

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NOS. 1 & 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: (303) 987-0835
Fax: (303) 987-2032

March 4, 2013

Douglas County
Jack Arrowsmith/Clerk & Recorder
301 Wilcox St.
P.O. Box 1360
Castle Rock, CO 80104

Re: Crowfoot Valley Ranch Metropolitan District Nos. 1 & 2; 2012 Annual Report

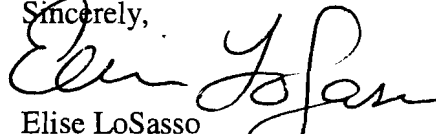
Dear Mr. Arrowsmith:

Enclosed please find the year 2012 information and documents required to be provided to the County, pursuant to the Annual Report section of the above-referenced District's Amended and Restated Consolidated Service Plan dated December 16, 2008.

Please acknowledge your receipt of the information and documents by signing this letter and returning to this office via facsimile at the number listed above.

If you have any questions, please contact me.

Sincerely,



Elise LoSasso
Assistant to Ann E. Finn
District Manager

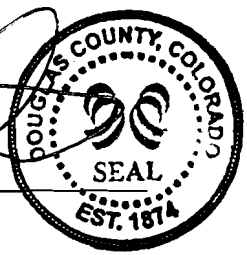
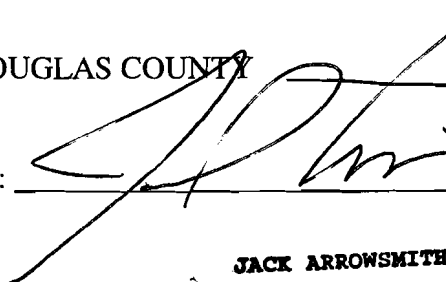
Enclosure

cc: Grimshaw & Haring, P.C. – Leslie Larsen
Division of Local Government
State Auditor

The above referenced information and documents were received this 7 day of March, 2013.

DOUGLAS COUNTY

By: _____



JACK ARROWSMITH

ANNUAL INFORMATION REPORT
for the year 2012
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NOS. 1 & 2

As required by Section X of the Amended and Restated Consolidated Service Plan for the above-referenced Districts, approved by Douglas County on December 16, 2008, we present the following report of the Districts' activities from January 1, 2012 to December 31, 2012.

- (a) There were no boundary changes made or proposed in 2012.
 - (b) The Districts did not enter into any intergovernmental agreements in 2012.
 - (c) There were no changes made to the Districts' policies in 2012.
 - (d) There were no changes in the Districts' operations procedures during 2012.
 - (e) There were no changes in the financial status of the Districts during 2012.
 - (f) The Districts were not involved in any litigation in 2012.
 - (g) The Districts have no proposed plans for construction projects for the year immediately following the year summarized in this annual report.
 - (h) There is no construction scheduled at this time.
 - (i) There were no improvements dedicated or accepted by the County in 2012.
 - (j) Copies of the 2012 Certificates of Assessed Valuation for both Districts are attached.
 - (k) Copies of the 2013 Adopted Budgets for both Districts are attached.
 - (l) Summary as follows:
 - 1. The assessed value of District No. 1 is \$16,190. The assessed value of District No. 2 is \$287,230.
 - 2. District No. 1 total acreage is 1 acre. District No. 2 total acreage is 2,042 acres.
 - 3. District No. 1's indebtedness is \$0.00. District No. 2's indebtedness is \$0.00.
 - 4. District No. 1's debt service is \$0.00. District No. 2's debt service is \$0.00.
 - 5. See the attached 2013 budget for the Districts' tax revenue information.
-

6. See the attached 2013 budget for the Districts' other revenues.
7. See the attached 2013 budget for the Districts' public improvement expenditures.
8. See the attached 2013 budget for the Districts' other expenditures.

CERTIFICATION OF VALUATION BY Douglas COUNTY ASSESSOR

Name of Jurisdiction **4436 - Crowfoot Valley Ranch Metro 1**

New Entity: No

IN Douglas COUNTY, COLORADO ON 11/20/2012

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT, FOR THE TAXABLE YEAR 2012 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$30,700
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$16,190
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$16,190
5. NEW CONSTRUCTION: **		\$0
NEW GROWTH ASSESSED:	\$0	
6. INCREASED PRODUCTION OF PRODUCING MINES: #		\$0
7. ANNEXATIONS/INCLUSIONS:		\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY #		\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b)C.R.S.):	##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a)C.R.S.:		\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):		\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo. Constitution

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2012 IN Douglas COUNTY ON AUGUST 25, 2012

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$1,339
ADDITIONS TO TAXABLE REAL PROPERTY:		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:		\$0
NEW GROWTH ACTUAL:	\$0	
3. ANNEXATIONS/INCLUSIONS:		\$0
4. INCREASED MINING PRODUCTION: %		\$0
5. PREVIOUSLY EXEMPT PROPERTY:		\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:		\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:		\$0
(if land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)		
DELETIONS FROM TAXABLE REAL PROPERTY:		
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:		\$0
9. DISCONNECTIONS/EXCLUSION:		\$0
10. PREVIOUSLY TAXABLE PROPERTY:		\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

| Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH (39-5-128(1), C.R.S.) AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----	\$0
---	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2012

Data Date: 11/19/2012

DLG-57(Rev.7/00)



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Accountant's Compilation Report

Board of Directors
Crowfoot Valley Ranch Metropolitan District No. 1
Douglas County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances of the Crowfoot Valley Ranch Metropolitan District No. 1 for the General Fund and Capital Projects Fund for the year ending December 31, 2013, including the forecasted estimate of comparative information for the year ending December 31, 2012, 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 2011 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, 2011.

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. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 7, 2012

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
SUMMARY**

**FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ 1,043	\$ (6,112)	\$ 1,208
REVENUES			
1 Developer advance	-	15,000	525,000
2 Net investment income	3	7	7
3 Transfer from other Districts	22,544	25,123	20,347
Total revenues	<u>22,547</u>	<u>40,130</u>	<u>545,354</u>
Total funds available	<u>23,590</u>	<u>34,018</u>	<u>546,562</u>
EXPENDITURES			
4 General and administration			
5 Accounting	6,960	7,000	10,000
6 Contingency	-	-	9,500
7 District management	9,675	10,000	10,000
8 Election	-	1,605	-
9 Insurance	3,205	4,205	4,500
10 Legal	8,976	9,000	10,000
11 Miscellaneous	886	1,000	1,000
12 Capital projects			
13 Engineering	-	-	250,000
14 Grading/Erosion control	-	-	250,000
Total expenditures	<u>29,702</u>	<u>32,810</u>	<u>545,000</u>
Total expenditures and transfers out requiring appropriation	<u>29,702</u>	<u>32,810</u>	<u>545,000</u>
ENDING FUND BALANCES	<u>\$ (6,112)</u>	<u>\$ 1,208</u>	<u>\$ 1,562</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 800</u>	<u>\$ 700</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 800</u>	<u>\$ 700</u>

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
ASSESSED VALUATION - DOUGLAS			
Agricultural	\$ -	\$ 10	\$ 10
State Assessed	28,100	30,690	16,180
Certified Assessed Value	<u>\$ 28,100</u>	<u>\$ 30,700</u>	<u>\$ 16,190</u>
MILL LEVY			
PROPERTY TAXES			
Budgeted Property Taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
GENERAL FUND**

**FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,**

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ 1,043	\$ (6,112)	\$ 1,208
REVENUES			
1 Developer advance	-	15,000	25,000
2 Net investment income	3	7	7
3 Transfer from other Districts	22,544	25,123	20,347
Total revenues	<u>22,547</u>	<u>40,130</u>	<u>45,354</u>
Total funds available	<u>23,590</u>	<u>34,018</u>	<u>46,562</u>
EXPENDITURES			
General and administration			
4 Accounting	6,960	7,000	10,000
5 Contingency	-	-	9,500
6 District management	9,675	10,000	10,000
7 Election	-	1,605	-
8 Insurance	3,205	4,205	4,500
9 Legal	8,976	9,000	10,000
10 Miscellaneous	886	1,000	1,000
Total expenditures	<u>29,702</u>	<u>32,810</u>	<u>45,000</u>
Total expenditures and transfers out requiring appropriation	<u>29,702</u>	<u>32,810</u>	<u>45,000</u>
ENDING FUND BALANCES	<u>\$ (6,112)</u>	<u>\$ 1,208</u>	<u>\$ 1,562</u>
EMERGENCY RESERVE	\$ -	\$ 800	\$ 700
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 800</u>	<u>\$ 700</u>

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
1 Developer advance	-	-	500,000
Total revenues	-	-	500,000
Total funds available	-	-	500,000
EXPENDITURES			
Capital projects			
2 Engineering	-	-	250,000
3 Grading/Erosion control	-	-	250,000
Total expenditures	-	-	500,000
Total expenditures and transfers out requiring appropriation	-	-	500,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
2013 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 Service District related to Crowfoot Valley Ranch Metropolitan District No. 2, the Financing District ("District No. 2").

At its formation election held on December 3, 2002, the District's voters authorized general obligation indebtedness of \$53,000,000 for street improvements, \$53,000,000 for parks and recreation, \$53,000,000 for water supply system, \$53,000,000 for sanitary sewer system, \$53,000,000 for traffic and safety control, \$53,000,000 for public transport, \$53,000,000 for television relay and translation systems, \$53,000,000 for fire protection and emergency response facilities, \$55,000,000 for the District Facilities Agreement between District #1 and District #2, and \$53,000,000 for refinancing of District debt.

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

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

Revenues

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.4%.

Developer Advances

The District is in the development stage. As such, the Developer will fund expenditures necessary for the District's general operations and capital infrastructure development for 2013. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer under agreements approved by the Board.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
2013 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Transfers from District No. 2

District No. 2 will transfer the revenues collected from its General Fund mill levy, net of any applicable fees, to fund operations of the District.

Expenditures

General and Administrative Expenditures

General and 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 legal, accounting, managerial, insurance, meeting expense, and other administrative expenses. In 2013 and future years, it is anticipated that all administrative expenditures will be incurred in District No. 1 for both District No. 1 and District No. 2.

Capital Outlay

The District anticipates infrastructure improvements during 2013 as displayed on page 5.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2013, as defined under TABOR.

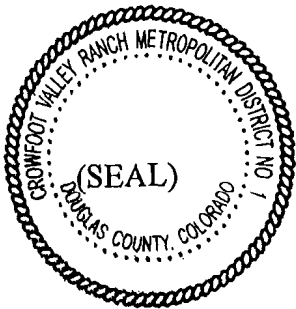
Debt and Leases

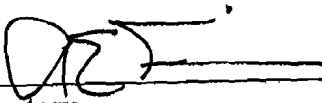
The District has no outstanding indebtedness, nor any operating or capital leases.

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

CERTIFICATION OF BUDGET

I, Ann E. Finn, hereby certify that I am the duly appointed Secretary of the Crowfoot Valley Ranch Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2013, duly adopted at a meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 held on December 7, 2012.



By:  _____
Secretary

107

CERTIFICATION OF VALUATION BY Douglas COUNTY ASSESSOR

Name of Jurisdiction **4437 - Crowfoot Valley Ranch Metro 2**

New Entity: No

IN Douglas COUNTY, COLORADO ON 11/20/2012

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT, FOR THE TAXABLE YEAR 2012 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$335,850
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$287,230
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$287,230
5. NEW CONSTRUCTION: **		\$300
	NEW GROWTH ASSESSED:	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #		\$0
7. ANNEXATIONS/INCLUSIONS:		\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY #		\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.):	##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):		\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):		\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo. Constitution

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2012 IN Douglas COUNTY ON AUGUST 25, 2012

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$610,506
ADDITIONS TO TAXABLE REAL PROPERTY:		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: I		\$0
	NEW GROWTH ACTUAL:	\$0
3. ANNEXATIONS/INCLUSIONS:		\$0
4. INCREASED MINING PRODUCTION: %		\$0
5. PREVIOUSLY EXEMPT PROPERTY:		\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:		\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:		\$0
<i>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</i>		
DELETIONS FROM TAXABLE REAL PROPERTY:		
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:		\$0
9. DISCONNECTIONS/EXCLUSION:		\$0
10. PREVIOUSLY TAXABLE PROPERTY:		\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

I Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH (39-5-128(1), C.R.S.) AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----	\$0
---	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2012

Data Date: 11/19/2012

DLG-57 (Rev. 7/00)



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

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, 2013, including the forecasted estimate of comparative information for the year ending December 31, 2012, 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 2011 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, 2011.

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.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 7, 2012

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
SUMMARY
FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ 12,485	\$ 12,779	\$ 12,802
REVENUES			
1 Property taxes	21,322	23,511	20,106
2 Specific ownership taxes	1,546	1,965	1,543
3 Net investment income	294	23	20
4 Other income	-	-	-
5 Fire protection tax	2,055	2,266	1,939
Total revenues	25,217	27,765	23,608
Total funds available	37,702	40,544	36,410
EXPENDITURES			
6 General and administration			
7 Contingency	-	-	1,000
8 County Treasurer's fees	355	387	331
9 Payment to Town	2,024	2,232	1,910
10 Transfer to District No. 1	22,544	25,123	20,347
Total expenditures	24,923	27,742	23,588
Total expenditures and transfers out requiring appropriation	24,923	27,742	23,588
ENDING FUND BALANCES	\$ 12,779	\$ 12,802	\$ 12,822

This financial information should be read only in connection with the accompanying accountant's
 compilation 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,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
ASSESSED VALUATION - DOUGLAS			
Residential	\$ 23,760	\$ 36,960	\$ 36,960
Agricultural	38,720	32,910	32,910
State Assessed	242,100	265,980	217,360
Certified Assessed Value	<u>\$ 304,580</u>	<u>\$ 335,850</u>	<u>\$ 287,230</u>
MILL LEVY			
GENERAL FUND	70.000	70.000	70.000
FIRE PROTECTION	6.750	6.750	6.750
Total Mill Levy	<u>76.750</u>	<u>76.750</u>	<u>76.750</u>
PROPERTY TAXES			
GENERAL FUND	\$ 21,321	\$ 23,510	\$ 20,106
FIRE PROTECTION	2,056	2,267	1,939
Budgeted Property Taxes	<u>\$ 23,377</u>	<u>\$ 25,777</u>	<u>\$ 22,045</u>
BUDGETED PROPERTY TAXES			
GENERAL FUND	\$ 21,322	\$ 23,511	\$ 20,106
FIRE PROTECTION	2,055	2,266	1,939
	<u>\$ 23,377</u>	<u>\$ 25,777</u>	<u>\$ 22,045</u>

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
GENERAL FUND
FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
1 Property taxes	21,322	23,511	20,106
2 Specific ownership taxes	1,546	1,965	1,543
3 Other income	-	-	-
4 Fire protection tax	2,055	2,266	1,939
Total revenues	24,923	27,742	23,588
Total funds available	24,923	27,742	23,588
EXPENDITURES			
General and administration			
5 Contingency	-	-	1,000
6 County Treasurer's fees	355	387	331
7 Payment to Town	2,024	2,232	1,910
8 Transfer to District No. 1	22,544	25,123	20,347
Total expenditures	24,923	27,742	23,588
Total expenditures and transfers out requiring appropriation	24,923	27,742	23,588
ENDING FUND BALANCES	\$ -	\$ -	\$ -

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
FORECASTED 2013 BUDGET AS ADOPTED
WITH 2011 ACTUAL AND 2012 ESTIMATED
For the Years Ended and Ending December 31,

12/7/2012

	ACTUAL 2011	ESTIMATED 2012	ADOPTED 2013
BEGINNING FUND BALANCES	\$ 12,485	\$ 12,779	\$ 12,802
REVENUES			
1 Net investment income	294	23	20
Total revenues	<u>294</u>	<u>23</u>	<u>20</u>
Total funds available	<u>12,779</u>	<u>12,802</u>	<u>12,822</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 12,779</u>	<u>\$ 12,802</u>	<u>\$ 12,822</u>

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

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2013 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 total property taxes collected by the General Fund.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2013 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 2013, as defined under TABOR.

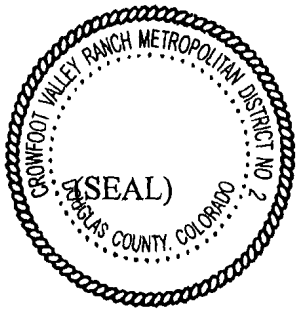
Debt and Leases


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

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

CERTIFICATION OF BUDGET

I, Ann E. Finn, hereby certify that I am the duly appointed Secretary of the Crowfoot Valley Ranch Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2013, duly adopted at a meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 held on December 7, 2012.



By: 
Secretary