



SCHILLING & COMPANY, INC.

Certified Public Accountants

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Accountant's Compilation Report

Board of Directors
Douthit Metropolitan District
Weld County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Douthit Metropolitan District (District), for the year ending December 31, 2023, including the estimate of comparative information for the year ending December 31, 2022, and the actual comparative information for the year ending December 31, 2021, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement 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 budget 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 the accompanying budget.

The actual comparative information for the year ending December 31, 2021 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the Application for Exemption from Audit of the District for the year ended December 31, 2021. Schilling & Company, Inc. compiled the Application for Exemption from Audit for the year ended December 31, 2021, whose report was dated March 2, 2022.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Douthit Metropolitan District.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
December 8, 2022

**DOUTHIT METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET AS ADOPTED
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2021</u>	<u>ADOPTED BUDGET 2022</u>	<u>ADOPTED BUDGET 2023</u>
ASSESSED VALUATION			
Weld County			
Residential	\$ 28,670	\$ 49,000	\$ 47,630
Oil and Gas	1,663,200	1,375,110	3,193,570
State Assessed	170,510	213,240	384,770
Commercial	-	-	240
Agricultural	107,110	110,350	100,850
Total Certified Assessed Value	<u>1,969,490</u>	<u>1,747,700</u>	<u>3,727,060</u>
Less TIF Reduction	<u>(728,665)</u>	<u>(681,662)</u>	<u>(1,531,700)</u>
Net Certified Assessed Value	<u><u>\$ 1,240,825</u></u>	<u><u>\$ 1,066,038</u></u>	<u><u>\$ 2,195,360</u></u>
MILL LEVY			
General Fund	50.000	50.000	50.000
Contractual	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>
Total mill levy	<u><u>53.000</u></u>	<u><u>53.000</u></u>	<u><u>53.000</u></u>
PROPERTY TAXES			
General operating expenditures	\$ 62,041	\$ 53,302	\$ 109,768
Contractual	<u>3,722</u>	<u>3,198</u>	<u>6,586</u>
Levied property taxes	65,763	56,500	116,354
Adjustments to actual/rounding	<u>5</u>	<u>2</u>	<u>-</u>
Actual/budgeted property taxes	<u><u>\$ 65,768</u></u>	<u><u>\$ 56,502</u></u>	<u><u>\$ 116,354</u></u>
BUDGETED PROPERTY TAXES			
General Fund:			
Property Taxes	\$ 62,041	\$ 53,302	\$ 109,768
Contractual - Town of Mead	<u>3,722</u>	<u>3,198</u>	<u>6,586</u>
	<u><u>\$ 65,763</u></u>	<u><u>\$ 56,500</u></u>	<u><u>\$ 116,354</u></u>

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

**DOUTHIT METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET AS ADOPTED
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2021	ESTIMATED 2022	ADOPTED BUDGET 2023
BEGINNING FUND BALANCE	<u>\$ 105,901</u>	<u>\$ 188,930</u>	<u>\$ 254,444</u>
REVENUE			
Property taxes	62,045	53,304	109,768
Specific ownership taxes	5,235	5,511	11,349
Property taxes - Contractual	3,723	3,198	6,586
Urban Renewal - TIF	38,619	36,128	81,180
Interest income	50	1,622	1,700
Total revenue	<u>109,672</u>	<u>99,763</u>	<u>210,583</u>
Total funds available	<u>215,573</u>	<u>288,693</u>	<u>465,027</u>
EXPENDITURES			
General Government			
Legal	13,097	17,763	30,000
Accounting	3,194	3,938	5,000
Insurance	2,540	2,540	3,000
Miscellaneous	120	120	120
Election	-	2,652	5,000
Contractual - Town of Mead	5,820	5,165	11,013
Treasurer's Fees	931	799	1,647
Treasurer's Contractual	56	48	99
Treasurer's Fees - Urban TIF	579	542	1,218
Dues and subscriptions	306	682	700
Contingency	-	-	397,741
Total expenditures	<u>26,643</u>	<u>34,249</u>	<u>455,538</u>
ENDING FUND BALANCE	<u>\$ 188,930</u>	<u>\$ 254,444</u>	<u>\$ 9,489</u>
RESTRICTED - EMERGENCY RESERVE	<u>\$ 3,291</u>	<u>\$ 2,993</u>	<u>\$ 6,318</u>

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

**DOUTHIT METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2023 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Douthit Metropolitan District (the “District”), was organized in Weld County. Through its Service Plan, the District is authorized to finance certain streets, street lighting, traffic and safety controls, water, sanitary sewer, landscaping, storm drainage, mosquito control and park and recreation improvements.

BASIS OF ACCOUNTING

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

REVENUE

Property Tax

The District is imposing a mill levy of 50.000 mills for general operations and 3.000 mills for contractual obligations on an assessed valuation of \$2,195,360 for the budget year 2023, which is expected to yield \$109,768 and \$6,586 in property tax revenue, respectively.

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 9.75% of the property taxes collected.

Urban Renewal – TIF

The District, Town of Mead, and the Mead Urban Renewal Authority (MURA) have entered into a cooperation agreement, whereby the MURA agrees to transfer the property taxes that the MURA receives from the District’s mill levy on taxable property in the urban renewal area. The Town of Mead remits the property taxes on an annual basis. For 2023 the estimated revenue to be received by the District is \$81,180.

Investment Income

Interest earned on the District’s available funds has been estimated based on historical interest earnings and anticipated invested balances.

**DOUTHIT METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 legal, accounting, insurance, and other administrative expenses.

Contractual – Town of Mead

The District and the Town of Mead have entered into an intergovernmental agreement, whereby the District agreed to impose a 3.000 mill levy for the purposes of ongoing operations and maintenance expenses associated with the Town of Mead capital improvements. For 2023, the District has budgeted to remit \$11,013 to the Town of Mead in accordance with this agreement, which represents the anticipated property tax revenues generated by the 3.000 mill levy (including the 3.000 mill levy on the Urban Renewal – TIF), net of the associated county treasurer fees.

DEBT AND LEASES

The District has no outstanding bonds or leases.

RESTRICTED FUND BALANCE

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.