

## CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
Fax: 303-987-2032

January 28, 2011

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

[dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

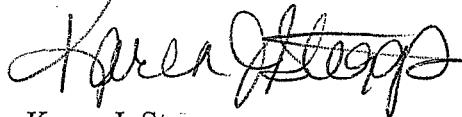
Re: Crowfoot Valley Ranch Metropolitan District No. 2

Ladies and Gentlemen:

Enclosed is the 2011 Budget as certified by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 of Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S.

If there are any questions on the Budget, please contact Ann E. Finn, District Manager, at (303) 987-0835.

Sincerely,



Karen J. Steggs  
Assistant to Ann E. Finn  
District Manager

Enclosure

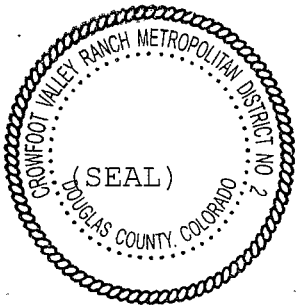
cc: Grimshaw & Haring, P.C. – Leslie Larsen  
Clifton Gunderson LLP

CERTIFICATION OF BUDGET

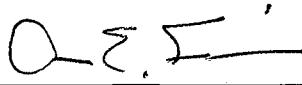
TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for the Crowfoot Valley Ranch Metropolitan District No. 2, for the budget year ending December 31, 2011, as adopted on December 3, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Crowfoot Valley Ranch Metropolitan District No. 2 in Douglas County, Colorado, this 3<sup>rd</sup> day of December, 2010.



By: \_\_\_\_\_

  
Secretary

## Accountant's Compilation Report

Board of Directors  
Crowfoot Valley Ranch Metropolitan District No. 2  
Douglas County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances of the Crowfoot Valley Ranch Metropolitan District No. 2 for the General Fund and Debt Service Fund for the year ending December 31, 2011, including the forecasted estimate of comparative information for the year ending December 31, 2010, 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 2009 is presented for comparative purposes only. Such information is taken from the Application for Exemption from Audit of the District for the year ended December 31, 2009.

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 the Crowfoot Valley Ranch Metropolitan District No. 2.

*Clifton Gunderson LLP*

Greenwood Village, Colorado  
December 3, 2010

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**

**SUMMARY**

**FORECASTED 2011 BUDGET AS ADOPTED**

**WITH 2009 ACTUAL AND 2010 ESTIMATED**

**For the Years Ended and Ending December 31,**

12/3/2010

	ACTUAL 2009	ESTIMATED 2010	ADOPTED 2011
BEGINNING FUND BALANCES	\$ 8,975	\$ 12,493	\$ 12,523
<b>REVENUES</b>			
1 Property taxes	3,895	22,523	21,321
2 Specific ownership taxes	333	1,687	1,490
3 Net investment income	49	24	62
4 Other income	-	-	1,000
5 Fire protection tax	438	2,171	2,056
Total revenues	<u>4,715</u>	<u>26,405</u>	<u>25,929</u>
Total funds available	<u>13,690</u>	<u>38,898</u>	<u>38,452</u>
<b>EXPENDITURES</b>			
6 General and administration			
7 Contingency	-	-	1,000
8 County Treasurer's fees	65	370	351
9 Payment to Town	431	2,139	2,025
10 Transfer to District No. 1	701	23,866	22,491
Total expenditures	<u>1,197</u>	<u>26,375</u>	<u>25,867</u>
Total expenditures and transfers out requiring appropriation	<u>1,197</u>	<u>26,375</u>	<u>25,867</u>
ENDING FUND BALANCES	<u>\$ 12,493</u>	<u>\$ 12,523</u>	<u>\$ 12,585</u>

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

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
For the Years Ended and Ending December 31,

12/3/2010

	ACTUAL 2009	ESTIMATED 2010	ADOPTED 2011
<b>ASSESSED VALUATION - DOUGLAS</b>			
Residential	\$ 20,450	\$ 23,760	\$ 23,760
Commercial	4,130	-	-
Agricultural	-	38,290	38,720
Vacant land	42,110	-	-
State Assessed	-	259,700	242,100
Certified Assessed Value	<u>\$ 66,690</u>	<u>\$ 321,750</u>	<u>\$ 304,580</u>
<b>MILL LEVY</b>			
GENERAL FUND	10.000	70.000	70.000
DEBT SERVICE FUND	50.000	-	-
FIRE PROTECTION	6.750	6.750	6.750
Total Mill Levy	<u>66.750</u>	<u>76.750</u>	<u>76.750</u>
<b>PROPERTY TAXES</b>			
GENERAL FUND	\$ 667	\$ 22,523	\$ 21,321
DEBT SERVICE FUND	3,335	-	-
FIRE PROTECTION	450	2,172	2,056
Levied property taxes	4,452	24,695	23,377
Adjustments to actual/rounding	(119)	(1)	-
Budgeted Property Taxes	<u>\$ 4,333</u>	<u>\$ 24,694</u>	<u>\$ 23,377</u>
<b>BUDGETED PROPERTY TAXES</b>			
GENERAL FUND	\$ 649	\$ 22,523	\$ 21,321
DEBT SERVICE FUND	3,246	-	-
0	438	2,171	2,056
	<u>\$ 4,333</u>	<u>\$ 24,694</u>	<u>\$ 23,377</u>

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

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**  
**GENERAL FUND**  
**FORECASTED 2011 BUDGET AS ADOPTED**  
**WITH 2009 ACTUAL AND 2010 ESTIMATED**  
**For the Years Ended and Ending December 31,**

12/3/2010

	ACTUAL 2009	ESTIMATED 2010	ADOPTED 2011
BEGINNING FUND BALANCES	\$ -	\$ (6)	\$ -
<b>REVENUES</b>			
1 Property taxes	649	22,523	21,321
2 Specific ownership taxes	55	1,687	1,490
3 Other income	-	-	1,000
4 Fire protection tax	438	2,171	2,056
Total revenues	1,142	26,381	25,867
Total funds available	1,142	26,375	25,867
<b>EXPENDITURES</b>			
General and administration			
5 Contingency	-	-	1,000
6 County Treasurer's fees	16	370	351
7 Payment to Town	431	2,139	2,025
8 Transfer to District No. 1	701	23,866	22,491
Total expenditures	1,148	26,375	25,867
Total expenditures and transfers out requiring appropriation	1,148	26,375	25,867
ENDING FUND BALANCES	\$ (6)	\$ -	\$ -

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

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**FORECASTED 2011 BUDGET AS ADOPTED**  
**WITH 2009 ACTUAL AND 2010 ESTIMATED**  
**For the Years Ended and Ending December 31,**

12/3/2010

	ACTUAL 2009	ESTIMATED 2010	ADOPTED 2011
BEGINNING FUND BALANCES	\$ 8,975	\$ 12,499	\$ 12,523
REVENUES			
1 Property taxes	3,246	-	-
2 Specific ownership taxes	278	-	-
3 Net investment income	49	24	62
Total revenues	3,573	24	62
Total funds available	12,548	12,523	12,585
EXPENDITURES			
General and administration			
4 County Treasurer's fees	49	-	-
Total expenditures	49	-	-
Total expenditures and transfers out requiring appropriation	49	-	-
ENDING FUND BALANCES	\$ 12,499	\$ 12,523	\$ 12,585

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

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**  
**2011 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 Douglas County on December 3, 2002, 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 organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. Under the Service Plan, the District is the Financing District related to Crowfoot Valley Ranch Metropolitan District No. 1, the Service District ("District No. 1").

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

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

**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 page 3 of the budget at the adopted total mill levy of 76.750 mills, which includes 70.000 mills for operations and 6.750 mills for fire protection and emergency response.

**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 forecast assumes that the District's share will be equal to approximately 7.0% of the property taxes collected by the General Fund.



**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**  
**2011 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**General and Administrative Expenditures**

District No. 1 is the operating District; therefore, general and administrative expenditures necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses will be incurred in District No. 1 for both Districts.

**Transfer to District No. 1**

The District will transfer its operating property tax and specific ownership tax revenues, net of any applicable fees, to District No. 1 to fund operating costs.

**Payment to Town**

The District has entered into an intergovernmental agreement with the Town of Castle Rock for fire protection and emergency response services. The Town of Castle Rock was required to build a new fire station to service the District and as a result the District agreed to levy 6.750 mills and remit the proceeds, net of collection fees, to the Town annually.

**County Treasurer's Fees**

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

**Reserves**

**Emergency Reserve**

The District anticipates transferring all of its operating revenues to District No. 1. Therefore, District No. 1 will provide for an emergency reserve fund equal to at least 3% of fiscal year spending for 2011, as defined under TABOR.

**Debt and Leases**

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

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