

The Canyons Metropolitan District Nos. 1-11

2013 Consolidated Annual Report

THE CANYONS METROPOLITAN DISTRICT NOS. 1-11

**2013 CONSOLIDATED ANNUAL REPORT
TO
THE CITY OF CASTLE PINES NORTH**

Pursuant to the Amended and Restated Service Plan for The Canyons Metropolitan District No 1, and the Amended and Restated Service Plan for The Canyons Metropolitan District Nos. 2-4 and Consolidated Service Plan for The Canyons Metropolitan District Nos. 5-11 (collectively, the “Districts”), the Districts are required to provide an annual report to the City of Castle Pines North with regard to the following matters:

For the year ending December 31, 2013, the Districts make the following report:

1. Boundary changes made or proposed to the Districts’ boundary as of December 31 of the prior year.

There were no boundary changes made or proposed in 2013.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed, as of December 31 of the prior year.

District Nos. 1, 2 & 5 entered into an Intergovernmental Agreement with the Colorado Special Districts Property and Liability Pool on February 21, 2013.

The Districts entered into an Intergovernmental Agreement with the City of Castle Pines North on December 6, 2010.

3. Copies of the Districts’ rules and regulations, if any, as of December 31 of the prior year.

As of December 31, 2013, the Districts had not yet adopted rules and regulations.

4. A summary of any litigation which involves the Districts’ Public Improvements as of December 31 of the prior year.

There was no litigation involving the Districts' Public Improvements during the year ending December 31, 2013.

5. Status of the Districts’ construction of the Public Improvements as of December 31 of the prior year.

As of December 31, 2013, the Districts had not yet constructed any Public Improvements.

6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31 of the prior year.

As of December 31, 2013, the Districts had not yet constructed any Public Improvements.

7. The assessed valuation of the Districts for the current year.

The 2013 Certifications of Valuation for District Nos. 1, 2 & 5 from the Douglas County Assessor are attached as **Exhibit A**. District Nos. 3, 4 & 6-11 are currently inactive.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

District Nos. 3, 4 and 6-11 are currently inactive and did not adopt budgets for 2014. The 2014 budgets for District Nos. 1, 2 & 5 are attached as **Exhibit B**.

9. Audit of the Districts' financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable.

District Nos. 3, 4 and 6-11 are currently inactive and did not file an audit or audit exemptions for 2013. The 2013 audit exemptions for District Nos. 1, 2 & 5 are attached as **Exhibit C**.

10. Notice of any uncured events of default by the Districts, which continue beyond a ninety (90) day period, under any Debt instrument.

There are no uncured events of default by the Districts, which continue beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the Districts to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

None.

EXHIBIT A

**2013 Certifications of Valuation
District Nos. 1, 2 & 5**

CERTIFICATION OF VALUATION BY Douglas COUNTY ASSESSOR

Name of Jurisdiction **4426 - Canyons Metro District 1**

New Entity: No

IN Douglas COUNTY, COLORADO ON 11/20/2013

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 2013 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$200
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$220
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$220
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 2013 IN Douglas COUNTY ON AUGUST 25, 2013

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$756
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
<small>(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.)</small>		
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
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2013

Data Date: 11/19/2013

DLG-57(Rev.7/00)

CERTIFICATION OF VALUATION BY Douglas COUNTY ASSESSOR

Name of Jurisdiction **4427 - Canyons Metro District 2**

New Entity: No

IN Douglas COUNTY, COLORADO ON 11/20/2013

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 2013 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$125,650
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$228,533
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$228,533
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 2013 IN Douglas COUNTY ON AUGUST 25, 2013

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$84,590
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, 2013

Data Date: 11/19/2013

DLG-57(Rev.7/00)

CERTIFICATION OF VALUATION BY Douglas COUNTY ASSESSOR

Name of Jurisdiction **4524 - Canyons Metro District 5**

New Entity: No

IN Douglas COUNTY, COLORADO ON 11/20/2013

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 2013 IN Douglas COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$230
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$250
3. LESS TIF DISTRICT INCREMENT, IF ANY:		
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$250
5. NEW CONSTRUCTION: **		\$0
NEW GROWTH ASSESSED:	\$0	
6. INCREASED PRODUCTION OF PRODUCING MINES: #		
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(B)(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 2013 IN Douglas COUNTY ON AUGUST 25, 2013

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$864
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: %		
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:		
(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, 2013

Data Date: 11/19/2013

DLG-57 (Rev. 7/00)

EXHIBIT B

**2014 Budgets
District Nos. 1, 2 & 5**

THE CANYONS METROPOLITAN DISTRICT NO. 1
2014
BUDGET MESSAGE

Attached please find a copy of the adopted 2014 budget for the Canyons Metropolitan District No. 1.

The Canyons Metropolitan District No. 1 has adopted two separate funds, a General Fund to provide for the payment of general operating expenditures; and a Capital Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenues for the District in 2014 will be developer advances and transfers from the Canyons Metropolitan Districts No. 2 and 5. The District does not intend to impose a mill levy on property within the District for 2014.

The Canyons Metropolitan District No. 1
Adopted Budget
General Fund
For the Year ended December 31, 2014

	Actual <u>2012</u>	Adopted Budget <u>2013</u>	Actual <u>6/30/2013</u>	Estimate <u>2013</u>	Adopted Budget <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Developer advances	6,380	40,836	-	-	33,346
Transfer from District No. 2	-	9,147	-	9,147	16,636
Transfer from District No. 5	-	17	-	17	18
Interest income	-	-	-	-	-
	<u>6,380</u>	<u>50,000</u>	<u>-</u>	<u>9,164</u>	<u>50,000</u>
Total revenues	<u>6,380</u>	<u>50,000</u>	<u>-</u>	<u>9,164</u>	<u>50,000</u>
Total funds available	<u>6,380</u>	<u>50,000</u>	<u>-</u>	<u>9,164</u>	<u>50,000</u>
Expenditures:					
Legal	3,190	20,000	-	4,000	33,000
Accounting	3,190	10,000	-	3,000	7,000
Insurance	-	5,000	-	1,000	5,000
Miscellaneous	-	1,000	-	1,164	1,000
Contingency	-	12,920	-	-	2,620
Emergency reserve (3%)	-	1,080	-	-	1,380
	<u>6,380</u>	<u>50,000</u>	<u>-</u>	<u>9,164</u>	<u>50,000</u>
Total expenditures	<u>6,380</u>	<u>50,000</u>	<u>-</u>	<u>9,164</u>	<u>50,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 220</u>
Mill Levy	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Canyons Metropolitan District No. 1
Adopted Budget
Capital Fund
For the Year ended December 31, 2014

	Actual <u>2012</u>	Adopted Budget <u>2013</u>	Actual <u>6/30/2013</u>	Estimate <u>2013</u>	Adopted Budget <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer advances	-	10,000,000	-	-	25,000,000
Reimbursements	-	-	-	-	-
Total revenues	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Total funds available	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Expenditures:					
Capital projects	-	10,000,000	-	-	25,000,000
Total expenditures	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE CANYONS METROPOLITAN DISTRICT NO. 2
2014
BUDGET MESSAGE

Attached please find a copy of the adopted 2014 budget for the Canyons Metropolitan District No. 2.

The Canyons Metropolitan District No. 2 has adopted two separate funds, a General Fund to provide for transfers to the Canyons Metropolitan District No. 1; and a Capital Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenues for the District in 2014 will be property taxes and developer advances. The District intends to impose a 69.000 mill levy on the property within the District for 2014, which will be allocated to the General Fund.

The Canyons Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2014

	Actual <u>2012</u>	Adopted Budget <u>2013</u>	Actual <u>6/30/2013</u>	Estimate <u>2013</u>	Adopted Budget <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	8,670	-	8,670	15,769
Specific ownership taxes	-	607	-	607	1,104
Interest income	-	-	-	-	-
Total revenues	<u>-</u>	<u>9,277</u>	<u>-</u>	<u>9,277</u>	<u>16,873</u>
Total funds available	<u>-</u>	<u>9,277</u>	<u>-</u>	<u>9,277</u>	<u>16,873</u>
Expenditures:					
Treasurer fees	-	130	-	130	237
Emergency reserve (3%)	-	-	-	-	-
Contingency	-	-	-	-	-
Transfer to District #1	-	9,147	-	9,147	16,636
Total expenditures	<u>-</u>	<u>9,277</u>	<u>-</u>	<u>9,277</u>	<u>16,873</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 193,980</u>	<u>\$ 125,650</u>	<u>\$ 125,650</u>	<u>\$ 125,650</u>	<u>\$ 228,533</u>
Mill Levy	<u>-</u>	<u>69.000</u>	<u>69.000</u>	<u>69.000</u>	<u>69.000</u>

The Canyons Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2014

	Actual <u>2012</u>	Adopted Budget <u>2013</u>	Actual <u>6/30/13</u>	Estimate <u>2013</u>	Adopted Budget <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Developer advances / bond proceeds	-	-	-	-	25,000,000
Other income	-	-	-	-	-
Interest income	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Expenditures:					
Repay developer advances	-	-	-	-	-
Issuance costs	-	-	-	-	-
Capital projects	-	-	-	-	25,000,000
Transfer to Debt Service Fund	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE CANYONS METROPOLITAN DISTRICT NO. 5
2014
BUDGET MESSAGE

Attached please find a copy of the adopted 2014 budget for the Canyons Metropolitan District No. 5.

The Canyons Metropolitan District No. 5 has adopted one fund, a General Fund to provide for transfers to the Canyons Metropolitan District No. 1.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenues for the District in 2014 will be property taxes. The District intends to impose a 69.000 mill levy on the property within the District for 2014.

The Canyons Metropolitan District No. 5
Adopted Budget
General Fund
For the Year ended December 31, 2014

	Actual <u>2012</u>	Adopted Budget <u>2013</u>	Actual <u>6/30/2013</u>	Estimate <u>2013</u>	Adopted Budget <u>2014</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	16	-	16	17
Specific ownership taxes	-	1	-	1	1
Interest income	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>	<u>18</u>
Total funds available	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>	<u>18</u>
Expenditures:					
Treasurer fees	-	-	-	-	-
Emergency reserve (3%)	-	-	-	-	-
Contingency	-	-	-	-	-
Transfer to District #1	-	17	-	17	18
	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>	<u>18</u>
Total expenditures	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>	<u>18</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 230</u>	<u>\$ 230</u>	<u>\$ 230</u>	<u>\$ 230</u>	<u>\$ 250</u>
Mill Levy	<u>-</u>	<u>69.000</u>	<u>69.000</u>	<u>69.000</u>	<u>69.000</u>

EXHIBIT C

**2013 Audit Exemptions
District Nos. 1, 2 & 5**



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Accountant's Compilation Report

Board of Directors
Canyons Metropolitan District No. 1
Douglas County, Colorado

We have compiled the Application for Exemption from Audit of Canyons Metropolitan District No. 1 as of and for the year ended December 31, 2013, included in the accompanying prescribed form. Our compilation is limited to presenting, in the form prescribed by the Colorado State Auditor's Office, information that is the representation of management. We have not audited or reviewed the accompanying Application for Exemption from Audit and, accordingly, do not express an opinion or provide any assurance about whether the Application for Exemption from Audit is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the Application for Exemption from Audit in accordance with accounting principles 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 Application for Exemption from Audit.

Our responsibility is to conduct the compilation of the Application for Exemption from Audit in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information within the Application for Exemption from Audit without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Application for Exemption from Audit.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado State Auditor's Office, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Colorado State Auditor's Office and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Canyons Metropolitan District No. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 27, 2014



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Accountant's Compilation Report

Board of Directors
Canyons Metropolitan District No. 2
Douglas County, Colorado

We have compiled the Application for Exemption from Audit of Canyons Metropolitan District No. 2 as of and for the year ended December 31, 2013, included in the accompanying prescribed form. Our compilation is limited to presenting, in the form prescribed by the Colorado State Auditor's Office, information that is the representation of management. We have not audited or reviewed the accompanying Application for Exemption from Audit and, accordingly, do not express an opinion or provide any assurance about whether the Application for Exemption from Audit is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the Application for Exemption from Audit in accordance with accounting principles 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 Application for Exemption from Audit.

Our responsibility is to conduct the compilation of the Application for Exemption from Audit in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information within the Application for Exemption from Audit without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Application for Exemption from Audit.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado State Auditor's Office, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Colorado State Auditor's Office and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Canyons Metropolitan District No. 2.

CliftonLarsonAllen CPA

Greenwood Village, Colorado
March 27, 2014



CliftonLarsonAllen

CliftonLarsonAllen LLP
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Accountant's Compilation Report

Board of Directors
Canyons Metropolitan District No. 5
Douglas County, Colorado

We have compiled the Application for Exemption from Audit of Canyons Metropolitan District No. 5 as of and for the year ended December 31, 2013, included in the accompanying prescribed form. Our compilation is limited to presenting, in the form prescribed by the Colorado State Auditor's Office, information that is the representation of management. We have not audited or reviewed the accompanying Application for Exemption from Audit and, accordingly, do not express an opinion or provide any assurance about whether the Application for Exemption from Audit is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the Application for Exemption from Audit in accordance with accounting principles 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 Application for Exemption from Audit.

Our responsibility is to conduct the compilation of the Application for Exemption from Audit in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information within the Application for Exemption from Audit without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Application for Exemption from Audit.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado State Auditor's Office, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Colorado State Auditor's Office and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Canyons Metropolitan District No. 5.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 27, 2014