



**Accountant's Compilation Report**

Board of Directors  
Wheatlands Metropolitan District  
Arapahoe County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances of the Wheatlands Metropolitan District for the General Fund, Debt Service Fund, Special Revenue – ARI Fund, Special Revenue – Operations Fund, and Special Revenue – Park Fund for the year ending December 31, 2014, including the forecasted estimate of comparative information for the year ending December 31, 2013, in accordance with attestation standards established by the American Institute of Certified Public Accountants. A compilation is limited to presenting, in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not audited or reviewed the forecast and, accordingly, do not express an opinion or any other form of assurance about whether the accompanying budget of revenues, expenditures and fund balances or assumptions are in accordance with attestation standards generally accepted in the United States of America. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management is responsible for the preparation and fair presentation of the forecast in accordance with attestation standards generally accepted in the United States of America, and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the forecast.

The actual historical information for the year 2012 is presented for comparative purposes only. Such information is taken from the audit report of the District for the year ended December 31, 2012, as prepared by Dazzio & Plutt, LLC, dated July 19, 2013, wherein an unmodified opinion was expressed.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Wheatlands Metropolitan District.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
November 20, 2013

**WHEATLANDS METROPOLITAN DISTRICT  
SUMMARY  
FORECASTED 2014 BUDGET AS ADOPTED  
WITH 2012 ACTUAL AND 2013 ESTIMATED  
For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCES	\$ 6,881,457	\$ 5,725,072	\$ 4,723,756
REVENUE			
1 Property taxes	922,376	1,095,806	1,306,051
2 Specific ownership tax	60,766	75,060	78,365
3 Net investment income	12,881	9,155	11,100
4 Other income	158,021	1,500	2,500
5 Operations fees	557,598	142,560	154,560
6 Attorney transfer fee income	690	-	-
7 Working capital fees	-	20,550	22,500
8 Clubhouse rental fees	6,715	10,775	12,000
9 Late charges and collection fees	14,582	5,632	2,500
10 Warning letter fees	3,100	1,000	1,000
11 Legal - Collections	-	22,183	20,000
12 Design Review	-	7,500	7,500
13 Park fees	-	522,720	549,720
14 Loan issuance	-	1,150,000	-
Total revenue	<u>1,736,729</u>	<u>3,064,441</u>	<u>2,167,796</u>
TRANSFERS IN	-	350,000	175,000
Total funds available	<u>8,618,186</u>	<u>9,139,513</u>	<u>7,066,552</u>
EXPENDITURES			
General and administration			
15 Accounting	70,469	80,000	80,000
16 Audit	4,700	4,700	4,700
17 Capital outlay	-	-	45,569
18 County Treasurer's fees	4,559	5,407	6,444
19 County Treasurer's fees - ARI	181	216	258
20 Director fees	7,700	4,200	8,000
21 Election	1,280	-	25,000
22 Equipment	5,603	630	630
23 Insurance	4,022	1,262	1,700
24 Landscape - cobblestone / river rock	25,185	23,000	-
25 Legal	75,329	75,000	75,000
26 Miscellaneous	3,250	10,000	10,000
27 Property / Improvement Acquisition	-	1,038,902	-
28 Website	2,321	1,950	1,800
29 Operations and maintenance - General	126,984	145,821	191,300
30 Landscape maintenance	227,938	227,585	240,000
31 Clubhouse & Park maintenance	78,044	40,390	58,400
32 Pool maintenance	56,590	68,035	99,500
33 Utilities	272,237	283,900	349,000
Debt Service			
34 Bond interest Series 2005	750,392	741,273	730,413
35 Bond interest Series 2008	1,010,213	1,010,213	1,010,213
36 Bond principal Series 2005	152,000	181,000	190,000
37 County Treasurer's fees	9,117	10,814	12,889
38 Loan interest	-	7,993	42,798
39 Loan issuance costs	-	82,000	-
40 Loan principal	-	14,466	92,011
41 Paying agent fees	5,000	7,000	7,000
Total expenditures	<u>2,893,114</u>	<u>4,065,757</u>	<u>3,282,625</u>
TRANSFERS OUT	-	350,000	175,000
Total expenditures and transfers out requiring appropriation	<u>2,893,114</u>	<u>4,415,757</u>	<u>3,457,625</u>
ENDING FUND BALANCES	<u>\$ 5,725,072</u>	<u>\$ 4,723,756</u>	<u>\$ 3,608,927</u>
EMERGENCY RESERVE	\$ 32,000	\$ 11,700	\$ 13,800
DEBT SERVICE RESERVE FUND - 2008	1,224,500	1,224,500	1,224,500
DEBT SERVICE GUARANTEE FUND - 2008	2,766,022	1,758,521	748,308
RESERVED FOR ARI AUTHORITY	37,264	28,542	-
REPLACEMENT RESERVE	75,000	50,000	150,000
LOAN RESERVE	-	65,000	65,000
TOTAL RESERVE	<u>\$ 4,134,786</u>	<u>\$ 3,138,263</u>	<u>\$ 2,201,608</u>

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

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

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
<b>ASSESSED VALUATION - ARAPAHOE</b>			
Residential	\$ 8,508,650	\$ 10,947,810	\$ 14,155,610
Vacant land	3,421,270	3,078,280	2,496,680
Personal property	64,370	17,490	58,310
State assessed	244,770	374,920	474,290
Certified Assessed Value	<u>\$ 12,239,060</u>	<u>\$ 14,418,500</u>	<u>\$ 17,184,890</u>
<b>MILL LEVY</b>			
GENERAL FUND	25.000	25.000	25.000
DEBT SERVICE FUND	50.000	50.000	50.000
AURORA REGIONAL	1.000	1.000	1.000
Total mill levy	<u>76.000</u>	<u>76.000</u>	<u>76.000</u>
<b>PROPERTY TAXES</b>			
GENERAL FUND	\$ 305,977	\$ 360,462	\$ 429,622
DEBT SERVICE FUND	611,953	720,925	859,244
AURORA REGIONAL	12,239	14,419	17,185
Levied property taxes	930,169	1,095,806	1,306,051
Adjustments to actual/rounding	(694)	-	-
Refund and abatements	(7,099)	-	-
Budgeted property taxes	<u>\$ 922,376</u>	<u>\$ 1,095,806</u>	<u>\$ 1,306,051</u>
<b>BUDGETED PROPERTY TAXES</b>			
GENERAL FUND	\$ 303,414	\$ 360,462	\$ 429,622
DEBT SERVICE FUND	606,826	720,925	859,244
AURORA REGIONAL	12,136	14,419	17,185
	<u>\$ 922,376</u>	<u>\$ 1,095,806</u>	<u>\$ 1,306,051</u>

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

**WHEATLANDS METROPOLITAN DISTRICT  
GENERAL FUND  
FORECASTED 2014 BUDGET AS ADOPTED  
WITH 2012 ACTUAL AND 2013 ESTIMATED  
For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCE	\$ 94,931	\$ 219,423	\$ 74,491
<b>REVENUE</b>			
1 Property taxes	303,414	360,462	429,622
2 Specific ownership taxes	20,785	25,675	26,810
3 Net investment income	613	580	1,000
4 Other income	158,021	1,500	2,500
5 Operations fees	557,598	-	-
6 Attorney transfer fee income	690	-	-
7 Clubhouse rental fees	6,715	-	-
8 Late charges and collection fees	14,582	-	-
9 Warning letter fees	3,100	-	-
Total revenue	<u>1,065,518</u>	<u>388,217</u>	<u>459,932</u>
Total funds available	<u>1,160,449</u>	<u>607,640</u>	<u>534,423</u>
<b>EXPENDITURES</b>			
General and administration			
10 Accounting	70,469	80,000	80,000
11 Audit	4,700	4,700	4,700
12 County Treasurer's fees	4,559	5,407	6,444
13 Director fees	7,700	4,200	8,000
14 Election	1,280	-	25,000
15 Equipment	5,603	630	630
16 Insurance	4,022	1,262	1,700
17 Legal	75,329	75,000	75,000
18 Miscellaneous	3,250	10,000	10,000
19 Website	2,321	1,950	1,800
20 Operations and maintenance - General	126,984	-	-
21 Landscape maintenance	227,938	-	-
22 Clubhouse & Park maintenance	78,044	-	-
23 Pool maintenance	56,590	-	-
24 Utilities	272,237	-	-
Total expenditures	<u>941,026</u>	<u>183,149</u>	<u>213,274</u>
<b>TRANSFERS OUT</b>			
PARK FUND	-	350,000	175,000
Total transfers out	<u>-</u>	<u>350,000</u>	<u>175,000</u>
Total expenditures and transfers out requiring appropriation	<u>941,026</u>	<u>533,149</u>	<u>388,274</u>
ENDING FUND BALANCE	<u>\$ 219,423</u>	<u>\$ 74,491</u>	<u>\$ 146,149</u>
EMERGENCY RESERVE	\$ 32,000	\$ 11,700	\$ 13,800
REPLACEMENT RESERVE	75,000	-	100,000
TOTAL RESERVE	<u>\$ 107,000</u>	<u>\$ 11,700</u>	<u>\$ 113,800</u>
UNRESERVED FUND BALANCE	<u>\$ 112,423</u>	<u>\$ 62,791</u>	<u>\$ 32,349</u>

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

**WHEATLANDS METROPOLITAN DISTRICT**  
**GENERAL FUND EXPENDITURE DETAILS**  
**FORECASTED 2014 BUDGET AS ADOPTED**  
**WITH 2012 ACTUAL AND 2013 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
<b>Operations and maintenance - General</b>			
1 Accounting	\$ 7,763	\$ -	\$ -
2 Billing	50,870	-	-
3 Community activities	1,687	-	-
4 Design review	1,933	-	-
5 Facilities management	22,213	-	-
6 Insurance	10,433	-	-
7 Legal	32,085	-	-
Total expenditures	\$ 126,984	\$ -	\$ -
<b>Landscape maintenance</b>			
8 Cobblestone / river rock	\$ 6,930	\$ -	\$ -
9 Irrigation controllers/Improvements	47,005	-	-
10 Irrigations repairs	43,216	-	-
11 Landscape design award	1,000	-	-
12 Landscape maintenance contract	99,801	-	-
13 Landscape replacement	14,580	-	-
14 Lighting	1,126	-	-
15 Playground inspection & repairs	220	-	-
16 Snow removal	14,060	-	-
Total expenditures	\$ 227,938	\$ -	\$ -
<b>Clubhouse &amp; Park maintenance</b>			
17 Clubhouse maintenance and supplies	\$ 7,002	\$ -	\$ -
18 Improvements and repairs	8,677	-	-
19 Janitorial / housekeeping	5,429	-	-
20 Keys / locks	941	-	-
21 Pest control	1,020	-	-
22 Security system	54,975	-	-
Total expenditures	\$ 78,044	\$ -	\$ -
<b>Pool maintenance</b>			
23 Chemicals	\$ 6,819	\$ -	\$ -
24 Contract / lifeguards	36,779	-	-
25 Repairs and maintenance	11,824	-	-
26 Supplies	1,168	-	-
Total expenditures	\$ 56,590	\$ -	\$ -
<b>Utilities</b>			
27 Gas and electric	\$ 29,532	\$ -	\$ -
28 Telephone / WiFi / Cable	3,651	-	-
29 Trash removal	52,368	-	-
30 Water and sewer	186,686	-	-
Total expenditures	\$ 272,237	\$ -	\$ -

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

**WHEATLANDS METROPOLITAN DISTRICT**  
**DEBT SERVICE FUND**  
**FORECASTED 2014 BUDGET AS ADOPTED**  
**WITH 2012 ACTUAL AND 2013 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCE	\$ 6,736,151	\$ 5,468,385	\$ 4,298,895
<b>REVENUE</b>			
1 Property taxes	606,826	720,925	859,244
2 Specific ownership taxes	39,981	49,385	51,555
3 Net investment income	12,149	8,500	10,000
Total revenue	658,956	778,810	920,799
Total funds available	7,395,107	6,247,195	5,219,694
<b>EXPENDITURES</b>			
Debt service			
4 Bond interest Series 2005	750,392	741,273	730,413
5 Bond interest Series 2008	1,010,213	1,010,213	1,010,213
6 Bond principal Series 2005	152,000	181,000	190,000
7 County Treasurer's fees	9,117	10,814	12,889
8 Paying agent fees	5,000	5,000	5,000
Total expenditures	1,926,722	1,948,300	1,948,515
Total expenditures and transfers out requiring appropriation	1,926,722	1,948,300	1,948,515
ENDING FUND BALANCE	\$ 5,468,385	\$ 4,298,895	\$ 3,271,179
DEBT SERVICE RESERVE FUND - 2008	\$ 1,224,500	\$ 1,224,500	\$ 1,224,500
DEBT SERVICE GUARANTEE FUND - 2008	2,766,022	1,758,521	748,308
TOTAL RESERVE	\$ 3,990,522	\$ 2,983,021	\$ 1,972,808

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

**WHEATLANDS METROPOLITAN DISTRICT**  
**SPECIAL REVENUE - ARI FUND**  
**FORECASTED 2014 BUDGET AS ADOPTED**  
**WITH 2012 ACTUAL AND 2013 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCE	\$ 50,375	\$ 37,264	\$ 28,542
REVENUE			
1 Property taxes	12,136	14,419	17,185
2 Net investment income	119	75	100
Total revenue	<u>12,255</u>	<u>14,494</u>	<u>17,285</u>
Total funds available	<u>62,630</u>	<u>51,758</u>	<u>45,827</u>
EXPENDITURES			
General and administration			
3 Capital outlay	-	-	45,569
4 County Treasurer's fees - ARI	181	216	258
5 Landscape - cobblestone / river rock	25,185	23,000	-
Total expenditures	<u>25,366</u>	<u>23,216</u>	<u>45,827</u>
Total expenditures and transfers out requiring appropriation	<u>25,366</u>	<u>23,216</u>	<u>45,827</u>
ENDING FUND BALANCE	<u>\$ 37,264</u>	<u>\$ 28,542</u>	<u>\$ -</u>
RESERVED FOR ARI AUTHORITY	<u>\$ 37,264</u>	<u>\$ 28,542</u>	<u>\$ -</u>
TOTAL RESERVE	<u>\$ 37,264</u>	<u>\$ 28,542</u>	<u>\$ -</u>

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

**WHEATLANDS METROPOLITAN DISTRICT  
SPECIAL REVENUE - OPERATIONS FUND  
FORECASTED 2014 BUDGET AS ADOPTED  
WITH 2012 ACTUAL AND 2013 ESTIMATED  
For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 39,047
<b>REVENUE</b>			
1 Operations fees	-	142,560	154,560
2 Warning letter fees	-	1,000	1,000
3 Working capital fees	-	6,850	7,500
4 Late charges and collection fees	-	1,877	833
5 Legal - Collections	-	6,183	4,000
6 Design Review	-	7,500	7,500
Total revenue	<u>-</u>	<u>165,970</u>	<u>175,393</u>
<b>TRANSFERS IN</b>			
General Fund	-	-	-
Total transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>-</u>	<u>165,970</u>	<u>214,440</u>
<b>EXPENDITURES</b>			
Operations and maintenance - General			
7 Accounting	-	3,600	3,000
8 Billing	-	4,480	4,480
9 Design review	-	7,500	7,500
10 Facilities management	-	20,160	20,160
11 Legal	-	10,000	10,000
12 Legal - collections	-	6,183	4,000
Utilities			
13 Trash removal	-	75,000	90,000
Total expenditures	<u>-</u>	<u>126,923</u>	<u>139,140</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>126,923</u>	<u>139,140</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 39,047</u>	<u>\$ 75,300</u>

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



**WHEATLANDS METROPOLITAN DISTRICT**  
**SPECIAL REVENUE - PARK FUND**  
**FORECASTED 2014 BUDGET AS ADOPTED**  
**WITH 2012 ACTUAL AND 2013 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 282,781
<b>REVENUE</b>			
1 Working capital fees	-	13,700	15,000
2 Clubhouse rental fees	-	10,775	12,000
3 Late charges and collection fees	-	3,755	1,667
4 Legal - Collections	-	16,000	16,000
5 Park fees	-	522,720	549,720
6 Loan issuance	-	1,150,000	-
Total revenue	-	1,716,950	594,387
<b>TRANSFERS IN</b>			
General Fund	-	350,000	175,000
Total transfers in	-	350,000	175,000
Total funds available	-	2,066,950	1,052,168
<b>EXPENDITURES</b>			
7 Property / Improvement Acquisition	-	1,038,902	-
8 Operations and maintenance - General	-	93,898	142,160
9 Landscape maintenance	-	227,585	240,000
10 Clubhouse & Park maintenance	-	40,390	58,400
11 Pool maintenance	-	68,035	99,500
12 Utilities	-	208,900	259,000
Debt service			
13 Loan interest	-	7,993	42,798
14 Loan issuance costs	-	82,000	-
15 Loan principal	-	14,466	92,011
16 Paying agent fees	-	2,000	2,000
Total expenditures	-	1,784,169	935,869
Total expenditures and transfers out requiring appropriation	-	1,784,169	935,869
ENDING FUND BALANCE	\$ -	\$ 282,781	\$ 116,299
REPLACEMENT RESERVE	\$ -	\$ 50,000	\$ 50,000
LOAN RESERVE	-	65,000	65,000
TOTAL RESERVE	\$ -	\$ 115,000	\$ 115,000

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

**WHEATLANDS METROPOLITAN DISTRICT**  
**SPECIAL REVENUE - PARK FUND EXPENDITURE DETAILS**  
**FORECASTED 2014 BUDGET AS ADOPTED**  
**WITH 2012 ACTUAL AND 2013 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/20/2013

	ACTUAL 2012	ESTIMATED 2013	ADOPTED 2014
Operations and maintenance - General			
1 Accounting	\$ -	\$ 14,400	\$ 12,000
2 Billing	-	21,460	21,960
3 Community activities	-	1,000	1,000
4 Insurance	-	16,038	16,200
5 Legal	-	25,000	25,000
6 Legal - collections	-	16,000	16,000
7 Proposed Facility Planning	-	-	50,000
Total expenditures	\$ -	\$ 93,898	\$ 142,160
Landscape maintenance			
8 Flowers, Tree replacement, Weed Control	\$ -	\$ 35,988	\$ 35,000
9 Irrigations repairs & improvements	-	43,077	35,000
10 Landscape maintenance contract	-	108,520	110,000
11 Landscape replacement	-	15,000	35,000
12 Snow removal	-	25,000	25,000
Total expenditures	\$ -	\$ 227,585	\$ 240,000
Clubhouse & Park maintenance			
13 Clubhouse cleaning and supplies	\$ -	\$ 11,300	\$ 11,300
14 Clubhouse repairs and maintenance	-	8,165	8,000
15 Lighting	-	2,575	2,600
16 Park and recreation management	-	8,000	8,000
17 Parking lot maintenance	-	5,000	5,000
18 Pest control	-	600	1,000
19 Playground inspection & repairs	-	750	1,500
20 Repairs & maintenance - Parks	-	1,000	10,000
21 Signage/Monumentation	-	500	6,000
22 Vandalism	-	2,500	5,000
Total expenditures	\$ -	\$ 40,390	\$ 58,400
Pool maintenance			
23 Chemicals	\$ -	\$ 7,000	\$ 8,000
24 Contract / lifeguards	-	41,085	45,000
25 Equipment replacement	-	9,200	30,000
26 Repairs and maintenance	-	10,000	15,000
27 Supplies	-	750	1,500
Total expenditures	\$ -	\$ 68,035	\$ 99,500
Utilities			
28 Gas and electric	\$ -	\$ 30,000	\$ 35,000
29 Telephone / WiFi / Cable	-	3,900	4,000
30 Water and sewer	-	175,000	220,000
Total expenditures	\$ -	\$ 208,900	\$ 259,000

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

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Court Order dated December 4, 2001, to provide financing for the design, acquisition, installation and construction of water, streets, traffic and safety controls, parks, open space and recreation and sanitation facilities. The District, formerly Wheatlands Metropolitan District No. 2, changed its name to Wheatlands Metropolitan District pursuant to a court order dated September 6, 2012. The District's service area is located entirely within the City of Aurora (the "City"), in Arapahoe County, Colorado. Under the Consolidated Service Plan, the District is the Taxing District related to Wheatlands Metropolitan District No. 1 (Wheatlands No. 1) as the Operating District to serve the new community of Wheatlands. The Operating District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the City. The Taxing District provides the funding for infrastructure improvements and the tax base needed to support ongoing operations. District No. 1 is currently inactive; consequently the District acts as both the "operating" and "financing" District.

On November 6, 2001, the District voters approved an annual increase in property taxes of \$600,000, without limitation of rate, to pay the District's operations and maintenance costs. Total debt authorization was also approved in the amount of \$44,500,000 for financing of the above listed facilities and operations and maintenance; in the amount of \$43,500,000 for refunding; and in the amount of \$500,000 for mortgages, liens and other encumbrances on District property, with a corresponding annual increase in taxes. The election also provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

A second election was held on November 2, 2004, wherein the voters increased the debt authorization of the District to \$495,000,000 for capital improvements, \$2,000,000 for operations and maintenance, \$110,000,000 for refunding and \$124,750,000 for various agreements.

The Districts' service plan limits the total debt issuance of the project to \$55,000,000, with a maximum debt mill levy of 50.000 mills, as adjusted for changes in the ratio of actual value to assessed value of property within the District.

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

The District prepares its budget on the modified accrual basis of accounting.

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

The 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 property taxes levied is displayed on page 3 of the budget at the adopted mill levy of 76.000 mills.

**Aurora Regional Improvements (ARI) Mill Levy**

Pursuant to the Amended and Restated Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the Aurora Regional Improvement Authority No 5. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority.

**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 by both the General Fund and Debt Service Fund. The forecast assumes that specific ownership taxes allocable to property taxes collected by the Debt Service Fund will be pledged to debt service on the bonds during the term the bonds are outstanding.

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Operations Fees, Park Fees, and Working Capital Fees**

The District charges a monthly operating fee of \$20 to all homeowners for covenant review and enforcement. The District also charges a monthly park fee of \$45 to all property owners in the District, for the operation and maintenance of the park and recreation functions of the District.

The District imposes a working capital fee on all transfers of residential units by an end user. The amount of the working capital fee is \$150.00 when the consideration exceeds \$500.00. For considerations of less than \$500.00 no working capital fee shall be payable. The working capital fee is allocated between the Special Revenue - Operations and Park Funds.

**Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.25%.

**Expenditures**

**Administrative Expenditures**

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as audit, accounting, legal, insurance, and other administrative expenses.

**Operations and Maintenance Expenditures**

Costs in the Special Revenue - Operations Fund are related to the billing of homeowners and for covenant review and enforcement. Costs in the Special Revenue - Park Fund are related to general operations and maintenance costs for the District's park and recreation facilities.

**Debt Service**

Debt service payments for the general obligation bonds are listed on page 6 of the budget. Principal and interest are consistent with payments anticipated in the debt service requirements in the bond documents.

Loan principal and interest payments reflected on page 9 are related to the Tax-Exempt Revenue Note, Series 2013. The Note was issued for the purpose of acquiring land related to the park and recreation facilities.

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Capital Outlay**

The District anticipates capital expenditures using ARI funds as displayed on page 7.

**Debt and Leases**

On September 28, 2005, the District issued \$21,650,000 in Limited Tax Convertible to Unlimited Tax General Obligation Bonds (the "2005 Bonds"). The 2005 Bonds are term bonds subject to mandatory sinking fund redemption due December 1, 2025 and December 1, 2035, with an interest rate of 6.000% and 6.125%, respectively, paid semi-annually on June 1 and December 1. The 2005 Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2015 and on any date thereafter with no redemption premium. The 2005 Bonds are payable from pledged revenue including the District's covenant to levy the required mill levy of 50.000 mills on all taxable property within the District, facilities fees, specific ownership taxes, and other legally available revenues.

Upon issuance of the 2005 Bonds, the following accounts – which are named funds, were created and are maintained by the Trustee:

- a) the Construction Fund, and within the Construction Fund the Restricted Account and the Unrestricted Account
- b) the Bond Fund
- c) the Surplus Fund

The Trustee disbursed funds from the Unrestricted Account of the Construction Fund in accordance with requisitions signed by the District Representative certifying that all amounts drawn will be applied to the payment of Project Costs or any costs of issuing the 2005 Bonds.

Funds in the Restricted Account were transferred to the Unrestricted Account based upon the transfer of title or whether a building permit has been issued and the corresponding Facility Fee has been paid, for Single Family Lots, Multi-Family Planning Areas or acreage of Parcels which have been transferred to an approved builder.

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

On September 10, 2008, funds remaining in the Restricted Account of the construction fund were used to redeem outstanding bonds in accordance with the 2005 General Obligation Bond Indenture. Funds in the Bond Fund will be used solely to pay the principal of, premium if any, and interest on the 2005 Bonds. Funds are applied first to the payment of interest due in connection with the 2005 Bonds and second to the payment of the principal of and premium, if any, on the 2005 Bonds. Funds in the Surplus Fund will be used and pledged solely for the payment of 2005 Bonds, and shall not be used or pledged to the payment of any other obligations, including without limitation, any Parity Bonds. The Surplus Fund shall be maintained until the date on which the District's Debt to Assessed Ratio is less than 50%, after which time the Surplus Fund shall be terminated and any moneys therein applied to any legal purpose of the District.

The Pledged Revenue will be applied in the following order of priority:

First, to the Bond Fund for payment of principal and interest;

Second, to the Surplus Fund until the amount is equal to the Maximum Surplus Amount of \$2,000,000;

Third, to any other fund or account established for the payment of principal and interest on Subordinate Bonds, including any sinking fund, reserve fund, or similar fund or account;

Fourth, all Pledged Revenue remaining after the payments and accumulations set forth in First through Third shall be deposited to any other fund or account as designated by the District.

On September 10, 2008, the District issued \$12,245,000 in Limited Tax Convertible to Unlimited Tax Subordinate General Obligation Bonds (the "2008 Bonds"). The 2008 Bonds are term bonds with an interest rate of 8.25% paid annually on December 15. The 2008 Bonds are payable from pledged revenue including the District's covenant to levy the required mill levy on all taxable property within the District, facilities fees, specific ownership taxes, and other legally available revenues. The 2008 Bonds are also secured by a reserve fund in the amount of \$1,224,500, established as additional security for the 2008 Bonds. During 2011, pursuant to the Trust Indenture, the Developer exchanged the collateralized land, held by the Trustee, with a \$4,000,000 cash deposit into the District's guarantee surplus fund. This fund is available to be used for future debt service payments.

Prior to the earlier of (1) the date the Senior Debt to Assessed Ratio is equal to 50% or less, Pledged Revenue that is not needed to pay debt service on the 2005 Bonds or replenish the Senior Bonds Surplus Fund in any year will be deposited to and held in the Subordinate Bonds Surplus Fund, up to the Maximum Surplus Amount of \$2,500,000.

**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Upon issuance of the 2008 Bonds, the following accounts – which are named funds were created and are maintained by the Trustee:

- a) the Construction Fund
- b) the Restricted Fund
- c) the Bond Fund
- d) the Subordinate Debt Service Reserve Fund

On September 27, 2013, the District entered into a Loan Agreement with US Bank for \$1,150,000 in the form of a Tax-exempt Revenue Note, Series 2013, maturing September 1, 2023, at an interest rate of 3.86%, with interest and principal paid monthly, on the 1<sup>st</sup> of each month, commencing on November 1, 2013. The loan is payable from pledged revenue consisting of all revenue derived by the District from the imposition of the Park and Recreation Fee, any amounts held in the funds and accounts established under the Custodial Agreement and pledged to secure the Note; and any other legally available moneys which the District determines, in it's sole discretion, to credit as Pledged Revenue under the Authorizing Resolution.

The Pledged Revenue will be applied in the following order of priority:

First, to the Loan Payment Fund for payment of principal and interest;

Second, to the Reserve Fund in an amount required to replenish the Reserve Fund to the "Reserve Requirement" of \$65,000

Third, all Pledged Revenue remaining after the payments and accumulations set forth above shall be deposited to the Loan Payment Fund or transferred to the District to be used for any legally available purpose.

Upon issuance of the 2013 Loan, the following accounts were created and are maintained by the Custodian:

- a) the Pledged Revenue Fund
- b) the Loan Payment Fund
- c) the Surplus Fund established as the "Capital Reserve Account"
- d) the Reserve Fund

The District currently has no outstanding capital or operating leases.



**WHEATLANDS METROPOLITAN DISTRICT  
2014 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2014, as defined under TABOR.

**Debt Service Reserves**

The District has a debt service reserve fund for the 2008 Bonds in the amount of \$1,224,500. Also, the District has a debt service guarantee fund for the 2008 Bonds in the original amount of \$4,000,000, to be drawn upon as needed for scheduled debt service payments.

**Loan Reserve**

The District has a loan reserve fund for the 2013 loan issuance in the amount of \$65,000.

**Replacement Reserve**

The District has provided for a replacement reserve in the General Fund and the Park Fund for use in subsequent year capital improvement projects.

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

**WHEATLANDS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31, Year</b>	<b>\$21,650,000 General Obligation Bonds Limited Tax Convertible to Unlimited Tax, Series 2005 Dated September 28, 2005, Interest at 6% to December 1, 2025, then 6.125% Interest Payable June 1 and December 1 Principal Due December 1</b>		<b>\$12,245,000 Subordinate General Obligation Limited Tax Convertible to Unlimited Tax Bonds, Series 2008 Dated September 10, 2008 Interest Rate 8.25% Interest Payable June 15 and December 15 Principal Due December 15</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2014	\$ 190,000	\$ 730,413	\$ -	\$ 1,010,213	\$ 1,930,626
2015	221,000	719,013	75,000	1,010,213	2,025,226
2016	233,000	705,753	165,000	1,004,025	2,107,778
2017	267,000	691,773	155,000	990,413	2,104,186
2018	282,000	675,753	210,000	977,625	2,145,378
2019	319,000	658,833	210,000	960,300	2,148,133
2020	339,000	639,693	270,000	942,975	2,191,668
2021	376,000	619,353	275,000	920,700	2,191,053
2022	399,000	596,793	340,000	898,013	2,233,806
2023	445,000	572,853	345,000	869,963	2,232,816
2024	471,000	546,153	415,000	841,500	2,273,653
2025	520,000	517,893	430,000	807,263	2,275,156
2026	552,000	486,693	510,000	771,788	2,320,481
2027	606,000	452,883	530,000	729,713	2,318,596
2028	643,000	415,765	620,000	685,988	2,364,753
2029	704,000	376,381	650,000	634,838	2,365,219
2030	747,000	333,261	750,000	581,213	2,411,474
2031	813,000	287,508	795,000	519,338	2,414,846
2032	865,000	237,711	905,000	453,750	2,461,461
2033	939,000	184,730	960,000	379,088	2,462,818
2034	997,000	127,216	1,085,000	299,888	2,509,104
2035	1,080,000	66,150	2,550,000	210,375	3,906,525
	<u>\$ 12,008,000</u>	<u>\$ 10,642,574</u>	<u>\$ 12,245,000</u>	<u>\$ 16,499,175</u>	<u>\$ 51,394,749</u>

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

**WHEATLANDS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31, Year</b>	<b>\$1,150,000 Tax-Exempt Revenue Note Series 2013 Dated September 27, 2013 Interest Rate 3.86% Interest and Principal Payable Monthly</b>		
<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2014	\$ 92,011	\$ 42,798	\$ 134,809
2015	95,677	39,132	134,809
2016	99,386	35,423	134,809
2017	103,449	31,360	134,809
2018	107,571	27,237	134,809
2019	111,857	22,951	134,809
2020	116,259	18,550	134,809
2021	120,947	13,862	134,809
2022	125,766	9,043	134,809
2023	162,601	3,505	166,106
	\$ 1,135,524	\$ 243,860	\$ 1,379,385

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