



# North Range Village Metro District

Serving Foxton Village & North Range Village

COMMERCE CITY, COLORADO

## ANNUAL FINANCIAL STATEMENTS

December 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

### To the Board of North Range Village Metro District

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the North Range Village Metro District as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the North Range Village Metro District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the North Range Village Metro District as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the North Range Village Metro District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Range Village Metro District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 North Range Village Metro District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Range Village Metro District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the North Range Village Metro District's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*BF Borgers CPA PC*

BF Borgers CPA PC

Lakewood, Colorado

October 19, 2022

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 43,370
Cash and investments – restricted	692,826
Accounts receivable - due from homeowners	103,078
Accounts receivable - special assessments	32,059
Property taxes receivable	758,500
Prepaid expenses	89,114
Deposits	61,872
Water rights - held for sale	703,275
Capital assets, net	1,293,937
Land	69,460
<b>Total Assets</b>	<b>3,847,491</b>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	4,384
Accrued interest payable - bank loan	15,505
Current portion of bank loan	255,000
Series 2020 bank loan	6,365,000
<b>Total Liabilities</b>	<b>6,639,889</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenue	758,500
<b>Total Deferred Inflows of Resources</b>	<b>758,500</b>
<b>NET POSITION (DEFICIT)</b>	
Restricted:	
Emergency reserves	7,500
Debt service	18,075
Capital projects	653,495
Non-spendable	89,114
Unassigned:	(4,319,082)
<b>Net Position (Deficit)</b>	<b>\$ (3,550,898)</b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**For the 12-Month Period Ended**  
**December 31, 2021**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary Government:</b>					
<b>Government Activities:</b>					
General government activities	\$ (235,477)	\$ 28,462	\$ -	\$ -	\$ (207,015)
Interest and related costs on long-term debt	(232,458)		-	-	(232,458)
Capital project activities	(154,976)	-	-	-	(154,976)
	<u>\$ (622,911)</u>	<u>\$ 28,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(594,449)</u>
<b>General Revenues</b>					
Property taxes					757,532
Specific ownership taxes					60,833
Other income					-
Net investment income					380
					<u>818,745</u>
					<u>224,296</u>
					<u>(3,775,194)</u>
					<u>\$ (3,550,898)</u>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
December 31, 2021**

	General Fund	NRV Operating Fund	NRV Capital Fund	Foxton Operating Fund	Foxton Capital Fund	Debt Fund	Total Government Funds
<b>ASSETS</b>							
Cash and investments	\$ 43,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,370
Cash and investments - Restricted	-	27,029	251,977	56,099	339,646	18,075	692,826
Accounts receivable - due from homeowners	-	61,728	-	41,350	-	-	103,078
Accounts receivable - special assessments	-	7,836	-	24,223	-	-	32,059
Property taxes receivable	230,000	-	-	-	-	528,500	758,500
Deposits	-	-	61,872	-	-	-	61,872
Prepaid expenses	14,114	-	-	-	-	75,000	89,114
<b>TOTAL ASSETS</b>	<b>\$ 287,484</b>	<b>\$ 96,593</b>	<b>\$ 313,849</b>	<b>\$ 121,672</b>	<b>\$ 339,646</b>	<b>\$ 621,575</b>	<b>\$ 1,780,819</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 100	\$ 2,382	\$ -	\$ 1,902	\$ -	\$ -	\$ 4,384
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Property tax revenue	230,000	-	-	-	-	528,500	758,500
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>230,100</b>	<b>2,382</b>	<b>-</b>	<b>1,902</b>	<b>-</b>	<b>528,500</b>	<b>762,884</b>
<b>FUND BALANCES</b>							
Restricted:							
Emergencies (TABOR)	7,500	-	-	-	-	-	7,500
Debt service	-	-	-	-	-	18,075	18,075
Capital projects	-	-	313,849	-	339,646	-	653,495
Non-spendable	14,114	-	-	-	-	75,000	89,114
Unrestricted	35,770	94,211	-	119,770	-	-	249,751
<b>TOTAL FUND BALANCES</b>	<b>57,384</b>	<b>94,211</b>	<b>313,849</b>	<b>119,770</b>	<b>339,646</b>	<b>93,075</b>	<b>1,017,935</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 287,484</b>	<b>\$ 96,593</b>	<b>\$ 313,849</b>	<b>\$ 121,672</b>	<b>\$ 339,646</b>	<b>\$ 621,575</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		
Capital assets, net		1,293,937
Land		69,460
Water rights - held for sale		703,275
Long-term liabilities, including the bank loan, are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation debt		(6,620,000)
Accrued interest payable		(15,505)
<b>Net position of governmental activities</b>		<b>\$ (3,550,898)</b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**12-Month Period Ended**  
**December 31, 2021**

	General Fund	NRV Operating Fund	NRV Capital Fund	Foxton Operating Fund	Foxton Capital Fund	Debt Fund	Total Government Funds
<b>REVENUES</b>							
Property taxes	\$ 229,707	\$ -	\$ -	\$ -	\$ -	\$ 527,825	\$ 757,532
Specific ownership taxes	18,496	-	-	-	-	42,337	60,833
Covenant violation fines	-	14,013	-	14,077	-	-	28,090
Reimbursement assessments, net	-	254	-	118	-	-	372
Net investment income	130	5	-	46	-	199	380
<b>Total Revenues</b>	<b>248,333</b>	<b>14,272</b>	<b>-</b>	<b>14,241</b>	<b>-</b>	<b>570,361</b>	<b>847,207</b>
<b>EXPENDITURES</b>							
General and administration	18,422	14,046	-	11,700	-	-	44,168
Landscaping maintenance	-	83,843	-	80,781	-	-	164,624
Other district expenses	-	19,611	-	12,629	-	-	32,240
Debt service							
Direct and indirect collection costs	-	-	-	-	-	15,546	15,546
Interest payments on 2020 bank loan	-	-	-	-	-	226,375	226,375
Principal payments on 2020 bank loan	-	-	-	-	-	250,000	250,000
Major capital projects	-	-	24,776	-	50,000	-	74,776
<b>Total Expenditures</b>	<b>18,422</b>	<b>117,500</b>	<b>24,776</b>	<b>105,110</b>	<b>50,000</b>	<b>491,921</b>	<b>807,729</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>229,911</b>	<b>(103,228)</b>	<b>(24,776)</b>	<b>(90,869)</b>	<b>(50,000)</b>	<b>78,440</b>	<b>39,478</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Fund Transfers In / (Out)	(226,800)	117,500	-	109,300	-	-	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>3,111</b>	<b>14,272</b>	<b>(24,776)</b>	<b>18,431</b>	<b>(50,000)</b>	<b>78,440</b>	<b>39,478</b>
<b>FUND BALANCES – BEGINNING</b>	<b>54,274</b>	<b>79,938</b>	<b>338,625</b>	<b>101,757</b>	<b>389,646</b>	<b>14,635</b>	<b>978,875</b>
<b>FUND BALANCES – END OF YEAR</b>	<b>\$ 57,385</b>	<b>\$ 94,210</b>	<b>\$ 313,849</b>	<b>\$ 120,188</b>	<b>\$ 339,646</b>	<b>\$ 93,075</b>	<b>\$ 1,018,353</b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
12-Month Period Ended  
December 31, 2021**

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances – Total government funds	\$ 39,478
The issuance of long-term debt 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.	
Principal payments on 2020 bank loan	250,000
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the net capital outlay activity for the year:	
Construction of property, structures and equipment	6,362
Depreciation expense on property, structures and equipment	(80,200)
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.	
Decrease in accrued interest on 2020 bank loan	3,101
Other net changes in accrued liabilities	5,555
<b>Changes in net position of governmental activities</b>	<b>\$ 224,296</b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Property taxes	\$ 230,000	\$ 229,707	\$ (293)
Specific ownership taxes	16,600	18,496	1,896
Other income	-	-	-
Net investment income	1,500	130	(1,370)
<b>Total Revenues</b>	<u>248,100</u>	<u>248,333</u>	<u>233</u>
<b>EXPENDITURES</b>			
Management and accounting expenses	7,000	7,000	-
Administrative costs	2,000	1,617	(383)
Audit fees	6,000	5,940	(60)
Collection fees – County Treasurer	3,500	3,447	(53)
Board of Directors’ fees	2,000	1,300	(700)
Board training and conferences	1,500	2,559	1,059
Insurance	7,400	3,920	(3,480)
Legal fees	1,000	265	(735)
Indirect Cost Allocation	(9,100)	(7,626)	1,474
Miscellaneous expenses	-	-	-
<b>Total Expenditures</b>	<u>21,300</u>	<u>18,422</u>	<u>(2,878)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>226,800</u>	<u>229,911</u>	<u>3,111</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out) to NRV Operating Fund	(117,500)	(117,500)	-
Transfers (out) to Foxton Village Operating Fund	(109,300)	(109,300)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(226,800)</u>	<u>(226,800)</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>-</u>	<u>3,111</u>	<u>3,111</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	53,700	54,274	574
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 53,700</u>	<u>\$ 57,385</u>	<u>\$ 3,685</u>

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

NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended December 31, 2021

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

North Range Village Metropolitan District (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 16, 1999 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 October 1999 and as modified on June 19, 2000 and on February 5, 2007. 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, safety controls, street lighting, landscaping, water, sanitary sewer, storm drainage, television relay facilities, park and recreation, and mosquito control improvements within the North Range Village subdivision, Foxtan Village Filing No 1 subdivision and Foxtan Village Filing No 3 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

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

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.

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 NRV Operating Fund accounts for the resources accumulated and payments made to provide covenant enforcement, architectural review, park and open space maintenance, recreation and other services to the residents of the North Range Village subdivision.

The NRV Capital Fund accounts for the resources accumulated to fund major capital improvement projects – including major maintenance and replacement of existing capital assets such as perimeter fencing and park facilities – located within the North Range Village subdivision.

The Foxton Operating Fund accounts for the resources accumulated and payments made to provide covenant enforcement, architectural review, park and open space maintenance, recreation and other services to the residents of the Foxton Village Filing No 1 subdivision.

The Foxton Capital Fund accounts for the resources accumulated to fund major capital improvement projects – including major maintenance and replacement of existing capital assets such as perimeter fencing and park facilities – located within the Foxton Village Filing No 1 subdivision.

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.

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 they are needed.

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

## **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.

## **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 inflows of resources 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.

## **Specific Ownership Taxes**

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle's age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the county. In 2021, the District's share of Specific ownership taxes was equal to approximately 8.0% of the property taxes collected.

Specific ownership tax is allocated proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

## **Property Maintenance Fines**

Covenant violation fines are assessed, in accordance with the District's covenant enforcement policy, against homeowners whom the District deems to be in violation of the restrictive covenants provided in the Declaration of

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

Covenants, Conditions and Restrictions for North Range Village (NRV Declaration) and the Declaration of Covenants, Conditions and Restrictions for Foxton Village (FV Declaration). Covenant violation fines are recognized as income after the violation has been identified, the homeowner has been notified and the period has expired for the homeowner to request a hearing to dispute the violation. Pursuant to 32-1-1001(1)(j)(I) CRS, fines and reimbursable costs are secured on and against each respective property by a perpetual lien.

### **Reimbursable Costs**

Legal fees and other costs incurred by the District related to covenant enforcement actions and other services provided to specific properties within the District are charged back to the respective property owners. The District presents reimbursable costs on a net basis. Factors considered by the District in determining whether to present reimbursable cost chargeback revenue on a gross or net basis include whether risks exist that the District will be unable to recover such costs from property owners. Pursuant to 32-1-1001(1)(j)(I) CRS, fines and reimbursable costs are secured on and against each respective property by a perpetual lien, which has priority over all other encumbrances on a property.

### **Collection Costs**

Collection costs incurred by the District related to the collection of property taxes includes all costs incurred by the District that enable and support the District's ability to collect property taxes revenue. Generally, such costs include (a) operating and reporting compliance costs that protect the District's right to collect property taxes (e.g. financial statement audit fees, fees paid to professionals to prepare mandatory periodic financial and operational reports to the City and State, etc), (b) professional fees related to applying and monitoring accounting controls over the collection of District revenues, (c) costs related to managing the District's annual property tax assessment process and (d) insurance protecting the District from liability exposure that potentially could arise from performing these activities.

The District allocates indirect collection costs between its general fund (70% cost allocation) and its debt fund (30% cost allocation). Direct collection costs such as county treasurer collection fees are proportionally allocated to each fund on the basis of each property tax revenue allocable to each fund proportion to total property tax revenue assessed by the District.

### **Water Rights – Held for Sale**

Water rights are recorded at acquisition cost. Any costs incurred for the protection and holding of those rights, are expensed, and shall be recovered upon the sale of the ERUs for the development of the subject property.

### **Land**

Land is recorded at acquisition cost.

### **System Development Fees**

System development fees of \$900 per single-family home are charged against properties within the District. The development fee is due at the time of issuance of a building permit. The District records the system development fees as revenue when received, which may be at the transfer of property from the developer to a builder.

As of December 31, 2021, 15 single-family home lots within the North Range Village subdivision remain undeveloped.

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

## 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. Governmental funds report up to five classifications of fund balance: 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.
- **Unrestricted 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, 2021 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments – unrestricted	\$ 43,370
Cash and investments – restricted	<u>692,826</u>
Total cash and investments	<u>\$ 736,196</u>

Cash and investments as of December 31, 2021 consist of the following:

Deposits with financial institutions	\$ 48,818
Investments	<u>687,378</u>
Total cash and investments	<u>\$ 736,196</u>

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

## 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, 2021, the District's cash deposits had a bank balance of \$43,916 and a carrying balance of \$48,818.

## 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.

As of December 31, 2021, the District's investments were comprised of the following:

Investment	Maturity	Amortized Cost
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	\$ 87,378
Morgan Stanley Liquid Govt ADV	Weighted average under 60 days	\$ 600,000

## CSAFE

The District invests in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE operates similarly to a money market fund and each share is equal in value to \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. CSAFE measures its investments at

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

amortized cost, which value is not materially different (less than 0.005% difference) than the fair value measurement of such investments.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. No limitations exist on the District's ability to withdraw funds invested in CSAFE. CSAFE is rated AAmmf by Fitch Ratings.

**NOTE 4 – WATER RIGHTS – HELD FOR SALE**

In 2007, using proceeds from the issuance of the District's Series 2007 General Obligation Bonds, the District financed the purchase of 89 Equivalent Residential Unit water and sanitary sewer rights (ERUs). An ERU right allows a property owner to purchase a water tap and sanitary sewer connection into the South Adams County Water and Sanitation District system. The ERUs are restricted to servicing the land situated within the Foxtan Village No. 3 plat map and this assignment restriction cannot be released without obtaining consent from the City of Commerce City, South Adams County Water & Sanitation District and PV Water & Sanitation Metropolitan District.

On August 31, 2009, Freeport LLC – the owner of Lot 2 of Block 1 of the Foxtan Village Filing No 3 subdivision (L2B1FV3) – filed with the County a covenant on L2B1FV3 (ERU Covenant) requiring the owner(s) of L2B1FV3 to purchase from the District the ERUs and any additional ERUs purchased by the District subsequent to September 14, 2009, as needed to serve such property, in accordance with the South Adams Rules and Regulations, to the extent applicable. Per the ERU Covenant, the price of the ERUs sold to the owner of L2B1FV3 is to be determined by the District.

As of December 31, 2021, the acquisition and holding costs for these 89 ERUs is as follows:

Acquisition cost	\$ 698,631
Financing cost - bond interest March 2007 to Dec. 31, 2021)	435,168
Financing cost – bond issuance costs and bond discount	73,368
Financing cost – County Treasurer collection fees on property taxes collected to fund annual repayments on bond debt (portion allocated to ERU acquisition)	8,057
Legal and accounting fees related to ERU disposition (grossed up for collection costs)	294,250
<b>Total ERU acquisition and holding cost</b>	<b>\$ 1,509,474</b>

Litigation was commenced in 2017 between the District and Commerce City Leased Housing Associates I, LLLP ("CCLHA"), successor to Freeport LLC to the ERU Covenant, regarding the cost for CCLHA to acquire the ERUs from the District. That litigation proceeded to the Colorado Court of Appeals, and the appellate Opinion was rendered on October 18, 2018. Pursuant to the Court of Appeals Opinion, the District was directed to establish a price for the ERUs, with such price being subject to review under Colorado Rules of Civil Procedure 106, and expressly not subject to the standard of fair market value, good faith and fair dealing or commercial reasonableness. Pursuant to the Rules and Regulations of the South Adams County Water and Sanitation District, which are expressly applicable to the ERUs, the development is to pay its own way, inclusive of all water rights, and full cost recovery is the appropriate measure for pricing the ERUs.

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

## NOTE 5 – PROPERTY, EQUIPMENT & STRUCTURES

The District owns and maintains the following property, equipment and structures:

	<u>Balance at 12/31/20</u>	<u>Acquisitions</u>	<u>Disposals</u>	<u>Balance at 12/31/21</u>	<u>Accumulated Depreciation</u>
Perimeter fencing - FV	\$ 64,000	\$ -	\$ -	\$ 64,000	(\$ 8,534)
Perimeter fencing - NRV	369,000	-	-	369,000	( 49,200)
Monument signage - FV	80,000	-	-	80,000	( 16,000)
Monument signage - NRV	100,000	-	-	100,000	( 20,000)
Playground & park equip - FV	80,000	-	-	80,000	( 10,666)
Playground & park equip - NRV	75,000	-	-	75,000	( 10,000)
Detention pond structures	40,000	-	-	40,000	( 2,000)
Backflow valves	15,000	-	-	15,000	( 1,500)
Sprinkler systems	225,000	6,362	-	231,362	( 22,500)
Sidewalks	400,000	-	-	400,000	( 20,000)
<b>Total</b>	<b>\$1,448,000</b>	<b>\$ 6,362</b>	<b>\$ -</b>	<b>\$1,454,362</b>	<b>(\$ 160,400)</b>

## NOTE 6 – LAND

The District owns 4.67 acres of open space land in the North Range Village subdivision. Per the plat map filed with the Adams County Clerk and Recorder's Office on June 07, 2000, the District-owned land tracts are comprised of Tracts A, B, D, E, F, G, K, L, N, M, P, Q, R, S, T and U. The land is recorded by the District at a nominal value of \$4,670.

The District owns 4.79 acres of open space land in the Foxton Village Filing No. 1. Per the plat map filed with the Adams County Clerk and Recorder's Office on December 20, 2000, the District-owned land tracts are comprised of Tracts C, D, L, M, N, P, Q, R, S, T, U, V, W, X, Y, Z and AA. The land is recorded by the District at a nominal value of \$4,790.

## NOTE 7 – DEBT

The following is an analysis of changes in general debt obligations for the year ended December 31, 2021:

	<u>Balance at Dec. 31, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at Dec. 31, 2021</u>	<u>Due within one year</u>
Series 2020 Loan	\$ 6,870,000	\$ -	(\$ 250,000)	\$ 6,620,000	\$ 255,000
Accrued interest – Series 2020 Loan	18,606	220,174	( 223,275))	15,505	15,505
<b>Totals</b>	<b>\$ 6,888,606</b>	<b>\$7,152,327</b>	<b>(\$6,911,135)</b>	<b>\$ 6,888,606</b>	<b>\$ 270,505</b>

Details regarding the District's debt obligations are as follows:

### Series 2020 Loan

On November 10, 2020, the District borrowed \$6,870,000 from Zions Bank for the purpose of refinancing its 2007 General Obligation Refunding and Improvement Bonds and Series 2007 Interest Certificates. The Series 2020 Loan is due December 1, 2040, with a fixed stated annual interest rate of 3.25%, paid semiannually on June 1 and December 1. The Series 2020 Loan may be prepaid prior to maturity at the option of the District at any time without any

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

prepayment penalties. The Series 2020 Loan is secured by the Pledged Revenues and all moneys and earnings thereon. Pledged Revenues consists of revenues collected by the District from the imposition of the Required Mill Levy.

The Series 2020 Loan is secured by and payable from Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the portion of the specific ownership tax which is collected as a result of the imposition of the Required Mill Levy, and (3) any other legally available monies which the District determines to be treated as Pledged Revenue. The Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Loan as the same becomes due and payable without limitation of rate in an amount sufficient to such payment when due.

The proceeds from the Series 2020 Loan were used for the following purposes:

Proceeds from Series 2020 Loan	\$ 6,870,000
Cash in debt fund	450,000
	<hr/>
<b>Cash proceeds</b>	<b>\$ 7,320,000</b>
Repay Series 2007 general obligation bonds	(\$ 5,955,000)
Repay Series 2007 Supplemental B interest certificates	( 471,678)
Capital project funding	( 600,000)
Pay accrued interest on Series 2007 Bonds	( 143,522)
Debt refinancing costs	( 149,800)
	<hr/>
<b>Total uses of cash proceeds</b>	<b>(\$ 7,320,000)</b>

The District's Series 2020 Loan will mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 255,000	\$ 215,150	\$ 470,150
2023	265,000	206,863	471,863
2024	275,000	198,250	473,250
2025	285,000	189,313	474,313
2026	295,000	180,050	475,050
2027 to 2031	1,605,000	751,565	2,356,565
2032 to 2036	1,895,000	472,388	2,367,388
2037 to 2040	1,745,000	143,976	1,888,976
	<hr/>	<hr/>	<hr/>
	<b>\$ 6,620,000</b>	<b>\$ 2,357,555</b>	<b>\$ 8,977,555</b>

#### Authorized Debt

As of December 31, 2021, the District is prohibited from issuing any additional debt (other than refinancing existing debt that would generate a net cost saving to the homeowners) without first obtaining authorization from the District's voters in compliance with TABOR.

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

Per the second amended Service Plan, the District is limited to issuing without prior authorization from the City of Commerce City \$10,000,000 in debt to fund capital improvements. As of December 31, 2021, the District has issued debt totaling \$8,355,766 against the borrowing limit in the District's Service Plan

### **Purpose of Debt Issuance**

The majority of the District's current outstanding debt was used to fund the construction of various infrastructure assets within the North Range Village subdivision and Foxton Village subdivision including roads, sidewalks, storm drains, park, open space landscaping, perimeter fencing, etc. Upon completion of the construction of these infrastructure assets, the land developer conveyed the District-funded public infrastructure to various entities including City of Commerce City, South Adams County Water and Sanitation District and public utility entities. These entities accepted the maintenance and ownership responsibilities for these improvements.

### **NOTE 8 – NET POSITION**

The District has a net position consisting of four components – restricted, committed, non-spendable and unrestricted.

#### **Restricted Net Position**

As of December 31, 2021, the District's restricted net position totaled \$25,575 and is comprised of the restricted net positions in the following two funds: General Fund and Debt Service Fund. The restricted net position of each fund is \$7,500 and \$18,075, respectively. Restricted net position includes net position that is restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

#### **Committed Net Position**

As of December 31, 2021, the District's committed net position totaled \$867,476 and is comprised of the committed net positions of the following four funds: NRV Operating Fund, NRV Capital Fund, Foxton Operating Fund and Foxton Capital Fund. The committed net position of each fund is \$94,211, \$313,849, \$119,770 and \$339,646, respectively.

#### **Non-Spendable Net Position**

As of December 31, 2021, the District's non-spendable net position totaled \$89,114 and is comprised of the non-spendable net position of the General Fund and the debt fund. This balance was created due to the District prepaying certain 2022 expenses in 2021.

#### **Unrestricted Net Position**

The District's unrestricted net position as of December 31, 2021 totaled (\$ 4,319,082). 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 public utility entities.

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

## **NOTE 9 – COMMITMENTS AND CONTINGENCIES**

### **Easement Agreements**

Various tracts of land owned by the District are subject to various utility easements allowing utility line access across District-owned properties to District residents.

### **Landscaping Plan – North Range Village Subdivision**

The parks and open spaces owned by the District within the North Range Village subdivision are subject to a landscaping plan that was approved by Commerce City on June 2, 2000 (NRV Landscaping Plan). Per the NRV 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 NRV Landscaping Plan also requires a minimum number of trees and shrubs be maintained on the certain portions of District-owned open spaces.

The District continues to be subject to the NRV Landscaping Plan, and any revisions to the NRV Landscaping Plan must first be submitted and approved by Commerce City. If Commerce City deems the District to be in violation of the NRV Landscaping Plan, Commerce City may assess monetary fines and/or other penalties on the District. As of December 31, 2021, the District believes it is in material compliance with the NRV Landscaping Plan.

### **Landscaping Plan – Foxton Village Subdivision**

The parks and open spaces owned by the District within the Foxton Village Filing No. 1 subdivision are subject to a landscaping plan that was approved by Commerce City on November 20, 2000 (FV Landscaping Plan). Per the FV 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 FV Landscaping Plan also requires a minimum number of trees and shrubs be maintained on the certain portions of District-owned open spaces.

The District continues to be subject to the FV Landscaping Plan, and any revisions to the FV Landscaping Plan must first be submitted and approved by Commerce City. If Commerce City deems the District to be in violation of the FV Landscaping Plan, Commerce City may assess monetary fines and/or other penalties on the District. As of December 31, 2021, the District believes it is in material compliance with the FV Landscaping Plan.

### **Storm Water Detention Pond**

Per the North Range Village subdivision PUD agreement, the District is responsible for the maintenance of the storm water detention area (Tract G on the North Range Village subdivision plat map). 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.

### **Litigation**

On April 03, 2019, Commerce City Leased Housing Associates I LLLP (“CCLHA1”) – the current owner of L2B1FV3 – filed a complaint in district court of Adams County to contesting the price set by the District to sell its ERUs to

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

CCLHA1. On April 21, 2022, the Colorado Court of Appeals ruled that the \$1,328,026 price set by the District to sell six ERUs to CCLHA1 was unreasonable and remanded the case back to District Court for further deliberation. Because the litigation process is subject to many uncertainties, and the outcome is not predictable with assurance, the District cannot predict the ultimate outcome of this lawsuit or the impact it may have on the District's ability to recover its costs related to purchasing and holding the ERUs assigned to L2B1FV3.

#### **NOTE 10 – RELATED PARTIES**

For the 12-month period ended December 31, 2021, all directors serving on the District's board were residents/homeowners of the District and reported no conflicts of interest arising from their participation on the District's board.

#### **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). 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 3, 2016, District voters authorized the District to assess property taxes at no more than \$230,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses.

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 legal interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

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

## SUPPLEMENTARY INFORMATION

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
NORTH RANGE VILLAGE OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Reimb expenses - collection costs	\$ -	\$ 254	\$ 254
Covenant violation fines	10,000	14,013	4,013
Other income	-	-	-
Net investment income	100	5	(95)
<b>Total Revenues</b>	<u>10,100</u>	<u>14,272</u>	<u>4,172</u>
<b>EXPENDITURES</b>			
General and administration	14,200	14,046	154
Landscaping maintenance	76,900	83,843	(6,943)
Other district expenses	26,400	19,611	6,789
<b>Total Expenditures</b>	<u>117,500</u>	<u>117,500</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(107,400)</u>	<u>(103,228)</u>	<u>4,172</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in from General Fund	117,500	117,500	-
Transfers out to NRV Capital Project Fund	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>117,500</u>	<u>117,500</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>10,100</u>	<u>14,272</u>	<u>4,172</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>23,700</u>	<u>79,938</u>	<u>56,238</u>
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 33,800</u>	<u>\$ 94,210</u>	<u>\$ 60,410</u>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
NORTH RANGE VILLAGE OPERATING FUND  
EXPENDITURE DETAILS - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>GENERAL AND ADMINISTRATION</b>			
District management and accounting fees	\$ 13,200	\$ 13,200	\$ -
Administrative costs	1,000	586	414
Legal fees	-	-	-
Miscellaneous expenses	-	260	(260)
<b>Total General and Administration</b>	<b><u>\$ 14,200</u></b>	<b><u>\$ 14,046</u></b>	<b><u>\$ 154</u></b>
<b>LANDSCAPING MAINTENANCE</b>			
Ground maintenance fees	\$ 26,400	\$ 26,338	\$ 62
Tree maintenance & replacement	3,000	6,796	(3,796)
Trees - winter watering	-	1,934	(1,934)
Sprinkler repairs	9,000	8,240	760
Sprinklers – water	30,000	32,915	(2,915)
Sprinklers – electricity	2,000	1,721	279
Landscape improvement projects	1,000	3,365	(2,365)
Playground maintenance	2,000	-	2,000
Monument sign maintenance	500	225	275
Perimeter fence maintenance	2,000	513	1,487
Property insurance	-	1,679	(1,679)
Miscellaneous landscape costs	1,000	117	883
<b>Total Landscaping Maintenance</b>	<b><u>\$ 76,900</u></b>	<b><u>\$ 83,843</u></b>	<b><u>\$ (6,943)</u></b>
<b>OTHER DISTRICT EXPENSES</b>			
Snow removal	\$ 7,000	\$ 6,150	\$ 850
Vandalism	1,000	170	830
Park and recreation events	12,000	6,036	5,964
Covenant enforcement services	6,400	6,400	-
Covenant enforcement - administrative costs	-	855	(855)
Administrative fees - violation letters	-	-	-
<b>Total Other District Expenses</b>	<b><u>\$ 26,400</u></b>	<b><u>\$ 19,611</u></b>	<b><u>\$ 6,789</u></b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
NORTH RANGE VILLAGE CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Net investment income	\$ 100	\$ -	\$ (100)
Other revenue	-	-	-
<b>Total Revenues</b>	<u>100</u>	<u>-</u>	<u>(100)</u>
<b>EXPENDITURES</b>			
General and administrative fees	-	-	-
Capital projects			
Major capital projects	120,000	24,776	95,224
<b>Total Expenditures</b>	<u>120,000</u>	<u>24,776</u>	<u>95,224</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(119,900)</u>	<u>(24,776)</u>	<u>(95,324)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES</b>	<u>(119,900)</u>	<u>(24,776)</u>	<u>95,324</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>408,900</u>	<u>338,625</u>	<u>(70,275)</u>
<b>FUND BALANCE – END OF YEAR</b>	<u><u>\$ 289,000</u></u>	<u><u>\$ 313,849</u></u>	<u><u>\$ 25,049</u></u>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
 FOXTON VILLAGE OPERATING FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - BUDGET AND ACTUAL  
 12-Month Period Ended  
 December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Reimb expenses - collection costs	\$ -	\$ 118	\$ 118
Covenant violation fines	10,000	14,077	4,077
Other income	-	-	-
Net investment income	1,000	46	(954)
<b>Total Revenues</b>	<u>11,000</u>	<u>14,241</u>	<u>3,241</u>
<b>EXPENDITURES</b>			
General and administration	13,700	11,700	2,000
Landscaping maintenance	75,800	80,781	(4,981)
Other district expenses	16,700	12,629	4,071
<b>Total Expenditures</b>	<u>106,200</u>	<u>105,110</u>	<u>1,090</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(95,200)</u>	<u>(90,869)</u>	<u>4,331</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in from General Fund	109,300	109,300	-
Transfers out to Foxton Village Capital Project Fund	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>109,300</u>	<u>109,300</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>14,100</u>	<u>18,431</u>	<u>4,331</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	67,900	101,757	33,857
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 82,000</u>	<u>\$ 120,188</u>	<u>\$ 38,188</u>

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the accompanying notes to the financial statements.

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
 FOXTON VILLAGE OPERATING FUND  
 EXPENDITURE DETAILS - BUDGET AND ACTUAL  
 12-Month Period Ended  
 December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>GENERAL AND ADMINISTRATION</b>			
District management and accounting fees	\$ 11,700	\$ 11,700	\$ -
Administrative costs	2,000	-	2,000
Legal fees	-	-	-
Miscellaneous expenses	-	-	-
<b>Total General and Administration</b>	<b><u>\$ 13,700</u></b>	<b><u>\$ 11,700</u></b>	<b><u>\$ 2,000</u></b>
<b>LANDSCAPING MAINTENANCE</b>			
Ground maintenance fees	\$ 19,800	\$ 19,759	\$ 41
Tree maintenance & replacement	2,500	14,384	(11,884)
Trees - winter watering	-	998	(998)
Sprinkler repairs	6,000	5,187	813
Sprinklers – water	37,000	23,590	13,410
Sprinklers – electricity	600	593	7
Backflow maintenance	-	300	(300)
Landscape improvement projects	2,900	13,636	(10,736)
Playground maintenance	2,000	590	1,410
Monument sign maintenance	-	-	-
Perimeter fence maintenance	3,000	65	2,935
Property insurance	-	1,679	(1,679)
Miscellaneous landscape costs	2,000	-	2,000
<b>Total Landscaping Maintenance</b>	<b><u>\$ 75,800</u></b>	<b><u>\$ 80,781</u></b>	<b><u>\$ (4,981)</u></b>
<b>OTHER DISTRICT EXPENSES</b>			
Snow removal	\$ 5,000	\$ 5,475	\$ (475)
Vandalism	1,000	-	1,000
Park and recreation events	5,000	380	4,620
Covenant enforcement services	5,700	5,700	-
Covenant enforcement - administrative costs	-	1,074	(1,074)
<b>Total Other District Expenses</b>	<b><u>\$ 16,700</u></b>	<b><u>\$ 12,629</u></b>	<b><u>\$ 4,071</u></b>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
 FOXTON VILLAGE CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - BUDGET AND ACTUAL  
 12-Month Period Ended  
 December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Net investment income	\$ -	\$ -	\$ -
Other revenue	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
General and administrative fees	-	-	-
Capital projects			
Major capital projects	50,000	50,000	-
<b>Total Expenditures</b>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES</b>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>400,800</u>	<u>389,646</u>	<u>(11,154)</u>
<b>FUND BALANCE – END OF YEAR</b>	<u><u>\$ 350,800</u></u>	<u><u>\$ 339,646</u></u>	<u><u>\$ (11,154)</u></u>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Property taxes	\$ 528,500	\$ 527,825	\$ (675)
Specific ownership taxes	38,100	42,337	4,237
Net investment income	400	199	(201)
<b>Total Revenues</b>	<u>567,000</u>	<u>570,361</u>	<u>3,361</u>
<b>EXPENDITURES</b>			
Direct and indirect collection costs	67,600	15,546	52,054
Debt service			
Interest payments on 2020 bank loan	223,300	226,375	(3,075)
Principal payments on 2020 bank loan	250,000	250,000	-
<b>Total Expenditures</b>	<u>540,900</u>	<u>491,921</u>	<u>48,979</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>26,100</u>	<u>78,440</u>	<u>52,340</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>26,100</u>	<u>78,440</u>	<u>52,340</u>
<b>FUND BALANCE – BEGINNING</b>	<u>119,400</u>	<u>14,635</u>	<u>(104,765)</u>
<b>FUND BALANCE – END OF YEAR</b>	<u>\$ 145,500</u>	<u>\$ 93,075</u>	<u>\$ (52,425)</u>

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

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
COLLECTION COST DETAILS - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2021**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>DIRECT AND INDIRECT COLLECTION COSTS</b>			
Collection fees – County Treasurer	\$ -	\$ 7,920	\$ (7,920)
Indirect Collection Cost Allocation	19,100	7,626	11,474
Legal fees	48,500	-	48,500
Miscellaneous	-	-	-
<b>Total Direct and Indirect Collection Costs</b>	<b><u>\$ 67,600</u></b>	<b><u>\$ 15,546</u></b>	<b><u>\$ 52,054</u></b>

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

NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
 December 31, 2021

The District's repayment schedule for its Series 2020 Loan is as follows:

<b>Year Ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Interest Rate</b>	<b>Total</b>
<b>2022</b>	\$ 255,000	\$ 215,150	3.250%	\$ 470,150
<b>2023</b>	265,000	206,863	3.250%	471,863
<b>2024</b>	275,000	198,250	3.250%	473,250
<b>2025</b>	285,000	189,313	3.250%	474,313
<b>2026</b>	295,000	180,050	3.250%	475,050
<b>2027</b>	300,000	170,463	3.250%	470,463
<b>2028</b>	310,000	160,713	3.250%	470,713
<b>2029</b>	320,000	150,638	3.250%	470,638
<b>2030</b>	330,000	140,238	3.250%	470,238
<b>2031</b>	345,000	129,513	3.250%	474,513
<b>2032</b>	355,000	118,300	3.250%	473,300
<b>2033</b>	365,000	106,763	3.250%	471,763
<b>2034</b>	380,000	94,900	3.250%	474,900
<b>2035</b>	390,000	82,550	3.250%	472,550
<b>2036</b>	405,000	69,875	3.250%	474,875
<b>2037</b>	415,000	56,713	3.250%	471,713
<b>2038</b>	430,000	43,225	3.250%	473,225
<b>2039</b>	445,000	29,250	3.250%	474,250
<b>2040</b>	455,000	14,788	3.250%	469,788
	<b>\$6,620,000</b>	<b>\$ 2,357,555</b>		<b>\$ 8,977,555</b>

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>. The Series 2020 Loan can be paid in advance without prepayment penalty at any time.

NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
**SUMMARY OF ASSESSED VALUATION, MILL LEVY  
 AND PROPERTY TAXES COLLECTED**

December 31, 2021

Year Ended December 31,	Prior Year Assessed Valuation for Current Year tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		Operations	Debt	Levied	Collected (Note A)	
2016	\$ 8,394,110	27.400	55.515	696,000	695,998	100.0%
2017	8,393,580	27.402	55.519	696,000	695,977	100.0%
2018	10,397,470	22.120	50.830	758,500	758,362	99.9%
2019	10,241,090	22.458	51.606	758,500	758,360	99.9%
2020	12,267,330	18.749	45.527	788,500	788,212	99.9%
2021	12,541,080	18.340	42.142	758,500	757,532	99.9%
2022	13,704,760	16.782	38.563	758,500	[TBD]	[TBD]

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

## **OTHER SUPPLEMENTARY INFORMATION**

**NORTH RANGE VILLAGE METROPOLITAN DISTRICT**  
**CHANGE IN TOTAL OVERLAPPING MILL LEVY**

December 31, 2021

	2021 Mill Levy *	2020 Mill Levy **	Change
North Range Village Metropolitan District	55.345	60.482	( 5.137)
Brighton School District No. 27J	49.866	48.745	1.121
Commerce City North Infrastructure General Improvement District	20.000	20.000	-
Adams County	27.069	26.897	0.172
South Adams Fire District No. 4	14.750	14.750	-
Rangeview Library District	3.689	3.670	0.019
City of Commerce City	2.920	3.200	( 0.280)
South Adams County Water and Sanitation District	2.277	2.490	( 0.213)
Central Colorado Water Conservation District	1.404	1.156	( 0.248)
Urban Drainage and Flood Control	0.900	0.900	-
Urban Drainage and Flood Control – South Platte	0.100	0.100	-
<b>Total Mill Levy</b>	<b>178.320</b>	<b>182.390</b>	<b>( 4.070)</b>

\* -- For property tax collections in 2022

\*\* -- For property tax collections in 2021

NORTH RANGE VILLAGE METROPOLITAN DISTRICT  
**HISTORICAL DEBT RATIOS**  
 December 31, 2021

	2017	2018	2019	2020	2021
Debt outstanding	\$ 7,095,000	\$ 6,865,000	\$ 6,625,000	\$ 6,870,000	\$ 6,620,000
Restricted cash in debt fund	(\$ 60,197)	(\$ 98,054)	(\$ 124,892)	(\$ 11,578)	(\$ 18,075)
Combined assessed property values within the District	\$10,397,470	\$10,241,090	\$12,267,330	\$12,541,080	\$ 13,704,760
Ratio of debt to assessed property values	67.7%	66.1%	53.0%	54.7%	48.2%