

**LITTLETON VILLAGE METROPOLITAN DISTRICT NOS. 1-3  
SPECIAL BOARD MEETING**

**BOARD OF DIRECTORS:**

<b>DISTRICT NOS. 1 &amp; 3</b>	<b>DISTRICT NO. 2</b>
<b>Gardiner Hammond</b> President Term Expires: May 2020	<b>Phil Cernanec</b> President Term Expires: May 2020
<b>Theodore E. Cox</b> Secretary/Treasurer Term Expires: May 2020	<b>Holly Bundschu</b> Treasurer Term Expires: May 2022
<b>Blaire Hammond</b> Assistant Secretary Term Expires: May 2020	<b>Chrystia Losianovich</b> Secretary Term Expires: May 2022
<b>Vacant</b> Term Expires: May 2022	<b>Vacant</b> Term Expires: May 2020
<b>Vacant</b> Term Expires: May 2022	<b>Vacant</b> Term Expires: May 2020

**DATE: Tuesday, October 23, 2018**  
**TIME: 4:30 p.m. Budget Workshop**  
**PLACE: South Fellowship Church**  
**6560 South Broadway (Room 7)**  
**Littleton, CO 80121**

- I. Call to Order**
- II. Declaration of Quorum/Director Qualifications/Disclosure of Conflicts**
- III. 2019 Budget Discussion (enclosures)**
- IV. Adjournment**



CliftonLarsonAllen LLP  
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## Accountant's Compilation Report

Board of Directors  
Littleton Village Metropolitan District No. 1

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Littleton Village Metropolitan District No. 1 for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ended December 31, 2017 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

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

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Littleton Village Metropolitan District No. 1.

Greenwood Village, Colorado  
\_\_\_\_\_, 2018



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**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2019 BUDGET  
WITH 2017 ACTUAL AND 2018 ESTIMATED  
For the Years Ended and Ending December 31,**

10/10/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 15,615	\$ 49,884	\$ (59,923)	\$ (59,923)	\$ -
REVENUES					
Operations fees	205,761	300,000	161,977	245,000	-
Developer advance	411,095	363,694	196,043	370,723	-
Reimbursed expenditures	-	-	23,018	23,018	-
Other revenue	800	-	200	39,673	-
Transfer from District No. 2	424,969	458,144	381,039	454,769	-
Transfer from District No. 3	10,220	14,362	13,878	14,236	-
Total revenues	<u>1,052,845</u>	<u>1,136,200</u>	<u>776,155</u>	<u>1,147,419</u>	<u>-</u>
TRANSFERS IN	65,021	-	-	-	-
Total funds available	<u>1,133,481</u>	<u>1,186,084</u>	<u>716,232</u>	<u>1,087,496</u>	<u>-</u>
EXPENDITURES					
General Fund	100,183	134,000	212,885	263,943	-
Capital Projects Fund	842,185	700,000	382,763	500,000	-
Special Revenue Fund	186,015	280,000	208,859	323,553	-
Total expenditures	<u>1,128,383</u>	<u>1,114,000</u>	<u>804,507</u>	<u>1,087,496</u>	<u>-</u>
TRANSFERS OUT	65,021	-	-	-	-
Total expenditures and transfers out requiring appropriation	<u>1,193,404</u>	<u>1,114,000</u>	<u>804,507</u>	<u>1,087,496</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ (59,923)</u>	<u>\$ 72,084</u>	<u>\$ (88,275)</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>\$ 1,400</u>	<u>\$ 3,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 1,400</u>	<u>\$ 3,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2019 BUDGET  
WITH 2017 ACTUAL AND 2018 ESTIMATED  
For the Years Ended and Ending December 31,**

10/10/18

ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
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**ASSESSED VALUATION**

Vacant land

Certified Assessed Value

	\$ 145	\$ 145	\$ 145	\$ 145	\$ 145
	\$ 145	\$ 145	\$ 145	\$ 145	\$ 145

**MILL LEVY**

**PROPERTY TAXES**

Budgeted property taxes

	\$ -	\$ -	\$ -	\$ -	\$ -
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**BUDGETED PROPERTY TAXES**

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/10/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 91,085	\$ 1,500	\$ (4,973)	\$ (4,973)	\$ -
REVENUES					
Developer advance	22,126	13,694	87,838	149,661	-
Other revenue	800	-	200	250	-
Transfer from District No. 2	36,000	108,144	102,231	104,769	-
Transfer from District No. 3	10,220	14,362	13,878	14,236	-
Total revenues	<u>69,146</u>	<u>136,200</u>	<u>204,147</u>	<u>268,916</u>	<u>-</u>
Total funds available	<u>160,231</u>	<u>137,700</u>	<u>199,174</u>	<u>263,943</u>	<u>-</u>
EXPENDITURES					
General and administrative					
Accounting	34,497	45,000	37,559	50,000	-
Audit	6,875	7,000	6,875	6,875	-
Insurance	3,686	4,000	5,045	5,045	-
District management	25,513	25,000	50,535	70,000	-
Legal	28,516	45,000	67,169	85,000	-
Miscellaneous	1,096	5,000	2,679	4,000	-
Election	-	3,000	21,323	21,323	-
Bond refunding consultants	-	-	21,700	21,700	-
Total expenditures	<u>100,183</u>	<u>134,000</u>	<u>212,885</u>	<u>263,943</u>	<u>-</u>
TRANSFERS OUT					
Transfers to other fund	<u>65,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>165,204</u>	<u>134,000</u>	<u>212,885</u>	<u>263,943</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ (4,973)</u>	<u>\$ 3,700</u>	<u>\$ (13,711)</u>	<u>\$ -</u>	<u>\$ -</u>
EMERGENCY RESERVE	<u>\$ 1,400</u>	<u>\$ 3,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 1,400</u>	<u>\$ 3,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1**  
**SPECIAL REVENUE FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/10/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ 48,384	\$ 39,130	\$ 39,130	\$ -
REVENUES					
Operations fees	205,761	300,000	161,977	245,000	-
Other revenue	-	-	-	39,423	-
Total revenues	<u>205,761</u>	<u>300,000</u>	<u>161,977</u>	<u>284,423</u>	<u>-</u>
TRANSFERS IN					
Transfers from other funds	<u>19,384</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>225,145</u>	<u>348,384</u>	<u>201,107</u>	<u>323,553</u>	<u>-</u>
EXPENDITURES					
General and administrative					
Property management	38,268	35,000	30,752	45,000	-
Billing services	24,535	30,000	14,817	24,000	-
Insurance	5,529	6,000	4,353	4,353	-
Legal services	4,426	7,500	-	-	-
Contingency	-	11,000	-	-	-
Operations and maintenance					
Repair and maintenance	58,037	50,000	21,330	50,000	-
Trash	21,866	25,000	24,889	38,000	-
Testing and inspections	2,463	3,500	845	1,500	-
Electricity	759	2,000	443	700	-
Irrigation water	30,132	40,000	28,548	35,000	-
Domestic water	-	-	24,711	35,000	-
Snow removal	-	20,000	19,496	30,000	-
Landscape	-	50,000	38,675	60,000	-
Total expenditures	<u>186,015</u>	<u>280,000</u>	<u>208,859</u>	<u>323,553</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>186,015</u>	<u>280,000</u>	<u>208,859</u>	<u>323,553</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 39,130</u>	<u>\$ 68,384</u>	<u>\$ (7,752)</u>	<u>\$ -</u>	<u>\$ -</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
2019 BUDGET  
WITH 2017 ACTUAL AND 2018 ESTIMATED  
For the Years Ended and Ending December 31,**

10/10/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ (75,470)	\$ -	\$ (94,080)	\$ (94,080)	\$ -
REVENUES					
Developer advance	388,969	350,000	108,205	221,062	-
Reimbursed expenditures	-	-	23,018	23,018	-
Transfer from District No. 2	388,969	350,000	278,808	350,000	-
Total revenues	<u>777,938</u>	<u>700,000</u>	<u>410,031</u>	<u>594,080</u>	<u>-</u>
TRANSFERS IN					
Transfers from other funds	<u>45,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>748,105</u>	<u>700,000</u>	<u>315,951</u>	<u>500,000</u>	<u>-</u>
EXPENDITURES					
General and Administrative					
Accounting	38,878	-	12,071	15,000	-
Legal	40,661	-	45,861	60,000	-
Repay developer advance	388,969	350,000	278,808	350,000	-
Capital outlay	<u>373,677</u>	<u>350,000</u>	<u>46,023</u>	<u>75,000</u>	<u>-</u>
Total expenditures	<u>842,185</u>	<u>700,000</u>	<u>382,763</u>	<u>500,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>842,185</u>	<u>700,000</u>	<u>382,763</u>	<u>500,000</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ (94,080)</u>	<u>\$ -</u>	<u>\$ (66,812)</u>	<u>\$ -</u>	<u>\$ -</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1**  
**2019 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on September 28, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 5, 2006, and as modified on September 3, 2013. The District's service area is located entirely within the City of Littleton, Arapahoe County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including water, sanitation, streets, safety protection, storm drainage, covenant enforcement and design review services, and parks and recreation facilities.

At its formation election held on November 5, 2005, the District's voters authorized general obligation indebtedness of \$5,000,000 for a sanitary sewer and transmission system, \$5,000,000 for refinancing of District debt, and \$100,000 for general operations and maintenance.

At a subsequent election held on November 6, 2007 the District approved additional general obligation indebtedness of \$6,000,000 each for the following: street improvements, a sanitation system, a potable and non-potable water supply, parks and recreation facilities, refinancing of District debt and \$560,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$49,200,000 for the above listed purposes, with the exception of general operations and maintenance which has been approved for an annual increase in taxes of \$4,100,000.

On November 5, 2013 the District's voters approved for an annual increase in taxes of \$5,000,000 for general operations and maintenance and \$40,000,000 for payment due pursuant to intergovernmental agreements (IGA). The District also approved general obligation indebtedness of \$40,000,000 for each of the following: street improvements, parks and recreation facilities, a potable and non-potable water supply, a sanitation system, a transportation system, mosquito control facilities, traffic and safety controls, fire protection, television relay and translation system, security services, and debt refinancing. Additionally, the District's electors authorized the District to collect, retain and spend all revenue annually, other than ad valorem taxes, without regard to limitations under TABOR.

The District's amended service plan limits the total debt issuance to \$40,000,000. The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.



**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 1  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided – (continued)**

It is anticipated that the District will dissolve in 2019 after all the necessary agreements are transferred/re-assigned to District No. 2 and No. 3.

**This information is an integral part of the accompanying budget.**



CliftonLarsonAllen LLP  
www.CLAconnect.com

## Accountant's Compilation Report

Board of Directors  
Littleton Village Metropolitan District No. 2

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Littleton Village Metropolitan District No. 2 for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ended December 31, 2017, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

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

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Littleton Village Metropolitan District No. 2.

Greenwood Village, Colorado  
\_\_\_\_\_, 2018



An independent member of Nexia International

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**SUMMARY**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/18/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 1,740,166	\$ 1,375,644	\$ 1,391,974	\$ 1,391,974	\$ 1,362,287
REVENUES					
Property taxes	165,582	493,769	493,300	493,769	688,576
Specific ownership taxes	14,179	49,380	24,412	36,800	41,315
Net investment income	14,987	17,000	17,037	20,200	20,500
Bond issuance - Series 2014B	388,969	350,000	278,808	350,000	-
Bond issuance - Series 2018	-	-	-	5,700,000	-
Administrative fee	-	-	-	-	3,960
Maintenance fee	-	-	-	-	325,920
Domestic water fee	-	-	-	-	30,000
Other revenue	-	2,000	-	-	2,000
Transfer from District No. 3	81,758	114,901	111,232	117,932	158,188
Total revenues	665,475	1,027,050	924,789	6,718,701	1,270,459
Total funds available	2,405,641	2,402,694	2,316,763	8,110,675	2,632,746
EXPENDITURES					
General Fund	36,497	111,625	103,711	106,250	130,000
Debt Service Fund	977,170	955,000	579,886	6,642,138	675,000
Special Revenue Fund	-	-	-	-	353,000
Total expenditures	1,013,667	1,066,625	683,597	6,748,388	1,158,000
Total expenditures and transfers out requiring appropriation	1,013,667	1,066,625	683,597	6,748,388	1,158,000
ENDING FUND BALANCES	\$ 1,391,974	\$ 1,336,069	\$ 1,633,166	\$ 1,362,287	\$ 1,474,746
EMERGENCY RESERVE	\$ -	\$ -	\$ -	\$ -	\$ 4,500
REQUIRED RESERVE - SERIES 2015	880,075	880,075	880,075	880,075	880,075
SURPLUS RESERVE - SERIES 2015	511,899	455,994	753,091	382,212	469,318
ESCROW RESERVE	-	-	-	100,000	100,000
TOTAL RESERVE	\$ 1,391,974	\$ 1,336,069	\$ 1,633,166	\$ 1,362,287	\$ 1,453,893

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/18/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
<b>ASSESSED VALUATION</b>					
Residential	\$ 817,214	\$ 7,496,194	\$ 7,496,194	\$ 7,496,194	\$ 11,492,920
Commercial	-	78,437	78,437	78,437	286,609
State assessed	19,180	13,140	13,140	13,140	129,510
Vacant land	2,475,248	1,344,874	1,344,874	1,344,874	547,800
Certified Assessed Value	<u>\$ 3,311,642</u>	<u>\$ 8,932,645</u>	<u>\$ 8,932,645</u>	<u>\$ 8,932,645</u>	<u>\$ 12,456,839</u>
<b>MILL LEVY</b>					
General	10.000	11.055	11.055	11.055	11.055
Debt Service	40.000	44.222	44.222	44.222	44.222
Total mill levy	<u>50.000</u>	<u>55.277</u>	<u>55.277</u>	<u>55.277</u>	<u>55.277</u>
<b>PROPERTY TAXES</b>					
General	\$ 33,116	\$ 98,750	\$ 98,750	\$ 98,750	\$ 137,710
Debt Service	132,466	395,019	395,019	395,019	550,866
Levied property taxes	165,582	493,769	493,769	493,769	688,576
Adjustments to actual/rounding	-	-	(469)	-	-
Budgeted property taxes	<u>\$ 165,582</u>	<u>\$ 493,769</u>	<u>\$ 493,300</u>	<u>\$ 493,769</u>	<u>\$ 688,576</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 33,116	\$ 98,750	\$ 98,656	\$ 98,750	\$ 137,710
Debt Service	132,466	395,019	394,644	395,019	550,866
	<u>\$ 165,582</u>	<u>\$ 493,769</u>	<u>\$ 493,300</u>	<u>\$ 493,769</u>	<u>\$ 688,576</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**GENERAL FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/18/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	33,116	98,750	98,656	98,750	137,710
Specific ownership taxes	2,836	9,875	4,882	7,300	8,263
Net investment income	545	1,000	173	200	500
Other revenue	-	2,000	-	-	2,000
Total revenues	<u>36,497</u>	<u>111,625</u>	<u>103,711</u>	<u>106,250</u>	<u>148,473</u>
Total funds available	<u>36,497</u>	<u>111,625</u>	<u>103,711</u>	<u>106,250</u>	<u>148,473</u>
EXPENDITURES					
General and administrative					
Accounting	-	-	-	-	35,000
Audit	-	-	-	-	5,000
County Treasurer's fees	497	1,481	1,480	1,481	2,066
District management	-	-	-	-	35,000
Legal	-	-	-	-	50,000
Contingency	-	2,000	-	-	2,934
Transfer to District No. 1	36,000	108,144	102,231	104,769	-
Total expenditures	<u>36,497</u>	<u>111,625</u>	<u>103,711</u>	<u>106,250</u>	<u>130,000</u>
Total expenditures and transfers out requiring appropriation	<u>36,497</u>	<u>111,625</u>	<u>103,711</u>	<u>106,250</u>	<u>130,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,473</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,500</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,500</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**SPECIAL REVENUE FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/18/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Administrative fee	-	-	-	-	3,960
Domestic water fee	-	-	-	-	30,000
Maintenance fee	-	-	-	-	325,920
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,880</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,880</u>
EXPENDITURES					
General and administrative					
Billing services	-	-	-	-	30,000
Insurance	-	-	-	-	8,000
Property management	-	-	-	-	45,000
Contingency	-	-	-	-	10,000
Operations and maintenance					
Electricity	-	-	-	-	1,000
Landscape maintenance - common area	-	-	-	-	50,000
Landscape maintenance - residential area	-	-	-	-	72,000
Irrigation water	-	-	-	-	35,000
Domestic water	-	-	-	-	30,000
Snow removal	-	-	-	-	37,000
Trash	-	-	-	-	35,000
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,880</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/18/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 1,740,166	\$ 1,375,644	\$ 1,391,974	\$ 1,391,974	\$ 1,362,287
REVENUES					
Property taxes	132,466	395,019	394,644	395,019	550,866
Specific ownership taxes	11,343	39,505	19,530	29,500	33,052
Net investment income	14,442	16,000	16,864	20,000	20,000
Bond issuance - Series 2018	-	-	-	5,700,000	-
Bond issuance - Series 2014B	388,969	350,000	278,808	350,000	-
Transfer from District No. 3	81,758	114,901	111,232	117,932	158,188
Total revenues	<u>628,978</u>	<u>915,425</u>	<u>821,078</u>	<u>6,612,451</u>	<u>762,106</u>
Total funds available	<u>2,369,144</u>	<u>2,291,069</u>	<u>2,213,052</u>	<u>8,004,425</u>	<u>2,124,393</u>
EXPENDITURES					
General and administrative					
County Treasurer's fees	1,988	5,925	5,922	5,925	8,263
Paying agent fees	4,100	4,100	4,100	4,100	4,100
Contingency	-	12,862	-	-	10,525
Transfer to District No. 1	388,969	350,000	278,808	350,000	-
Debt Service					
Bond refunding - Series 2014A/Series 2014B	-	-	-	5,209,000	-
Bond interest - Series 2015	582,113	582,113	291,056	582,113	582,112
Bond principal - Series 2015	-	-	-	-	70,000
Bond issue costs - Series 2018	-	-	-	491,000	-
Total expenditures	<u>977,170</u>	<u>955,000</u>	<u>579,886</u>	<u>6,642,138</u>	<u>675,000</u>
Total expenditures and transfers out requiring appropriation	<u>977,170</u>	<u>955,000</u>	<u>579,886</u>	<u>6,642,138</u>	<u>675,000</u>
ENDING FUND BALANCES	<u>\$ 1,391,974</u>	<u>\$ 1,336,069</u>	<u>\$ 1,633,166</u>	<u>\$ 1,362,287</u>	<u>\$ 1,449,393</u>
REQUIRED RESERVE - SERIES 2015	\$ 880,075	\$ 880,075	\$ 880,075	\$ 880,075	\$ 880,075
SURPLUS RESERVE - SERIES 2015	511,899	455,994	753,091	382,212	469,318
ESCROW RESERVE	-	-	-	100,000	100,000
TOTAL RESERVE	<u>\$ 1,391,974</u>	<u>\$ 1,336,069</u>	<u>\$ 1,633,166</u>	<u>\$ 1,362,287</u>	<u>\$ 1,449,393</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**2019 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on February 12, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 5, 2006, and as modified on September 3, 2013. The District's service area is located entirely within the City of Littleton, Arapahoe County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including water, sanitation, streets, safety protection, storm drainage, covenant enforcement and design review services, and parks and recreation facilities.

On November 5, 2013 the District's voters approved for an annual increase in taxes and public improvements fees of \$5,000,000 each for general operations and maintenance and \$40,000,000 for payment due pursuant to intergovernmental agreements (IGA). The District also approved general obligation indebtedness of \$40,000,000 for each of the following: street improvements, parks and recreation facilities, a potable and non-potable water supply, a sanitation system, a transportation system, mosquito control facilities, traffic and safety controls, fire protection, television relay and translation system, security services, and debt refinancing. Additionally, the District's electors authorized the District to collect, retain and spend all revenue annually, other than ad valorem taxes, without regard to limitations under TABOR.

The District's service plan limits the total debt issuance to \$40,000,000. The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.



**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification of 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.

The District's Service Plan provides that the District's mill levy may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation, so that, to the extent possible, the actual revenues generated are neither diminished or enhanced as a result of such changes. Among other adjustments, a change in the ratio of actual valuation of assessable property (assessment ratio) shall be deemed a change in method of calculating assessed valuation. During 2017, the assessment ratio changed from 7.96% to 7.20%; consequently, the District adjusted its mill levy.

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

**Maintenance Fees**

The District established a maintenance fee of \$60 per month for each Single-Family residential unit, \$80 per month for each Multi-Family residential unit, and \$40 per month for each vacant lot. The maintenance fee revenue is used for the purpose of paying direct and indirect costs related to the facilities and maintenance services.

**Domestic Water Fees**

The District established a domestic water fee of \$30 per month for each Multi-Family residential unit. The domestic water fee revenue is used for the purpose of paying the domestic water expenses paid for by the District.

**Administration Fees**

The District established an administration fee of \$2.50 per month for each Multi-Family residential unit. The administrative fee revenue is used for the purpose of defraying the cost of providing administrative services by the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

**Transfer from District No. 3**

Pursuant to the Capital Pledge Agreement, entered into on June 6, 2014 and amended on September 1, 2018, between the District and District No. 3, District No. 3 is obligated to impose ad valorem property taxes for the payment of the Series 2014 Special Revenue Bonds, Series 2015 Senior Bonds, and Series 2018B Subordinate Limited Bonds.

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking and meeting costs.

**Treasurer's Fees**

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

**Debt Service**

Principal and interest payments in 2019 are provided based upon the debt amortization schedule from the Series 2015 Bonds discussed under Debt and Leases. Additionally, payments on Series 2014A, 2014B and 2018B Bonds are based on the amount of funds available. Therefore, a scheduled amortization has not been included in the budget.

**Debt and Leases**

**Special Revenue Bonds, Series 2014**

On June 4, 2014, the District authorized the issuance of Special Revenue Bonds, Series 2014A (the "Bonds") in the aggregate principal amount of up to \$12,165,000. The principal amount of the Bonds deemed issued from time to time shall equal the amount of Acknowledged Advances made under the Construction Funding Loan Agreement whereby which the Developer advances the funds to cover capital costs and such advances are converted to bond proceeds through the process of Bond Counsel issuing an opinion on each Acknowledged Advance. The District also issued Taxable Subordinate Special Revenue Bonds, Series 2014B (the "Subordinate Bonds") in the authorized principal amount of up to \$3,335,000, in order to provide for the repayment of Acknowledged Advances in excess of \$12,165,000. The principal balance of the Bonds shall bear an interest at the rate of 8.00%, payable semi-annually on each June 15 and December 15, commencing June 15, 2015, and shall mature on December 15, 2044.

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**2019 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

To the extent interest on the Bonds is not paid when due, such interest shall compound annually, on each December 15. To the extent principal of the Bonds is not paid when due, such principal shall remain outstanding until paid. The Subordinate Bonds shall bear the same interest rate of 8.00% and to be payable only after the payment in full of the Bonds.

The Bonds are secured and payable from the Pledged Revenue, consisting of moneys derived by the District from the following sources, net of collection costs: (1) property tax revenues, (2) specific ownership tax revenues, (3) PIF revenues, and (4) any other legally available moneys which the District determines to credit to the Bond Fund. Pledged Revenue for the repayment on the Bonds also includes revenues resulting from District No. 3's imposition of the District No. 3 Required Mill Levy.

The Bonds shall be subject to redemption prior to maturity, at the option of the District, as a whole or in part, on any date thereafter, upon payment of par and accrued interest, without redemption premium. The Bonds is subject to mandatory redemption in part on December 15 of each year, commencing December 15, 2015 to the extent of moneys on deposit.

**Limited Tax General Obligation and Special Revenue Bonds, Series 2015**

On December 17, 2015, the District issued Limited Tax General Obligation and Special Revenue Bonds, Series 2015, in the amount of \$10,830,000. The proceeds from the sale of the Series 2015 Senior Bonds are used for the purposes of (i) refunding a portion of the District's currently outstanding Subordinate Special Revenue Bond, Series 2014A; (ii) providing capitalized interest for the Series 2015 Senior Bonds; (iii) funding a Reserve Fund securing the Series 2015 Senior Bonds; and, (iv) paying costs of issuance of the Series 2015 Senior Bonds.

The Series 2015 Senior Bonds bear interest at 5.375%, payable semi-annually on June 1 and December 1, beginning on June 1, 2016. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2015 Senior Bonds mature on December 1, 2045, and are subject to optional redemption as described in the Indenture.

The Series 2015 Senior Bonds are secured by and payable solely from Pledged Revenue, which includes property taxes derived from the Required Mill Levy net of the cost of collection, Specific Ownership Taxes attributable to the Required Mill Levy, Pledged PIF Revenues, PILOT revenues (if any), and any other legally available moneys of the District which the District deposits with the Trustee for application as Pledged Revenue. The forecast does not include Pledged PIF or PILOT revenues. The Series 2015 Senior Bonds are also secured by amounts held in the Reserve Fund, which is to be funded upon issuance of the Series 2015 Senior Bonds in the amount of the Required Reserve anticipated to equal \$880,075, and amounts accumulated in the Surplus Fund, if any. In accordance with the Indenture, amounts on deposit in the Surplus Fund are to be released to the District when the Series 2015 Senior Bonds are defeased or paid in full.

Pledged Revenue that is not needed to pay debt service on the Series 2015 Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of 10% of par value of the Series 2015 Senior Bonds, or \$1,083,000. Under the Indenture, the Surplus Fund is terminated upon defeasance or payment in full of the Series 2015 Senior Bonds. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levy. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2**  
**2019 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

District and District No. 3 each year in an amount sufficient, to pay the principal and interest on the Bonds as the same become due, and to replenish the Surplus Fund to the Maximum Surplus Amount, but not in excess of 50.000 mills (subject to adjustment for changes occurring in the method of calculating assessed valuation). The maximum Required Mill Levy has been adjusted to 55.277.

**Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2018B**

On September 6, 2018, the District issued Subordinate Limited Tax General Obligation and Special Revenue Bonds, Series 2018B, in the amount of \$5,700,000. Proceeds from the sale of the Bonds were used for the purposes of (i) refunding a portion of the 2014A and 2014B Bonds and (ii) paying costs in connection with the issuance of the Bonds.

The Series 2018B Subordinate Limited Bonds were issued at the rate of 8% per annum and payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue, subject to limitations of the Indenture, and mature on December 15, 2028. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the Bonds compounds annually on each December 15 at the rate then borne by the Bonds. In the event any amount due and owing on the Bonds remains outstanding on December 15, 2055, such amount shall be deemed discharged and no longer be due and outstanding.

The Series 2018B Subordinate Limited Bonds are secured by and payable solely from Subordinate Pledged Revenue, which is that portion of Pledged Revenue available after application of the Pledged Revenue to the payment of Series 2015 Senior Bonds.

The Indenture requires that, so long as any Series 2015 Senior Bonds are outstanding, the District must transfer all Pledged Revenue to the Senior Obligation Trustee for the payment of Senior Obligations. Any Pledged Revenue not needed to pay Series 2015 Senior Bonds, or to replenish the Reserve Fund or fund the Surplus Fund, are required to be deposited in the Subordinate Bond Fund and be applied to the payment of the Subordinate Bonds. When the Series 2015 Senior Bonds are no longer outstanding, the District is required to deposit all Pledged Revenue with the Trustee for the payment of the Subordinate Bonds.

The Series 2018B Subordinate Limited Bonds constitute Subordinate Obligations under the 2015 Senior Indenture, and the Series 2015 Senior Bonds constitute Senior Obligations under the Indenture. The moneys constituting the Subordinate Pledged Revenue, which are pledged to the payment of the Bonds, are derived from the same sources of revenues as the moneys pledged to the payment of the 2015 Senior Indenture to pay the Series 2015 Senior Bonds, and the lien thereon is junior and subordinate in all respects to the lien of the Series 2015 Senior Bonds and any other Senior Obligations which may be issued by the Issuing District in the future.

The District has no capital or operating leases.

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2019, as defined under TABOR.

**Debt Service Reserves**

The District maintains a Debt Service Reserve as required with the issuance of the Series 2015 Bonds.

**This information is an integral part of the accompanying budget.**

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$10,830,000**

**Limited Tax General Obligation  
and Special Revenue Bonds**

**Series 2015, Dated December 17, 2015**

**Interest Rate of 5.375% Payable June 1 and  
December 1, Principal Due December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 70,000	\$ 582,112	\$ 652,112
2020	115,000	578,350	693,350
2021	120,000	572,169	692,169
2022	140,000	565,718	705,718
2023	150,000	558,194	708,194
2024	170,000	550,131	720,131
2025	180,000	540,994	720,994
2026	205,000	531,318	736,318
2027	215,000	520,300	735,300
2028	245,000	508,744	753,744
2029	255,000	495,575	750,575
2030	285,000	481,869	766,869
2031	300,000	466,550	766,550
2032	330,000	450,425	780,425
2033	350,000	432,688	782,688
2034	385,000	413,875	798,875
2035	405,000	393,181	798,181
2036	440,000	371,413	811,413
2037	465,000	347,763	812,763
2038	505,000	322,769	827,769
2039	535,000	295,625	830,625
2040	580,000	266,869	846,869
2041	610,000	235,693	845,693
2042	660,000	202,906	862,906
2043	695,000	167,431	862,431
2044	750,000	130,075	880,075
2045	1,670,000	89,763	1,759,763
<b>TOTAL</b>	<b>\$ 10,830,000</b>	<b>\$ 11,072,500</b>	<b>\$ 21,902,500</b>

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



CliftonLarsonAllen LLP  
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## Accountant's Compilation Report

Board of Directors  
Littleton Village Metropolitan District No. 3

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Littleton Village Metropolitan District No. 3 for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ended December 31, 2017, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

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

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Littleton Village Metropolitan District No. 3.

Greenwood Village, Colorado  
\_\_\_\_\_, 2018



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**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2019 BUDGET  
WITH 2017 ACTUAL AND 2018 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Developer advance	-	-	-	-	70,079
Property taxes	80,991	119,136	119,136	119,136	154,816
Specific ownership taxes	6,936	11,914	5,890	9,000	9,289
Interest income	5,346	-	1,896	2,200	2,700
Public improvement fees	-	-	-	5,644	32,262
Other revenue	-	3,000	-	-	5,000
Total revenues	<u>93,273</u>	<u>134,050</u>	<u>126,922</u>	<u>135,980</u>	<u>274,146</u>
Total funds available	<u>93,273</u>	<u>134,050</u>	<u>126,922</u>	<u>135,980</u>	<u>274,146</u>
EXPENDITURES					
General Fund	10,364	15,561	14,079	14,437	100,000
Debt Service Fund	82,909	118,489	112,843	121,543	171,046
Total expenditures	<u>93,273</u>	<u>134,050</u>	<u>126,922</u>	<u>135,980</u>	<u>271,046</u>
Total expenditures and transfers out requiring appropriation	<u>93,273</u>	<u>134,050</u>	<u>126,922</u>	<u>135,980</u>	<u>271,046</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>

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



**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
<b>ASSESSED VALUATION</b>					
Commercial	\$ -	\$ -	\$ -	\$ -	\$ 464,060
State assessed	-	-	-	-	290
Vacant land	1,799,801	2,647,471	2,647,471	2,647,471	2,631,974
	<u>1,799,801</u>	<u>2,647,471</u>	<u>2,647,471</u>	<u>2,647,471</u>	<u>3,096,324</u>
Certified Assessed Value	<u>\$ 1,799,801</u>	<u>\$ 2,647,471</u>	<u>\$ 2,647,471</u>	<u>\$ 2,647,471</u>	<u>\$ 3,096,324</u>
<b>MILL LEVY</b>					
General	5.000	5.000	5.000	5.000	10.000
Debt Service	40.000	40.000	40.000	40.000	40.000
Total mill levy	<u>45.000</u>	<u>45.000</u>	<u>45.000</u>	<u>45.000</u>	<u>50.000</u>
<b>PROPERTY TAXES</b>					
General	\$ 8,999	\$ 13,237	\$ 13,237	\$ 13,237	\$ 30,963
Debt Service	71,992	105,899	105,899	105,899	123,853
	<u>80,991</u>	<u>119,136</u>	<u>119,136</u>	<u>119,136</u>	<u>154,816</u>
Levied property taxes	80,991	119,136	119,136	119,136	154,816
Refunds and abatements	-	-	(69,411)	-	-
Budgeted property taxes	<u>\$ 80,991</u>	<u>\$ 119,136</u>	<u>\$ 49,725</u>	<u>\$ 119,136</u>	<u>\$ 154,816</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 8,999	\$ 13,237	\$ 5,525	\$ 13,237	\$ 30,963
Debt Service	71,992	105,899	44,200	105,899	123,853
	<u>\$ 80,991</u>	<u>\$ 119,136</u>	<u>\$ 49,725</u>	<u>\$ 119,136</u>	<u>\$ 154,816</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3**  
**GENERAL FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	8,999	13,237	13,237	13,237	30,963
Specific ownership taxes	771	1,324	654	1,000	1,858
Interest income	594	-	188	200	200
Developer advance	-	-	-	-	70,079
Other revenue	-	1,000	-	-	-
Total revenues	<u>10,364</u>	<u>15,561</u>	<u>14,079</u>	<u>14,437</u>	<u>103,100</u>
Total funds available	<u>10,364</u>	<u>15,561</u>	<u>14,079</u>	<u>14,437</u>	<u>103,100</u>
EXPENDITURES					
General and administrative					
Accounting	-	-	-	-	15,000
County Treasurer's fees	144	199	201	201	464
Insurance	-	-	-	-	4,353
District management	-	-	-	-	20,000
Legal	-	-	-	-	20,000
Contingency	-	1,000	-	-	4,183
Transfer to District No. 1	10,220	14,362	13,878	14,236	-
Operations and maintenance					
Landscape maintenance	-	-	-	-	16,500
Water	-	-	-	-	7,000
Snow removal	-	-	-	-	12,500
Total expenditures	<u>10,364</u>	<u>15,561</u>	<u>14,079</u>	<u>14,437</u>	<u>100,000</u>
Total expenditures and transfers out requiring appropriation	<u>10,364</u>	<u>15,561</u>	<u>14,079</u>	<u>14,437</u>	<u>100,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,100</u>

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3**  
**DEBT SERVICE FUND**  
**2019 BUDGET**  
**WITH 2017 ACTUAL AND 2018 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/18

	ACTUAL 2017	BUDGET 2018	ACTUAL 8/31/2018	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	71,992	105,899	105,899	105,899	123,853
Specific ownership taxes	6,165	10,590	5,236	8,000	7,431
Public improvement fees	-	-	-	5,644	32,262
Interest income	4,752	-	1,708	2,000	2,500
Other revenue	-	2,000	-	-	5,000
Total revenues	82,909	118,489	112,843	121,543	171,046
Total funds available	82,909	118,489	112,843	121,543	171,046
EXPENDITURES					
General and administrative					
County Treasurer's fees	1,151	1,588	1,611	1,611	1,858
Transfers to District No. 2	81,758	114,901	111,232	117,932	158,188
PIF collection and reporting	-	-	-	2,000	6,000
Contingency	-	2,000	-	-	5,000
Total expenditures	82,909	118,489	112,843	121,543	171,046
Total expenditures and transfers out requiring appropriation	82,909	118,489	112,843	121,543	171,046
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

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

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on February 12, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 5, 2006, and as modified on September 3, 2013. The District's service area is located entirely within the City of Littleton, Arapahoe County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including water, sanitation, streets, safety protection, storm drainage, covenant enforcement and design review services, and parks and recreation facilities.

On November 5, 2013 the District's voters approved for an annual increase in taxes and public improvements fees of \$5,000,000 each for general operations and maintenance and \$40,000,000 for payment due pursuant to intergovernmental agreements (IGA). The District also approved general obligation indebtedness of \$40,000,000 for each of the following: street improvements, parks and recreation facilities, a potable and non-potable water supply, a sanitation system, a transportation system, mosquito control facilities, traffic and safety controls, fire protection, television relay and translation system, security services, and debt refinancing. Additionally, the District's electors authorized the District to collect, retain and spend all revenue annually, other than ad valorem taxes, without regard to limitations under TABOR.

The District's service plan limits the total debt issuance to \$40,000,000. The Maximum Debt Mill Levy the District is permitted to impose is 50.000 mills for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Developer Advances**

Developer advances are recorded as revenue for budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer from bond proceeds or other legally available revenue.

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Public Improvement Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sales of goods at a rate of .75%, in addition to all the sales and use taxes that maybe imposed and is collected by the retailers in the District and remitted to the District within 20 days after the month end.

**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 of 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.

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

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

**Expenditures**

**Treasurer's Fees**

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

**Transfer to District No. 2**

Pursuant to the Capital Pledge Agreement, entered into on June 6, 2014, and the Subordinate Capital Pledge Agreement, entered into on September 1, 2018, between the District and District No. 2, the District is obligated to impose ad valorem property taxes and PIF fees for the payment of the Bonds, issued by District No. 2.

**LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 3  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2019.

**This information is an integral part of the accompanying budget.**