Position**

The District's assigned net position as of December 31, 2016 in the general fund, debt service fund and capital project fund totaled \$31,237, \$0 and \$707,846, respectively. These balances have been assigned by the Board to fund expenditures incurred by the District in subsequent years within each respective fund.

**Unassigned Net Position**

The District's unassigned net position as of December 31, 2016 totaled \$(1,691,791). This deficit amount was a result of the District being responsible for the repayment of bonds issued for public improvements conveyed to Commerce City, South Adams County Water and Sanitation District and the Dunes Master Owners Association, Inc.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

**Easement Agreements**

The District is subject to the following easement agreements:

Water Well Easement Agreement: The District owns certain land within the District (Tract C) that is subject to an easement agreement with South Adams County Water and Sanitation District (SACWSD) which allows SACWSD to construct, maintain, repair and operate a water well on a parcel of land owned and maintained by the District.

Utility Easement Agreements: The District owns certain land within the District that is subject to easement agreements with the South Adams County Water and Sewer District (SACWSD) and United Power allowing utility line access across District-owned properties to District residents.

**Landscaping Plan**

The District owns certain land within the District that are subject to a landscaping plan that was filed by the Developer with Commerce City on November 2, 2001 (Landscaping Plan). Per the Landscaping Plan, the District must ensure (1) all land owned by the District conforms to the Commerce City Community Development Department, Public Works Department and Parks & Recreation Department standards and (2) all plant material on District-owned land conforms to Commerce City's approved plant list and planting specifications. The Landscaping Plan also requires a minimum number of trees and shrubs be maintained on the certain portions of District-owned open spaces.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2016

**NOTE 8 – COMMITMENTS AND CONTINGENCIES (concluded)**

**Landscaping Plan (concluded)**

The District continues to be subject to the Landscaping Plan, and any revisions to the Landscaping Plan must first be submitted and approved by Commerce City. If Commerce City deems the District to be in violation of the Landscaping Plan, Commerce City may assess monetary fines and/or other penalties on the District. As of December 31, 2016, the District believes it is in material compliance with the Landscaping Plan.

**Storm Water Detention Pond**

Per the PUD agreement, the District is responsible for the maintenance of the storm water detention area (located on the west side of Clinton Street). In the event such maintenance is not performed by the District, Commerce City has the right to enter the area and perform the necessary work, the cost of which will be billed to and the responsibility of the District.

**Backflow Valve Certification**

The Colorado Department of Public Health and Environment (CDPHE) and SACWSD require the District's six backflow valves be tested and certified annually. CDPHE may assess monetary and other penalties on the District if the District fails to comply with this requirement. All six backflow valves were tested and certified in 2016.

**NOTE 9 – RELATED PARTIES**

One of the four directors on the Board also serves on the board of the Successor Association.

On July 28, 2016, the District contracted with Wolfersberger, LLC to provide management services to the District. Wolfersberger, LLC is wholly owned by a property owner and resident living within the District. The owner of Wolfersberger, LLC resigned from the District Board effective January 28, 2016. On November 01, 2016, the District renewed its service contract with Wolfersberger, LLC for the 12-month period ended December 31, 2017.

**NOTE 10 – AGREEMENTS WITH DUNES MASTER SUCCESSOR OWNERS ASSOCIATION, INC (SUCCESSOR ASSOCIATION)**

**Covenant Enforcement and Architectural Review Services Agreement**

In November 2013, the District entered into a one-year agreement with the Successor Association to provide covenant enforcement and architectural review services for a 12-month period beginning January 01, 2014. In The cost of providing such services will be funded from revenues generated by the District. This agreement automatically renews on January 1st of each calendar year unless cancelled by either party no less than 30 days prior to the renewal date. For the 2017 year, this agreement was automatically renewed.

These notes are an integral part of the accompanying financial statements.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1

**NOTES TO FINANCIAL STATEMENTS**

Year Ended December 31, 2016

**NOTE 10 – AGREEMENTS WITH DUNES MASTER SUCCESSOR OWNERS ASSOCIATION, INC (SUCCESSOR ASSOCIATION) (concluded)**

**Use and Maintenance Agreement**

In November 2013, the District entered into a one-year agreement with the Successor Association to use, operate, maintain and improve the Association's common areas (including a recreational swimming pool, outdoor playground facilities and a detention pond) and public right-of-way landscaping (as depicted on the Dunes Park plat map filed with the Adams County Clerk and Recorder's Office on April 12, 2001), entry monumentation, perimeter fencing and the storm water drainage system ("Service Areas") in accordance with the Master Declaration of Covenants, Conditions and Restrictions for Dunes Master Owners Association, Inc. (the Declaration). Such services will be provided by the District at its own expense. This agreement automatically renews on January 1st of each calendar year unless cancelled by either party no less than 30 days prior to the renewal date. For the 2017 year, this agreement was automatically renewed.

**NOTE 11 – RISK MANAGEMENT**

The District is exposed to various risks of loss including (a) torts, thefts of, damage to, or destruction of assets, (b) errors or omissions and (c) acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2016. The Pool is an organization created by intergovernmental agreement to insure its member districts against various risks of loss. Settled claims have not exceeded this coverage in any of the past three years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from its members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to the Pool's distribution formula.

**NOTE 12 – TAX, SPENDING AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution—referred to as the Taxpayer's 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.

On November 7, 2000, District voters authorized the District to assess property taxes at no more than \$500,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses. Additionally, the District voters approved a revenue change to allow the District to retain and spend all revenue, other than ad valorem taxes, in excess of TABOR spending, revenue raising or other limitations.

These notes are an integral part of the accompanying financial statements.

**NOTES TO FINANCIAL STATEMENTS**

Year Ended December 31, 2016

**NOTE 12 – TAX, SPENDING AND DEBT LIMITATIONS (concluded)**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). TABOR prohibits the District from using its emergency reserves to compensate for economic conditions and revenue shortfalls.

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 13 – SUBSEQUENT EVENTS**

On January 12, 2017, the 17<sup>th</sup> Judicial District Court in Adams County issued an order approving the replacement of the Declaration with the Amended and Restated Declaration (“AR Declaration”) for the Dunes Park Subdivision. The AR Declaration directly names the District as the enforcer of the covenants, conditions and restrictions provided in the AR Declaration. In addition, the Successor Association dissolved on January 17, 2017. As a result of these two events, the Covenant Enforcement and Architectural Review Services Agreement with the Successor Association and the Use and Maintenance Agreement with the Successor Association have been terminated effective January 17, 2017.

These notes are an integral part of the accompanying financial statements.

## **SUPPLEMENTARY INFORMATION**

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**DEBT SERVICE FUND –**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL**  
Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amend Budget
<b>REVENUES</b>				
Property taxes	\$ 177,000	\$ 177,000	\$ 177,000	\$ -
Specific ownership taxes	14,100	14,100	13,545	( 555)
Net investment income	300	300	2,254	1,954
<b>Total revenues</b>	<u>191,400</u>	<u>191,400</u>	<u>192,799</u>	<u>1,399</u>
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Bond interest	102,100	102,100	113,923	( 11,823)
Repayment of Series 2006 Bonds	85,000	2,385,000	2,385,000	-
Collection fees – County Treasurer	2,700	2,700	2,657	43
Paying agent fees	1,000	1,000	500	500
Bond issuance costs	-	150,000	140,566	9,434
<b>Total expenditures</b>	<u>190,800</u>	<u>2,640,800</u>	<u>2,642,646</u>	<u>( 1,846)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>600</u>	<u>(2,449,400)</u>	<u>(2,449,847)</u>	<u>( 447)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Series 2016 refunding bond proceeds	-	2,447,482	2,847,482	400,000
Transfer from Operating Fund	7,000	-	-	-
Transfer to Capital Project Fund	-	-	( 400,000)	( 400,000)
<b>Total other financing sources (uses)</b>	<u>7,000</u>	<u>2,447,482</u>	<u>2,447,482</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>7,600</u>	<u>( 1,918)</u>	<u>( 2,365)</u>	<u>( 447)</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>64,193</u>	<u>65,502</u>	<u>65,502</u>	<u>-</u>
<b>FUND BALANCE – END OF YEAR</b>	<u><u>\$ 71,793</u></u>	<u><u>\$ 63,584</u></u>	<u><u>\$ 63,137</u></u>	<u><u>(\$ 447)</u></u>

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**CAPITAL PROJECTS FUND –**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – BUDGET AND ACTUAL**  
Year Ended December 31, 2016

	Original Budget	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amend Budget
<b>REVENUES</b>				
Public grant contributions	\$ 310,000	\$ -	\$ -	\$ -
Net investment income	400	400		( 400)
<b>Total revenues</b>	<u>310,400</u>	<u>400</u>	<u>-</u>	<u>( 400)</u>
<b>EXPENDITURES</b>				
Capital projects				
Major capital projects	560,000	50,000	10,046	39,954
<b>Total expenditures</b>	<u>560,000</u>	<u>50,000</u>	<u>10,046</u>	<u>39,954</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	( 249,600)	( 49,600)	( 10,046)	39,554
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	250,000	600,000	600,000	-
<b>Total other financing sources (uses)</b>	<u>250,000</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	400	550,400	589,954	39,554
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>100,292</u>	<u>117,892</u>	<u>117,892</u>	<u>-</u>
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 100,692</u>	<u>\$ 668,292</u>	<u>\$707,846</u>	<u>\$ 39,554</u>

**RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
December 31, 2016

The District's repayment schedule for its Series 2016 general obligation refunding bonds is as follows:

Year Ended December 31,	Principal	Interest	Interest Rate	Total
2017	\$ 95,000	\$ 89,119	4.000%	\$ 184,119
2018	100,000	85,319	4.000%	185,319
2019	100,000	81,319	4.000%	181,319
2020	105,000	77,319	4.000%	182,319
2021	110,000	75,481	4.000%	185,481
2022	110,000	73,556	4.000%	183,556
2023	115,000	70,944	4.000%	185,944
2024	115,000	68,212	4.000%	183,212
2025	120,000	65,481	4.000%	185,481
2026	120,000	62,631	4.000%	182,631
2027	125,000	59,781	4.000%	184,781
2028	130,000	54,469	4.000%	184,469
2029	135,000	48,944	4.000%	183,944
2030	140,000	43,206	4.000%	183,206
2031	145,000	37,256	4.000%	182,256
2032	155,000	31,094	4.000%	186,094
2033	160,000	26,250	4.000%	186,250
2034	160,000	21,250	4.000%	181,250
2035	165,000	16,250	4.000%	181,250
2036	175,000	11,094	4.000%	186,094
2037	180,000	5,625	4.000%	185,625
	<b>\$2,760,000</b>	<b>\$ 1,104,600</b>		<b>\$ 3,864,600</b>

The original face value of these bonds totaled \$2,760,000. Interest is payable each year on June 1<sup>st</sup> and December 1<sup>st</sup>, and principal payments are due each year on December 1<sup>st</sup>. Beginning December 1, 2026, the District may redeem the outstanding bond balance at any time without paying a redemption premium to the bond holders.

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1  
**SUMMARY OF ASSESSED VALUATION,  
MILL LEVY AND PROPERTY TAXES COLLECTED**  
December 31, 2016

Year Ended December 31,	Prior Year Assessed Valuation for Current Year tax Levy	Mills Levied	Total Property Taxes		Percent Collected to Levied
			Levied	Collected (Note A)	
2012	\$ 4,183,680	43.650	\$210,117	\$ 210,118	100.00%
2013	4,846,180	75.650	366,613	366,613	100.00%
2014	4,605,690	79.684	367,000	367,000	100.00%
2015	4,609,390	79.620	367,000	367,000	100.00%
2016	5,278,900	64.062	367,000	367,005	100.00%
2017 (estimated)	5,730,910	64.039	367,000	--	--

**NOTE A:** Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years.

## **OTHER SUPPLEMENTARY INFORMATION**

**RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1**  
**CHANGE IN TOTAL OVERLAPPING MILL LEVY**

December 31, 2016

	2017 Mill Levy *	2016 Mill Levy**	Change
Riverdale Dunes Metropolitan District No. 1	64.039	64.062	( 0.023)
Brighton School District No. 27J	49.317	49.359	( 0.042)
Commerce City North Infrastructure General Improvement District	27.000	27.000	--
Adams County	27.055	26.817	0.238
South Adams Fire District No. 4	9.900	9.900	--
Rangeview Library District	3.659	3.659	--
City of Commerce City	3.128	3.280	( 0.152)
South Adams County Water and Sanitation District	3.102	3.102	--
Central Colorado Water Conservancy District	2.004	1.533	0.471
Urban Drainage and Flood Control	0.559	0.553	0.006
Urban Drainage and Flood Control – South Platte	0.061	0.058	0.003
<b>Total Mill Levy</b>	<b>189.824</b>	<b>189.323</b>	<b>0.501</b>

\* -- For property tax collections in 2017

\*\* -- For property tax collections in 2016

RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1

**HISTORICAL DEBT RATIOS**

December 31, 2016

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Debt outstanding	\$ 2,610,000	\$ 2,540,000	\$ 2,465,000	\$ 2,385,000	\$ 2,760,000
Combined assessed property values within the District	\$ 4,846,180	\$ 4,605,690	\$ 4,609,390	\$ 5,278,900	\$ 5,730,910
Ratio of debt to assessed property values	53.86%	55.15%	53.48%	45.18%	48.16%