

REUNION METROPOLITAN DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2016

DRAFT



CliftonLarsonAllen LLP
www.CLACconnect.com

Accountant's Compilation Report

Board of Directors
Reunion Metropolitan District
Adams County, CO

Management is responsible for the accompanying financial statements of Reunion Metropolitan District, which comprise the balance sheet - governmental funds as of December 31, 2016, and the related statement of revenues, expenditures, and changes in fund balances - actual for the period from January 1, 2016 through December 31, 2016, for the General Fund and Special Revenue Funds in accordance with accounting principles generally accepted in the United States of America, presented as comparative information in the statement of revenues, expenditures, and changes in fund balances - budget and actual for the General Fund and Special Revenue Funds. We have performed a compilation engagement of the historical financial statements 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. We did not audit or review the historical financial statements 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 these historical financial statements.

The accompanying annual budget information of Reunion Metropolitan District for the year ending 2016, that is presented in comparison with the historical statement of revenues, expenditures, and changes in fund balance has not been compiled or examined by us, and, accordingly, we do not express an opinion or any other form of assurance on it.

Management has elected to omit the government-wide financial statements, the statement of revenues, expenditures and changes in fund balances - governmental funds, the management discussion and analysis, and substantially all of the disclosures required by accounting principles generally accepted in the United States of America for historical financial statements and the summaries of significant assumptions and accounting policies required under established guidelines for presentation of prospective financial statements. If the omitted statements and disclosures were included in the historical financial statements, and the omitted summaries were included in the annual budget information, they might influence the user's conclusions about the district's financial position, results of operations, and budgeted revenues and expenditures. Accordingly, these historical financial statements and the annual budget information are not designed for those who are not informed about such matters.

The supplementary information and the supplementary budget information are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on the supplementary information and the supplementary budget information.

We are not independent with respect to Reunion Metropolitan District.

Greenwood Village, Colorado
January 30, 2017

**Reunion Metropolitan District
Balance Sheet - Governmental Funds
December 31, 2016**

	General Fund	Spec Rev-Rec Center Fund	Spec Rev-HOA Fund	Capital Projects Fund	All Funds
ASSETS					
Cash	\$ 108,659	\$ 90,189	\$ 94,188	\$ 0	\$ 293,035
Colostrust	189	208,771	82,470	359,795	651,225
Accounts Receivable	0	29,894	60,294	145,000	235,188
Allowance for fees not collected	0	0	(15,000)	0	(15,000)
Prepaid and other assets	0	0	0	200,364	200,364
Due from other government	33,946	307	0	0	34,254
TOTAL ASSETS	<u>\$ 142,794</u>	<u>\$ 329,161</u>	<u>\$ 221,952</u>	<u>\$ 705,159</u>	<u>\$ 1,399,066</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 7,731	\$ 22,679	\$ 25,186	\$ 89,871	\$ 145,466
Accrued Wages	5,538	9,298	0	0	14,836
Homeowner escrow/deposits	0	0	8,150	0	8,150
Deferred revenue	0	69,820	22,352	0	92,172
Total liabilities	<u>13,269</u>	<u>101,797</u>	<u>55,688</u>	<u>89,871</u>	<u>260,624</u>
FUND BALANCES					
	<u>129,525</u>	<u>227,364</u>	<u>166,264</u>	<u>615,288</u>	<u>1,138,442</u>
TOTAL LIABILITIES AND FUND BAL- ANCE	<u>\$ 142,794</u>	<u>\$ 329,161</u>	<u>\$ 221,952</u>	<u>\$ 705,159</u>	<u>\$ 1,399,066</u>

These financial statements should be read only in connection with the accompanying accountant's compilation report

**Reunion Metropolitan District
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Month Ended December 31, 2016**

General Fund

	Annual Budget	Year to Date Actual	Variance	Variance %
Revenue				
Interest income	\$ 40	\$ 2,462	\$ 2,422	6,054.75
Miscellaneous income	5,000	4,074	(926)	(18.51)
Alleyway costs reimbursement	3,100	0	(3,100)	(100.00)
Intergovernmental - NRMD 1	920,237	921,551	1,314	0.14
Intergovernmental - NRMD 2	135,550	140,670	5,120	3.77
Intergovernmental - NRMD 3	36,000	32,533	(3,467)	(9.63)
Intergovernmental - developer advance	264,000	258,000	(6,000)	(2.27)
Total Revenue	<u>1,363,927</u>	<u>1,359,290</u>	<u>(4,637)</u>	<u>(0.33)</u>
Expenditures				
District General Operations & Administration	209,636	209,568	68	0.03
Intergovernmental Expenditure	28,500	30,734	(2,234)	(7.83)
District Property Maintenance	1,150,034	1,064,957	85,077	7.39
Total Expenditures	<u>1,388,170</u>	<u>1,305,259</u>	<u>82,911</u>	<u>5.97</u>
Excess of Revenue Over (Under) Expenditures	(24,243)	54,031	78,274	322.87
Fund Balance - Beginning	<u>130,883</u>	<u>75,494</u>	<u>(55,389)</u>	<u>(42.31)</u>
Fund Balance - Ending	<u>\$ 106,640</u>	<u>\$ 129,525</u>	<u>\$ 22,885</u>	<u>21.46</u>

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Reunion Metropolitan District
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Month Ended December 31, 2016

Special Revenue Fund - Rec Center

	Annual Budget	Year To Date Actual	Variance	Variance %
Revenue				
Recreation Fees	\$ 525,000	\$ 558,428	\$ 33,428	6.36
Recreation Fees, Other	20,000	21,373	1,373	6.86
Program Fees	150,000	135,684	(14,316)	(9.54)
Event Fees	0	1,880	1,880	0.00
Interest Income	300	10	(290)	(96.69)
Miscellaneous Income	10,000	7,796	(2,204)	(22.04)
Intergov Revenue - NR 1 property taxes	182,051	178,255	(3,796)	(2.08)
Intergov Revenue - NR 2 property taxes	26,816	30,580	3,764	14.03
Total Revenue	914,167	934,006	19,839	2.17
Expenditures				
Rec Center Operations	423,104	396,661	26,443	6.24
Pool Operations	129,033	119,244	9,789	7.58
Programs	148,902	130,621	18,281	12.27
Playground/Park pavilion	6,000	0	6,000	100.00
Reunion Park Concession Building	9,640	6,038	3,602	37.37
Total Expenditures	716,679	652,564	64,115	8.94
Total Excess of Revenue Over (Under) Expenditures	197,488	281,442	83,954	42.51
Other Financing Sources (Uses)				
Developer repayment	(200,000)	(200,000)	0	0.00
Total Other Financing Sources (Uses)	(200,000)	(200,000)	0	0.00
Excess of Revenue & Other Financing Sources Over Expenditures & Other Uses	(2,512)	81,442	83,954	3,342.13
Fund Balance - Beginning	171,617	145,922	(25,695)	(14.97)
Fund Balance - Ending	\$ 169,105	\$ 227,364	\$ 58,259	34.45

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**Reunion Metropolitan District
Statement of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Month Ended December 31, 2016**

Special Revenue Fund - HOA

	Amended Budget	Year To Date Actual	Variance	Variance %
Revenue				
Assessment	\$ 168,000	\$ 178,771	\$ 10,771	6.41
Violations and penalties	15,000	17,163	2,163	14.42
AR Processing	25,000	14,656	(10,344)	(41.37)
Legal Fees Reimbursement	35,000	83,268	48,268	137.90
Interest Income	350	0	(350)	(100.00)
Total Revenue	<u>243,350</u>	<u>293,858</u>	<u>50,508</u>	<u>20.75</u>
Expenditures				
HOA Operating Expenses	310,000	304,303	5,697	1.83
Total Expenditures	<u>310,000</u>	<u>304,303</u>	<u>5,697</u>	<u>1.83</u>
Excess of Revenue Over (Under) Expenditures	<u>(66,650)</u>	<u>(10,445)</u>	<u>56,205</u>	<u>84.32</u>
Excess of Revenue & Other Financing Sources Over Expenditures & Other Uses	<u>(66,650)</u>	<u>(10,445)</u>	<u>56,205</u>	<u>84.32</u>
Fund Balance - Beginning	<u>155,117</u>	<u>176,709</u>	<u>21,592</u>	<u>13.91</u>
Fund Balance - Ending	<u>\$ 88,467</u>	<u>\$ 166,264</u>	<u>\$ 77,797</u>	<u>87.93</u>

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SUPPLEMENTARY INFORMATION

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**Reunion Metropolitan District
Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Month Ended December 31, 2016**

Capital Projects Fund

	Amended Budget	Year To Date Actual	Variance	Variance %
Revenue				
System Development Fees	996,875	723,750	(273,125)	(27.39)
Intergovernmental - Commerce City				
Impact fees - Commerce City	199,389	177,150	(22,239)	(11.15)
Sales/Use tax/Permit fees - Commerce City	520,800	615,647	94,847	18.21
Total Intergovernmental - Commerce City	<u>720,189</u>	<u>792,797</u>	<u>72,608</u>	<u>10.08</u>
Miscellaneous Income	25,000	35,000	10,000	40.00
Total Revenue	<u>1,742,064</u>	<u>1,551,547</u>	<u>(190,517)</u>	<u>(10.93)</u>
Expenditures				
Intergovernmental-SDFs to NR2	386,280	373,404	12,876	(3.33)
Capital Projects				
Miscellaneous outside services	0	3,750	(3,750)	0.00
Professional services	0	20,143	(20,143)	0.00
Legal services	30,000	31,947	(1,947)	6.49
Accounting	5,000	403	4,597	(91.95)
Facilities and equipment	45,000	38,920	6,080	(13.50)
Infrastructure	9,163,000	0	9,163,000	(100.00)
Engineering - Tower Road	0	16,497	(16,497)	0.00
Engineering	200,000	274,877	(74,877)	37.43
Landscape improvements	150,000	112,886	37,114	(24.74)
Fence repair	5,000	2,701	2,299	(45.98)
Ponds	5,000	0	5,000	(100.00)
Water System Fees	489,393	489,383	10	0.00
Total Capital Projects	<u>10,092,393</u>	<u>991,507</u>	<u>9,100,886</u>	<u>(90.17)</u>
Contingency	1,996,377	0	1,996,377	(100.00)
Total Expenditures	<u>12,475,050</u>	<u>1,364,911</u>	<u>11,110,139</u>	<u>(89.05)</u>
Excess of Revenue Over (Under) Expenditures	<u>(10,732,986)</u>	<u>186,636</u>	<u>10,919,622</u>	<u>(101.73)</u>
Other Financing Sources (Uses)				
Developer advance	10,763,000	0	(10,763,000)	(100.00)
Developer repayment	(9,524,950)	(9,524,950)	0	0.00
Transfer from North Range #1 - bond proceeds	9,330,000	9,324,950	(5,050)	(0.05)
Total Other Financing Sources (Uses)	<u>10,568,050</u>	<u>(200,000)</u>	<u>(10,768,050)</u>	<u>(101.89)</u>
Excess of Revenue & Other Financing Sources Over Expenditures & Other Uses	<u>(164,936)</u>	<u>(13,364)</u>	<u>151,572</u>	<u>(91.89)</u>
Fund Balance - Beginning	<u>402,119</u>	<u>628,652</u>	<u>226,533</u>	<u>56.33</u>
Fund Balance - Ending	<u>\$ 237,183</u>	<u>\$ 615,288</u>	<u>\$ 378,105</u>	<u>159.41</u>

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