

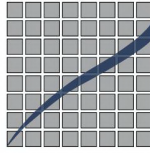
**ROCK CREEK METROPOLITAN DISTRICT
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

**ROCK CREEK METROPOLITAN DISTRICT
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BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Rock Creek Metropolitan District
El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Rock Creek Metropolitan District ("District") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the 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 and each major fund of the District as of December 31, 2021, the respective changes in financial position, and the budgetary comparison schedule for the general fund, and the budgetary comparison for the general fund for the year then ended in accordance with the 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 the report. We are required to be independent of the 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.

Responsibility 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 District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 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 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.

Other Matters

Required Supplementary Information

Management has omitted 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 part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is 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 information procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information 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 provide any 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.

BiggsKofford, P.C.

Colorado Springs, Colorado
September 28, 2022

BASIC FINANCIAL STATEMENTS

**ROCK CREEK METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 6,762
Cash and Investments - Restricted	7,700,029
Receivable - County Treasurer	32
Property Taxes Receivable	6,457
Prepaid Expenses	2,528
Capital Assets, Not Being Depreciated	<u>903,261</u>
Total Assets	<u>8,619,069</u>
LIABILITIES	
Accounts Payable	3,336
Accrued Bond Interest Payable	23,721
Noncurrent Liabilities	
Due in More Than One Year	<u>9,734,331</u>
Total Liabilities	<u>9,761,388</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>6,457</u>
Total Deferred Inflows of Resources	<u>6,457</u>
NET POSITION	
Restricted for:	
Emergency Reserves	100
Debt Service	122,015
Unrestricted	<u>(1,270,891)</u>
Total Net Position	<u><u>\$ (1,148,776)</u></u>

See accompanying Notes to Basic Financial Statements.

**ROCK CREEK METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	Debt Service	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 6,762	\$ -	\$ -	\$ 6,762
Cash and Investments - Restricted	100	659,297	7,040,632	7,700,029
Receivable from County Treasurer	5	27	-	32
Property Taxes Receivable	1,076	5,381	-	6,457
Prepaid Insurance	2,528	-	-	2,528
	<u>10,471</u>	<u>664,705</u>	<u>7,040,632</u>	<u>7,715,808</u>
Total Assets	<u>\$ 10,471</u>	<u>\$ 664,705</u>	<u>\$ 7,040,632</u>	<u>\$ 7,715,808</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 3,336	\$ -	\$ -	\$ 3,336
Total Liabilities	<u>3,336</u>	<u>-</u>	<u>-</u>	<u>3,336</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	1,076	5,381	-	6,457
Total Deferred Inflows of Resources	<u>1,076</u>	<u>5,381</u>	<u>-</u>	<u>6,457</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	2,528	-	-	2,528
Restricted for:				
Emergencies (TABOR)	100	-	-	100
Debt Service	-	659,324	-	659,324
Capital Projects	-	-	7,040,632	7,040,632
Unassigned:				
General Government	3,431	-	-	3,431
Total Fund Balances	<u>6,059</u>	<u>659,324</u>	<u>7,040,632</u>	<u>7,706,015</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,471</u>	<u>\$ 664,705</u>	<u>\$ 7,040,632</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds.

Capital Assets, Net 903,261

Long-term liabilities are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Bonds Payable (9,542,000)
Accrued Bond Interest Payable (23,721)
Developer Advance (173,451)
Accrued Developer Advance Interest Payable (18,880)

Net Position of Governmental Activities \$ (1,148,776)

See accompanying Notes to Basic Financial Statements.

**ROCK CREEK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021**

	General	Debt Service	Capital Projects Fund	Total Governmental Funds
REVENUES				
Property Taxes	\$ 577	\$ 2,884	\$ -	\$ 3,461
Specific Ownership Tax	68	339	-	407
Interest Income	18	239	1,406	1,663
Total Revenues	<u>663</u>	<u>3,462</u>	<u>1,406</u>	<u>5,531</u>
EXPENDITURES				
Accounting	15,135	-	1,436	16,571
Banking Fees	3	5	45	53
Bond Issue Costs	-	-	541,253	541,253
County Treasurer's Fee	9	45	-	54
Insurance and Bonds	2,627	-	-	2,627
Dues and Licenses	777	-	-	777
Legal	37,894	-	-	37,894
Miscellaneous	6	-	-	6
Repay Developer Advance	-	-	275,970	275,970
Debt Service:				
Bond Interest - Series 2021	-	151,023	-	151,023
Capital Expenditures:				
Engineering	-	-	2,588	2,588
Capital Outlay	-	-	900,673	900,673
Total Expenditures	<u>56,451</u>	<u>151,073</u>	<u>1,721,965</u>	<u>1,929,489</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(55,788)	(147,611)	(1,720,559)	(1,923,958)
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	9,542,000	9,542,000
Transfers from/(to) Other Funds	-	806,935	(806,935)	-
Developer Advance	78,586	-	54,800	133,386
Total Other Financing Sources (Uses)	<u>78,586</u>	<u>806,935</u>	<u>8,789,865</u>	<u>9,675,386</u>
NET CHANGE IN FUND BALANCES	22,798	659,324	7,069,306	7,751,428
Fund Balances (Deficit) - Beginning of Year	<u>(16,739)</u>	<u>-</u>	<u>(28,674)</u>	<u>(45,413)</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,059</u>	<u>\$ 659,324</u>	<u>\$ 7,040,632</u>	<u>\$ 7,706,015</u>

See accompanying Notes to Basic Financial Statements.

**ROCK CREEK METROPOLITAN DISTRICT
GENERAL FUND
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund balances - Governmental Funds \$ 7,751,428

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

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:

Capital Outlay 903,261

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Developer Advance	(133,386)
Repayment of Developer Advance	195,517
Bond Issuance	(9,542,000)

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.

Accrued Interest on Bonds - Change in Liability	(23,721)
Accrued Interest on Developer Advance - Change in Liability	(78,122)
Repayment of Accrued Interest on Developer Advance	<u>80,453</u>

Change in Net Position of Governmental Activities \$ (846,570)

**ROCK CREEK METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 577	\$ 577	\$ 577	\$ -
Specific Ownership Tax	58	58	68	10
Interest Income	-	-	18	18
Total Revenues	<u>635</u>	<u>635</u>	<u>663</u>	<u>28</u>
EXPENDITURES				
Administrative:				
Accounting	20,000	20,000	15,135	4,865
Banking Fees	500	500	3	497
Contingency	3,591	15,141	-	15,141
County Treasurer's Fee	9	9	9	-
Directors' Fees	6,000	6,000	-	6,000
Dues and Licenses	550	1,000	777	223
Legal	15,000	50,000	37,894	12,106
Miscellaneous	4,000	4,000	6	3,994
Payroll Taxes	650	650	-	650
Insurance and Bonds	2,700	2,700	2,627	73
Total Expenditures	<u>53,000</u>	<u>100,000</u>	<u>56,451</u>	<u>43,549</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(52,365)	(99,365)	(55,788)	43,577
OTHER FINANCING SOURCES (USES)				
Developer Advance	52,365	99,365	78,586	(20,779)
Total Other Financing Sources (Uses)	<u>52,365</u>	<u>99,365</u>	<u>78,586</u>	<u>(20,779)</u>
NET CHANGE IN FUND BALANCES	-	-	22,798	22,798
Fund Balances - Beginning of Year	<u>100</u>	<u>-</u>	<u>(16,739)</u>	<u>(16,739)</u>
FUND BALANCES - END OF YEAR	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 6,059</u>	<u>\$ 6,059</u>

See accompanying Notes to Basic Financial Statements.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 DEFINITION OF REPORTING ENTITY

Rock Creek Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs, El Paso County on January 23, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in El Paso County, Colorado, entirely within the City of Colorado Springs (the City). The District operates under a Service Plan approved by the City on January 23, 2018.

The District was established to provide financing and construction for street improvements and drainage with safety protection, portable water and wastewater system, mosquito control, limited covenant enforcement, parks and open space, transportation system, and the operation and maintenance of the District.

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 organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described 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. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

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 source of revenue subject to accrual are property and specific ownership 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 other funds.

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 was established to account for financial resources to be used for the acquisition and construction of capital facilities.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 the funds for the ensuing year. The appropriation is at the total fund expenditures and other financial uses 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.

The District amended its annual budget for the year ended December 31, 2021.

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.

Property Taxes

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

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

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

The District does not depreciate its Construction in Progress capital assets.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

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: nonspendable, 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:

Nonspendable Fund Balance – The portion of 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 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 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.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Assigned Fund Balance – The portion of 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 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 practice 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	\$ 6,762
Cash and Investments – Restricted	7,700,029
Total Cash and Investments	\$ 7,706,791

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

Deposits with Financial Institutions	\$ 25,393
Investments	7,681,398
Total Cash and Investments	\$ 7,706,791

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 \$25,393.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) 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 or investment custodial risk disclosure requirements 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.

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

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase and reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 7,681,398

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust) an investment vehicle established for local government entities in Colorado to pool surplus funds. 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 any security allowed under CRS 24-75-601. 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. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021, follows:

	Balance at December 31, 2020	Additions	Retirements	Balance at December 31, 2021
Capital Assets, Not Being Depreciated				
Construction in Progress	\$ -	\$ 903,261	\$ -	\$ 903,261
Total Capital Assets, Not Being Depreciated	-	903,261	-	903,261
Capital Assets, Net	\$ -	\$ 903,261	\$ -	\$ 903,261

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in long-term obligations for the year ended December 31, 2021:

	Balance - December 31, 2020	Additions	Retirements	Balance - December 31, 2021	Due Within One Year
Bonds Payable:					
General Obligation Limited Tax and Special Revenue Bonds - Series 2021A-1(3)	\$ -	\$ 6,110,000	\$ -	\$ 6,110,000	\$ -
Special Revenue Bonds - Series 2021A-2	-	3,432,000	-	3,432,000	-
Subtotal of Bonds Payable	-	9,542,000	-	9,542,000	-
Loans/Notes from Direct Borrowings:					
Developer Advance - Operations	74,739	78,586	-	153,325	-
Accrued Interest:					
Developer Advances - Operations	8,647	9,390	-	18,037	-
Developer Advance - Capital	160,843	54,800	195,517	20,126	-
Accrued Interest:					
Developer Advances - Capital	12,564	68,732	80,453	843	-
Subtotal of Loans/Notes from Direct Borrowings	256,793	211,508	275,970	192,331	-
Total Long-Term Liabilities	<u>\$ 256,793</u>	<u>\$ 9,753,508</u>	<u>\$ 275,970</u>	<u>\$ 9,734,331</u>	<u>\$ -</u>

The details of the District's general obligation bonds outstanding are as follows:

General Obligation Limited Tax and Special Revenue Bonds, Series 2021A-1(3) (the 2021A-1(3) Bonds) and **Special Revenue Bonds, Series 2021A-2** (the 2021A-2 Bonds, and together with the 2021A-1(3) Bonds, the Bonds)

Bond Proceeds

The District issued the Bonds on May 20, 2021, in the par amounts of \$6,110,000 for the 2021A-1(3) Bonds and \$3,432,000 for the 2021A-2 Bonds. Proceeds from the sale of the 2021A-1(3) Bonds were used to: (1) finance certain public improvements; (2) fund the Reserve Fund for the 2021A-1(3) Bonds; (3) fund capitalized interest on the 2021A-1(3) Bonds; and (4) pay the costs of issuance of the 2021A-1(3) Bonds. Proceeds from the sale of the 2021A-2 Bonds were used to: (1) finance certain public improvements; and (2) pay certain costs of issuance of the 2021A-2 Bonds.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Optional Redemption of 2021A-1(3) Bonds

The 2021A-1(3) Bonds are subject to redemption prior to maturity, at the option of the District, on June 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
June 1, 2026, to May 31, 2027	3.00%
June 1, 2027, to May 31, 2028	2.00
June 1, 2028, to May 31, 2029	1.00
June 1, 2029, and thereafter	0.00

Mandatory Extraordinary Redemption of 2021A-1(3) Bonds

On May 20, 2024, or as soon as may be practicable thereafter, in the event that the required Colorado Springs Utilities (CSU) Approvals have not yet been obtained on behalf of the District or MHC Holdings, LLC has not yet executed the Service Fee Agreement, the Trustee shall apply all amounts then on deposit in the Project Funds to redeem the 2021A-1(3) Bonds, in accordance with the provisions of the Indentures.

2021A-1(3) Bonds Details

The 2021A-1(3) Bonds bear interest at rates ranging from 4.5% to 4.75%, payable semiannually to the extent of 2021A-1(3) Bonds Pledged Revenue available on June 1 and December 1 (each an Interest Payment Date), beginning on December 1, 2021. The 2021A-1(3) Bonds are expected to be issued as two term bonds that have annual mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2025. The 2021A-1(3) Bonds mature on December 1, 2050.

To the extent principal of any 2021A-1(3) Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by the 2021A-1(3) Bond. To the extent interest on any 2021A-1(3) Bond is not paid when due, such interest shall compound on each Interest Payment Date at the rate then borne by the 2021A-1(3) Bond.

2021A-1(3) Pledged Revenue

The 2021A-1(3) Bonds are secured by and payable solely from 2021A-1(3) Pledged Revenue, which means the moneys derived by the District from the following sources, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County: (a) the Required Mill Levy; (b) the Capital Fees; (c) the Capital Recovery Fees; (d) the Series 2021A-1(3) Guaranty Agreement Revenue, if any; (e) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (f) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as 2021A-1(3) Pledged Revenue.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2021A-1(3) Pledged Revenue (Continued)

2021A-1(3) Required Mill Levy

Pursuant to the 2021A(3) Indenture, the District has covenanted to impose a Required Mill Levy on all taxable property of the District each year in an amount sufficient to pay the 2021A-1(3) Bonds as they come due, and if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve, but (i) not in excess of 50 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2018), and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills (subject to adjustment), or such lesser mill levy which will pay the 2021A-1(3) Bonds as they come due, will replenish the Reserve Fund to the amount of the Required Reserve, and will fund the Surplus Fund up to the Maximum Surplus Amount.

2021A-1(3) Capital Fees

Capital Fees are fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District resulting from the Series 2021A-1(3) Development Fees. The Series 2021A-1(3) Development Fees imposed by the District consist of a one-time system development fee in the amount of \$2,500 and \$1,650, to be assessed and collected against each single-family unit and each multi-family unit, respectively, within the property in the District upon sale of such unit from the Developer to the builder.

2021A-1(3) Capital Recovery Fees

Pursuant to an Out of District Fee Resolution dated April 15, 2021, the District established an Out of District Connection Fee to be imposed on each Out of District Unit to be paid over a period of 30 years. A Service Fee Agreement provides that Cheyenne Mountain Estates will reimburse the District for the cost of the Improvements pursuant to the following Capital Recovery Fees schedule. Cheyenne Mountain Estates will collect fees from the individual units leasing property from Cheyenne Mountain Estates which are being imposed pursuant to the Capital Recovery Fee Resolution and pay those fees to the District.

- Years 1-10: \$11,277/month
- Years 11-20: \$13,360/month
- Years 21-30: \$15,443/month

Series 2021A-1(3) Guaranty Agreement Revenue

The District, the Trustee and Sundance at Rock Creek LLC (Sundance), acting as the guarantor, have entered into a Debt Service Guaranty Agreement (the Guaranty Agreement) pursuant to which Sundance agrees to provide funds to the Trustee for the payment of the 2021A-1(3) Bonds in the amounts and under the circumstances set forth in the Guaranty Agreement.

The Series 2021A-1(3) Guaranty Agreement Revenue is any revenue derived from the Guaranty Agreement for the payment of the 2021A-1(3) Limited Tax Bonds as calculated pursuant to the 2021A-1(3) Indenture.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2021A-1⁽³⁾ Pledged Revenue (Continued)

Additional Security for the 2021A-1⁽³⁾ Bonds

The 2021A-1⁽³⁾ Bonds are also secured by capitalized interest which will be funded from proceeds of the 2021A-1⁽³⁾ Bonds in the amount of \$293,348. The balance in the capitalized interest account for the 2021A-1⁽³⁾ Bonds at December 31, 2021 is \$142,392.

The 2021A-1⁽³⁾ Bonds are additionally secured by the Reserve Fund which was funded from proceeds of the 2021A-1⁽³⁾ Bonds in the amount of the 2021A-1⁽³⁾ Required Reserve of \$513,588. Subject to the receipt of sufficient 2021A-1⁽³⁾ Pledged Revenue, the Reserve Fund is to be maintained in the amount of the 2021A-1⁽³⁾ Required Reserve for as long as any 2021A-1⁽³⁾ Bonds are outstanding. The balance in the Reserve Fund for the 2021A-1⁽³⁾ Bonds at December 31, 2021 is \$513,682.

The 2021A-1⁽³⁾ Bonds are further secured by the Surplus Fund. 2021A-1⁽³⁾ Pledged Revenue that is not needed to pay debt service of the 2021A-1⁽³⁾ Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$611,000. Subject to the receipt of sufficient 2021A-1⁽³⁾ Pledged Revenue, the Surplus Fund shall be maintained for as long as any 2021A-1⁽³⁾ Bonds are outstanding. The balance in the Surplus Fund for the 2021A-1⁽³⁾ Bonds at December 31, 2021 is \$-0-.

Mandatory Extraordinary Redemption of 2021A-2 Bonds

On May 20, 2024, or as soon as may be practicable thereafter, in the event that the required Colorado Springs Utilities (CSU) Approvals have not yet been obtained on behalf of the District or MHC Holdings, LLC has not yet executed the Service Fee Agreement, the Trustee shall apply all amounts then on deposit in the Project Funds to redeem the 2021A-2 Bonds, in accordance with the provisions of the Indentures.

2021A-2 Bonds Details

The 2021A-2 Bonds were issued at the rate of 4.0% per annum and are structured as “cash flow” bonds, meaning that no regularly scheduled payments of principal are due on the 2021A-2 Bonds prior to their maturity date. Instead, principal is payable on each December 1 from the available 2021A-2 Pledged Revenue, if any, pursuant to a mandatory redemption.

Interest on the 2021A-2 Bonds is payable on each December 1, commencing December 1, 2021, to the extent of the 2021A-2 Pledged Revenue and accrued unpaid interest on the 2021A-2 Bonds will compound annually on each December 1 until sufficient 2021A-2 Pledged Revenue is available for payment. In the event that any amount of principal or interest on the 2021A-2 Bonds remain unpaid on December 2, 2050 (the 2021A-2 Termination Date), the 2021A-2 Bonds will be deemed paid, satisfied, and discharged.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2021A-2 Pledged Revenue

The 2021A-2 Bonds are secured by and payable solely from and to the extent of 2021A-2 Pledged Revenue, which means the moneys derived by the District from the following sources, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County: (a) the 2021A-2 Capital Fees; (b) the Series 2021A-2 Guaranty Agreement Revenue, if any; and, (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as 2021A-2 Pledged Revenue.

2021A-2 Capital Fees

2021A-2 Capital Fees are fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District resulting from the Series 2021A-2 Development Fees collected with respect to the Property (as defined in the 2021A-2 Indenture). The Series 2021A-2 Development Fees imposed by the District consist of a one-time water capital fee in the amount of \$25,000 and a one-time sewer capital fee in the amount of \$15,000, to be assessed and collected against each single-family unit within the property in the District.

Series 2021A-2 Guaranty Agreement Revenue

The Series 2021A-2 Guaranty Agreement Revenue is any revenue derived from the Guaranty Agreement for the payment of the 2021A-2 Bonds as calculated pursuant to the 2021A-2 Indenture.

Events of Default for the Bonds

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an event of default under the Indenture:

- i. The District fails or refuses to impose the required mill levy or to apply the pledged revenue as provided in the bond resolution;
- ii. The District defaults in the performance or observance of any other of the covenants in the bond resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the District by the Owner.
- iii. The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bonds.

It is acknowledged that due to the limited nature of the pledged revenue, the failure to pay the principal of or interest on the bonds when due shall not, of itself, constitute an event of Default under the Indenture.

Remedies on Occurrence of Event of Default for the Revenue Bonds

Upon the occurrence and continuance of an Event of Default, the Trustee shall have the following rights and remedies which may be pursued:

- i. Mandamus or Other Suit: The Owner may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2021A-2 Pledged Revenue

No Acceleration

Notwithstanding the foregoing or anything else herein to the contrary, acceleration shall not be an available remedy for an Event of Default.

As of December 31, 2021, the District was not in default.

Authorized Debt

On May 8, 2018, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$120,000,000 at an interest rate not to exceed 12% per annum. At December 31, 2021, the District has authorized but unissued indebtedness in the for the following amounts allocated to the following purposes:

	Authorized May 8, 2018 Election	Series 2021A Bonds	Total Authorized Debt
Special Assessment	\$ 8,000,000	\$ -	\$ 8,000,000
Water	8,000,000	1,908,400	6,091,600
Sanitation	8,000,000	1,908,400	6,091,600
Streets	8,000,000	1,908,400	6,091,600
Traffic and Safety	8,000,000	1,908,400	6,091,600
Parks and Recreation	8,000,000	1,908,400	6,091,600
Transportation	8,000,000	-	8,000,000
Television Relay	8,000,000	-	8,000,000
Mosquito Control	8,000,000	-	8,000,000
Security	8,000,000	-	8,000,000
Fire Protection	8,000,000	-	8,000,000
Operations and Maintenance	8,000,000	-	8,000,000
Reimbursement Agreements	8,000,000	-	8,000,000
Debt Refunding	16,000,000	-	16,000,000
Total	<u>\$ 120,000,000</u>	<u>\$ 9,542,000</u>	<u>\$ 110,458,000</u>

As set forth in the District's 2018 Service Plan, the County has limited the amount of debt to be issued by the District to a total of \$8,000,000 without future approval by the County. The District may levy up to 50.000 mills for debt service and up to 10.000 mills for general operations and administrative expenses, subject to the Gallagher Adjustment.

Developer Advance

On July 11th, 2018 the District entered into a Reimbursement Agreement, later amended on December 1 2018, (Agreement) with The Equity Group LLC (Developer) wherein the District agrees to reimburse the Developer for advance made on behalf of the District. The District agrees to repay the Developer along with accrued interest of 8% beginning on the date of advance to the date of repayment.

As of December 31, 2021, outstanding Developer advances under the agreement totaled \$153,325 for operation costs with accrued interest of \$18,037 and \$20,126 for capital costs with accrued interest of \$843.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 NET POSITION

The District has net position consisting of two components - restricted and unrestricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other government or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2021, as follows:

Restricted Net Position:	
Emergency Reserves	\$ 100
Debt Service	122,015
Total Restricted Net Position	<u>\$ 122,115</u>

The District has a deficit in unrestricted net position. This deficit amount is the result of the District being responsible for the financing and repayment of bonds issued for the construction of public improvements, which were dedicated to other entities for ownership and maintenance.

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is SNA Development LLC. The members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 8 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or 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 provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers compensation 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 the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**ROCK CREEK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known 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.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. As of December 31, 2021, the District had provided for an Emergency Reserve.

On May 8, 2018, a majority of the District's electors passed an election question to increase the property taxes \$10,000,000 annually to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, retain, and spend all revenues without regard to any limitations under TABOR.

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.

SUPPLEMENTARY INFORMATION

**ROCK CREEK METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 2,884	\$ 2,884	\$ -
Specific Ownership Taxes	288	339	51
Interest Income	700	239	(461)
Public Improvement Fees	14,400	-	(14,400)
Mobile Home Park Fees	120,000	-	(120,000)
Total Revenues	<u>\$ 138,272</u>	<u>\$ 3,462</u>	<u>\$ (134,810)</u>
EXPENDITURES			
County Treasurer's Fee	43	45	(2)
Banking Fees	-	5	(5)
Bond Interest	254,359	151,023	103,336
Paying Agent Fees	3,500	-	3,500
Contingency	2,098	-	2,098
Total Expenditures	<u>260,000</u>	<u>151,073</u>	<u>108,927</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(121,728)	(147,611)	(25,883)
OTHER FINANCING SOURCES (USES)			
Transfers from Other Funds	740,409	806,935	66,526
Total Other Financing Sources (Uses)	<u>740,409</u>	<u>806,935</u>	<u>66,526</u>
NET CHANGE IN FUND BALANCES	618,681	659,324	40,643
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 618,681</u></u>	<u><u>\$ 659,324</u></u>	<u><u>\$ 40,643</u></u>

**ROCK CREEK METROPOLITAN DISTRICT
CAPITAL PROJECTS – GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ 22,500	\$ 1,406	\$ (21,094)
Total Revenues	<u>22,500</u>	<u>1,406</u>	<u>(21,094)</u>
EXPENDITURES			
Accounting	-	1,436	(1,436)
Banking Fees	-	45	(45)
Bond Issue Costs	356,500	541,253	(184,753)
Contingency	5,601	-	5,601
Engineering	60,000	2,588	57,412
Miscellaneous	15,000	-	15,000
Capital Outlay	<u>5,783,486</u>	<u>900,673</u>	<u>4,882,813</u>
Total Expenditures	<u>6,220,587</u>	<u>1,445,995</u>	<u>4,774,592</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,198,087)	(1,444,589)	4,753,498
OTHER FINANCING SOURCES (USES)			
Developer Advance	-	54,800	54,800
Bond Proceeds	7,175,000	9,542,000	2,367,000
Repay Developer Advance	(236,504)	(275,970)	(39,466)
Transfers to Other Fund	<u>(740,409)</u>	<u>(806,935)</u>	<u>(66,526)</u>
Total Other Financing Sources (Uses)	<u>6,198,087</u>	<u>8,513,895</u>	<u>2,315,808</u>
NET CHANGE IN FUND BALANCES	-	7,069,306	7,069,306
Fund Balance - Beginning of Year	<u>-</u>	<u>(28,674)</u>	<u>(28,674)</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 7,040,632</u>	<u>\$ 7,040,632</u>

OTHER INFORMATION

**ROCK CREEK METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021**

<u>Year Ended December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percentage Collected to Levied
		General	Debt	Levied	Collected	
		Operations	Service			
2019	\$ 49,820	10.000	-	\$ 498	\$ 498	100 %
2020	51,820	10.000	-	518	518	100
2021	51,820	11.132	55.664	3,461	3,461	100
Estimated for Year Ending December 31, 2022	\$ 96,670	11.132	55.664	\$ 6,457		

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