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Accountant's Compilation Report

Board of Directors
RainDance Metropolitan District No. 4

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of RainDance Metropolitan District No. 4 for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, 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 RainDance Metropolitan District No. 4.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 9, 2020



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**RAINDANCE METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 5	\$ 5	\$ 5
REVENUES			
Property taxes	2,281	3,539	5,217
Specific ownership taxes	175	266	366
Interest income	2	-	-
Total revenues	<u>2,458</u>	<u>3,805</u>	<u>5,583</u>
Total funds available	<u>2,463</u>	<u>3,810</u>	<u>5,588</u>
EXPENDITURES			
County Treasurer's fees	34	53	78
Transfer to District No. 1	2,424	3,752	5,505
Total expenditures	<u>2,458</u>	<u>3,805</u>	<u>5,583</u>
Total expenditures and transfers out requiring appropriation	<u>2,458</u>	<u>3,805</u>	<u>5,583</u>
ENDING FUND BALANCE	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

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

**RAINDANCE METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Agricultural	\$ 13,270	\$ 1,180	\$ -
Oil and Gas	-	89,570	70,760
State assessed	42,540	-	-
Vacant land	-	-	63,020
Minerals	2,650	-	-
Certified Assessed Value	\$ 58,460	\$ 90,750	\$ 133,780
 MILL LEVY			
General	39.000	39.000	39.000
Total mill levy	39.000	39.000	39.000
 PROPERTY TAXES			
General	\$ 2,280	\$ 3,539	\$ 5,217
Levied property taxes	2,280	3,539	5,217
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	\$ 2,281	\$ 3,539	\$ 5,217
 BUDGETED PROPERTY TAXES			
General	\$ 2,281	\$ 3,539	\$ 5,217
	\$ 2,281	\$ 3,539	\$ 5,217

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

**RAINDANCE METROPOLITAN DISTRICT NO. 4
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

RainDance Metropolitan District No. 4's (the District) organization was approved by eligible electors of the District at an election held on May 6, 2014. The District was organized by order of the District Court in and for Weld County on June 6, 2014. The formation of the District was approved by the Town of Windsor, Colorado in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District, RainDance Metropolitan District No. 1, RainDance Metropolitan District No. 2, and RainDance Metropolitan District No. 3 on March 24, 2014. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.).

At a special election of the eligible electors of the District on May 6, 2014, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

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.

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

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, sale 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.

**RAINDANCE METROPOLITAN DISTRICT NO. 4
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

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 7% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Transfer to RainDance Metropolitan District No. 1

Pursuant to the District Coordinating Services Agreement, RainDance Metropolitan District No. 1 will provide certain operation, maintenance and administrative services benefiting the District, RainDance Metropolitan District No. 2 and RainDance Metropolitan District No. 3 (collectively, "Districts"). The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to RainDance Metropolitan District No. 1.

Debt and Leases

The District has no outstanding debt nor any capital or operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to RainDance Metropolitan District No. 1, which pays for all District's operations and maintenance costs, and which provides for the required reserve amount, an Emergency Reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.