



**CliftonLarsonAllen**

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## **Accountant's Compilation Report**

Board of Directors  
High Prairie Farms Metropolitan District  
Douglas County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of High Prairie Farms Metropolitan District for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, and the actual comparative information for the year ending December 31, 2016. We have performed compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. A compilation is limited to presenting, in the form prescribed by CRS 29-1-105, information that is the representation of management. 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.

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 High Prairie Farms Metropolitan District.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
December 6, 2017

**HIGH PRAIRIE FARMS METROPOLITAN DISTRICT**  
**GENERAL FUND**  
**2018 BUDGET AS ADOPTED**  
**WITH 2016 ACTUAL AND 2017 ESTIMATED**  
**For the Years Ended and Ending December 31,**

12/4/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 1,001,426	\$ 793,136	\$ 720,488
REVENUES			
1 Property taxes	534,203	535,888	547,574
2 Specific ownership taxes	49,197	57,756	54,757
3 Conservation Trust entitlement	12,493	10,000	10,000
4 Net investment Income	6,426	9,004	6,000
5 Other income	239	5,704	1,000
6 IREA refunds	390	-	-
Total revenues	602,948	618,352	619,331
Total funds available	1,604,374	1,411,488	1,339,819
EXPENDITURES			
7 General and administration			
8 Accounting	54,802	59,000	62,000
9 Audit	4,000	4,000	4,000
10 Contingency	-	-	5,000
11 County Treasurer's fees	8,023	8,038	8,214
12 Director fees	5,300	5,800	8,000
13 District management	9,447	6,500	7,000
14 Dues and membership	708	701	800
15 Election	20	-	20,000
16 Insurance	9,494	10,197	11,000
17 Legal	41,320	55,000	55,000
18 Miscellaneous	2,496	1,277	3,486
19 Records retention	2,597	22,000	1,000
20 Website and communication	952	-	3,000
21 Operations maintenance - Annual	290,523	279,575	408,500
Total G&A and O&M - Annual	429,682	452,088	597,000
22 Maintenance - As required	-	23,500	79,500
23 Erosion repair and storm drainage - As required	72,274	70,000	130,000
24 Capital Outlay	309,282	145,412	187,000
Total expenditures	811,238	691,000	993,500
Total expenditures requiring appropriation	811,238	691,000	993,500
ENDING FUND BALANCES	\$ 793,136	\$ 720,488	\$ 346,319
Emergency Reserve	17,880	18,550	18,580
Working capital	127,000	-	180,126
Capital replacement	285,571	-	77,613
Reserve for Rockwall	-	-	70,000
TOTAL RESERVE	\$ 430,451	\$ 18,550	\$ 346,319

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

**HIGH PRAIRIE FARMS METROPOLITAN DISTRICT**  
**PROPERTY TAX SUMMARY INFORMATION**  
**For the Years Ended and Ending December 31,**

12/4/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
<b>ASSESSED VALUATION - DOUGLAS</b>			
Residential	\$ 42,343,670	\$ 42,747,660	\$ 42,791,790
Agricultural	730	730	870
Vacant Land	1,861,140	1,750,070	2,361,920
State Assessed	354,700	157,800	475,500
Natural resources	1,060	1,060	1,060
Certified Assessed Value	<u>\$ 44,561,300</u>	<u>\$ 44,657,320</u>	<u>\$ 45,631,140</u>
<b>MILL LEVY</b>			
GENERAL FUND	12.000	12.000	12.000
Total Mill Levy	<u>12.000</u>	<u>12.000</u>	<u>12.000</u>
<b>PROPERTY TAXES</b>			
GENERAL FUND	\$ 534,736	\$ 535,888	\$ 547,574
Levied property taxes	534,736	535,888	547,574
Adjustments to actual/rounding	(533)	-	-
Budgeted Property Taxes	<u>\$ 534,203</u>	<u>\$ 535,888</u>	<u>\$ 547,574</u>
<b>BUDGETED PROPERTY TAXES</b>			
GENERAL FUND	\$ 534,203	\$ 535,888	\$ 547,574
	<u>\$ 534,203</u>	<u>\$ 535,888</u>	<u>\$ 547,574</u>

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

**HIGH PRAIRIE FARMS METROPOLITAN DISTRICT  
GENERAL FUND EXPENDITURE DETAILS  
2018 BUDGET AS ADOPTED  
WITH 2016 ACTUAL AND 2017 ESTIMATED  
For the Years Ended and Ending December 31,**

12/4/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
Operations maintenance - Annual			
1 Building rent	\$ 500	\$ 500	\$ 500
2 Christmas lights	6,445	8,000	8,000
3 Maintenance - chemical and fertilizer	1,068	1,500	3,000
4 Maintenance - contract services	135,132	148,000	155,000
5 Maintenance - equipment repairs and parts	6,034	5,000	10,000
6 Maintenance - fuel and oil	2,039	2,000	3,000
7 Maintenance - other *	16,076	20,000	25,000
8 Maintenance - sprinkler	2,419	2,500	8,000
9 Maintenance - tree spraying and maintenance	38,123	43,000	43,000
10 Maintenance - weed spraying	7,540	6,075	15,000
11 Maintenance - wild fire and land mitigation	36,361	-	30,000
12 Maintenance, trails and walkways	-	-	15,000
13 Security and traffic safety	5,179	3,000	10,000
14 Sign maintenance	300	1,000	5,000
15 Utilities	5,530	7,000	8,000
16 Erosion control	-	-	15,000
17 General engineering	2,276	-	10,000
18 Maintenance - parkway	-	2,000	10,000
19 Water	25,501	30,000	35,000
Total Operations maintenance - Annual	<u>\$ 290,523</u>	<u>\$ 279,575</u>	<u>\$ 408,500</u>
Maintenance - As required			
20 Beautification - entryway	\$ -	\$ 15,000	\$ 15,000
21 Building	-	-	2,500
22 Contingency	-	-	20,000
23 Fence replacement	-	-	3,000
24 Open space and pocket park	-	500	15,000
25 Reserve study	-	-	5,000
26 School district property	-	6,000	5,000
27 Sprinkler replacement & upgrades	-	2,000	9,000
28 Trails and walkways - existing	-	-	5,000
Total Maintenance - As required	<u>\$ -</u>	<u>\$ 23,500</u>	<u>\$ 79,500</u>
Erosion repair and storm drainage - As required			
29 Detention ponds & storm drainage	\$ -	\$ 20,000	\$ 75,000
30 Shade Tree Lane erosion	-	30,000	-
31 Storm drainage (Engineering)	11,189	10,000	20,000
32 Timbers Creek	61,085	10,000	10,000
33 Timbers Creek study	-	-	25,000
Total Erosion repair and storm drainage - As	<u>\$ 72,274</u>	<u>\$ 70,000</u>	<u>\$ 130,000</u>
Capital Outlay			
34 Entryway - Autumn Oaks	\$ -	-	\$ 10,000
35 Entryway landscape (Eight)	8,790	56,000	65,000
36 Equipment purchase	-	39,237	35,000
37 Fountain pond	286,242	5,675	-
38 High Prairie Farms at the Lake - Monument	-	14,500	-
39 Highway 83 Trail	-	-	10,000
40 Mailboxes and landscape	11,575	10,000	10,000
41 New signage, traffic & speed mitigation	2,675	20,000	20,000
42 Playground equipment replacement	-	-	5,000
43 Rockwall	-	-	1,000
44 Sprinkler replacement - Filing 27B/29	-	-	6,000
45 Trails - Filing 27	-	-	25,000
Total Capital Outlay	<u>\$ 309,282</u>	<u>\$ 145,412</u>	<u>\$ 187,000</u>

\* Maintenance - other includes cost for planting and maintaining annual flowers and the maintenance of the Pinery Sculpture.

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

**HIGH PRAIRIE FARMS METROPOLITAN DISTRICT  
2018 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

High Prairie Farms Metropolitan District (District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on May 5, 1986, 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 Douglas County, Colorado.

The District was established to provide public services, including streets, safety protection, transportation and park and recreational facilities. No change in the level of service is anticipated during 2018.

The District has no employees and all operations and 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.

**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 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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy of 12.000 mills, which is the same as the 2016 levy for collection in 2017, as approved by the District's voters at an election held in November 1996.

**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 10% of the property taxes collected by the General Fund.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of 1.00%.

**Conservation Trust Entitlement**

The District receives revenue from the State lottery on a per capita basis ratio. The revenue is restricted for certain costs related to parks and recreational activities under State statutes. The District anticipates incurring eligible expenditures to fully use this entitlement during the budget period.

**HIGH PRAIRIE FARMS METROPOLITAN DISTRICT  
2018 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**County Treasurer's Fees**

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

**Administrative and Operating Expenditures**

Most administrative and operating expenditures have been assumed to be at approximately the same level since no significant changes are anticipated in the level of services provided.

Expenditures for trails and sidewalks include various items such as dog stations and signage.

**Debt and Leases**

The District has no outstanding debt. The District has no capital or operating leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2018 as defined under TABOR.

**Reserve Fund**

The District considers any additional funds available at year-end reserved for future operations.

The District has set aside funds to be used for the future replacement of such capital items as fencing, landscaping, irrigation, and the rock walls. A formal replacement reserve study has not been undertaken; and therefore, amounts accumulated may not be adequate to meet future needs.

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