

**MARKETPLACE METROPOLITAN DISTRICT  
TOWN OF FREDERICK, STATE OF COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2014**

Pursuant to the Service Plan for Marketplace Metropolitan District (the "District"), the District is required to provide an annual report to the Town of Frederick, Colorado (the "Town") with regard to the following matters:

- a. A narrative summary of the progress of the District in implementing its service plan for the report year;
- b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31<sup>st</sup> of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;
- c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;
- d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;
- e. The District's budget for the calendar year in which the annual report is submitted;
- f. A summary of residential and commercial development in the District for the report year;
- g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;
- h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year; and

i. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board of Directors of the District.

**For the year ending December 31, 2014, the District makes the following report:**

a. A narrative summary of the progress of the District in implementing its service plan for the report year;

No public improvements were constructed by the District during the reporting period. Development is anticipated to occur as described in the Service Plan.

b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31st of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;

A copy of the District's application for exemption from the 2014 audit is attached as **Exhibit A**.

c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;

No capital expenditures were incurred by the District in 2014 and none are currently proposed.

d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;

No new District indebtedness or long-term obligations were issued in the report year. The total assessed valuation of all taxable properties within the District for 2013, as certified by the Weld County Assessor's Office, was \$743,970. There was no mill levy pledged to debt retirement in the report year.

e. The District's budget for the calendar year in which the annual report is submitted;

A copy of the District's 2015 budget is attached as **Exhibit B**.

- f. A summary of residential and commercial development in the District for the report year;

Commercial development is anticipated to occur as described in the Service Plan.

- g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

On May 29, 2014, the District's Board of Directors adopted a resolution imposing operations fees associated with the operation and maintenance costs of the landscaping the District will be taking over, as well as a system development fee, to defray the costs of capital infrastructure constructed within the District. An amended and restated fee resolution was adopted on November 12, 2014. All fees imposed are permitted by the Service Plan. A copy of the amended and restated fee resolution is attached hereto as **Exhibit C**.

- h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year;

The Board of Directors of the District hereby certifies that no action, event or condition enumerated in Section 14.4 of the Land Use Code occurred in the report year.

- i. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board of Directors of the District.

Members of the Board:

Aaron Grant, President  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
PH: 303-324-3320

Douglas Grant  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
PH: 303-324-3320

JoAnna Grant  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
PH: 303-324-3320

Anna Grant  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
PH: 303-324-3320

Andrew Grant  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
PH: 303-324-3320

General Counsel:

Jennifer Gruber Tanaka, Esq.  
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law  
2154 East Commons Avenue, Suite 2000  
Centennial, CO 80122

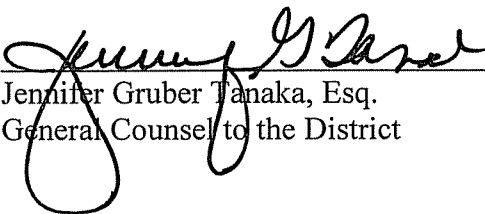
Regular Meetings of the Board of Directors:

2nd Wednesday of July and November  
2130 Mountain View Avenue, Suite 101  
Longmont, Colorado 80501  
3:00 p.m.

The District hereby certifies that the information provided herein is true and accurate and, as of the date hereof, the District is in full compliance with the District's Service Plan.

Respectfully submitted this 26<sup>th</sup> day of August 2015.

MARKETPLACE METROPOLITAN DISTRICT

  
\_\_\_\_\_  
Jennifer Gruber Tanaka, Esq.  
General Counsel to the District

**EXHIBIT A**

Application for Exemption from 2014 Audit



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

## **Accountant's Compilation Report**

Board of Directors  
Marketplace Metropolitan District  
Weld County, Colorado

We have compiled the Application for Exemption from Audit as of and for the year ended December 31, 2014 of Marketplace Metropolitan District, included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and other information in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and other information is in accordance with the accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements and other information included in the form prescribed by the State of Colorado's Office of the State Auditor and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and other information.

Our responsibility is to conduct the compilation 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 in the prescribed form without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement and other information.

The Application for Exemption from Audit is presented in accordance with the requirements of the State of Colorado's Office of the State Auditor, 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 Marketplace Metropolitan District.

*SCHILLING & COMPANY, INC.*

March 24, 2015

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Marketplace Metropolitan District	For the Year Ended December 31, 2014 or fiscal year ended:
Address:	PO Box 631579 Highlands Ranch, CO 80163	
Contact Person:	Neil Schilling	
Telephone:	720-348-1086	
Email:	NeilSchilling@SchillingCPAs.com	
Fax:	720-348-2920	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within **3 months** after the end of the year.  
For years ended December 31, the form **must** be received by the Office of the State Auditor by **March 31**.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**CERTIFICATION OF PREPARER**

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

Name:	Neil Schilling
Title:	CPA
Firm Name (if applicable):	Schilling & Company, Inc.
Address:	PO Box 631579, Highlands Ranch, CO 80163
Telephone Number:	720-348-1086
Date Prepared:	3/24/2015

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.

**See Accountant's Compilation Report**

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**PART 2 - REVENUE**

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	(Omit cents)
2-1	Taxes: Property	\$ 38,136
2-2	Specific ownership	\$ 3,213
2-3	Sales and use	\$ -
2-4	Other (specify):	\$ -
2-5	Licenses and permits	\$ -
2-6	Intergovernmental: Grants	\$ -
2-7	Conservation Trust Funds (Lottery)	\$ -
2-8	Highway Users Tax Funds (HUTF)	\$ -
2-9	Other (specify):	\$ -
2-10	Charges for services	\$ -
2-11	Fines and forfeits	\$ -
2-12	Special assessments	
2-13	Investment income	\$ 6
2-14	Charges for utility services	\$ -
2-15	Debt proceeds (should agree with line 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3 )	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Donations	\$ -
2-21	Other (specify):	\$ -
2-22	General Operations fees	\$ 250
2-23	Miscellaneous	\$ 62
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b> all sources	\$ 41,667

**PART 3 - EXPENDITURES**

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	(Omit cents)
3-1	Administrative	\$ -
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ -
3-5	Employee benefits	\$ -
3-6	Insurance	\$ 1,799
3-7	Accounting and legal fees	\$ 42,136
3-8	Repair and maintenance	\$ 24,766
3-9	Supplies	\$ 12
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with Part 6)	\$ -
3-17	Debt service principal (should agree with Part 4)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	County Treasurer fees	\$ 572
3-23	Billing service fees	\$ 267
3-24	Interest charges on past due legal and accounting services	\$ 11,849
3-25	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES</b> all categories	\$ 81,401

**Note:** If *Total Revenue* (Line 2-24) or *Total Expenditures* (Line 3-25) are greater than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - Long Form".



PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED						
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-1	Does the entity have outstanding debt?				X	
	Is the debt repayment schedule attached? If no, please explain:				N/A	
4-2	Is the entity current in its debt service payments? If no, please explain:				N/A	
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)		Outstanding at end of prior year	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds		\$ -	\$ -	\$ -	\$ -
	Revenue bonds		\$ -	\$ -	\$ -	\$ -
	Notes/Loans		\$ -	\$ -	\$ -	\$ -
	Leases		\$ -	\$ -	\$ -	\$ -
	Developer Advances		\$ -	\$ -	\$ -	\$ -
	Other (specify):		\$ -	\$ -	\$ -	\$ -
	Total:		\$ -	\$ -	\$ -	\$ -
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-4	Does the entity have any authorized, but unissued, debt?			X		
If yes:	How much?	\$	18,825,000			
	Date the debt was authorized:		5/2/2006			
4-5	Does the entity intend to issue debt within the next calendar year?				X	
If yes:	How much?	\$	-			
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-6	Does the entity have debt that has been refinanced that it is still responsible for?				X	
If yes:	What is the amount outstanding?	\$	-			
Please answer the following questions by marking the appropriate boxes.				Yes	No	
4-7	Does the entity have any lease agreements?				X	
If yes:	What is being leased?					
	What is the original date of the lease?					
	Number of years of lease?					
	Is the lease subject to annual appropriation?				N/A	
	What are the annual lease payments?	\$	-			
4-8	Please use this space to provide any explanations or comments:					
PART 5 - CASH AND INVESTMENTS						
Please provide the entity's cash deposit and investment balances.				Amount	Total	
5-1	Checking accounts			\$ 1,683		
5-2	Savings accounts			\$ -		
5-3	Certificates of deposit			\$ -		
	Total Cash Deposits				\$ 1,683	
	Investments (if investment is a mutual fund, please list underlying investments):					
5-4				\$ -		
5-5				\$ -		
5-6				\$ -		
5-7				\$ -		
	Total Investments				\$ -	
	Total Cash and Investments				\$ 1,683	
Please answer the following question by marking in the appropriate box				Yes	No	
5-8	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, please explain:			X		
5-9	Please use this space to provide any explanations or comments:					

**PART 6 - CAPITAL ASSETS**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
6-1	Does the entity have capital assets?		X
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, please explain:		N/A
Complete the following table:			
		Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -
	Total	\$ -	\$ -
Please use this space to provide any explanations or comments:			
6-2			

**PART 7 - PENSION INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
7-1	Does the entity have an "old hire" firemen's pension plan?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	Total:	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	
Please use this space to provide any explanations or comments:			
7-3			

**PART 8 - BUDGET INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Did the entity file a budget with the Department of Local Affairs for the current year? If no, please	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for the year:		
	<b>Fund Name</b>	<b>Budgeted Expenditures</b>	
	General Fund	\$	106,125
Please use this space to provide any explanations or comments:			
8-3			

**PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)**

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

**PART 10 - GENERAL INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Finance streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements.		
10-5	Does the entity have an agreement with another government to provide services?		X
If yes:	List the name of the other governmental entity and the services provided:		
10-6	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

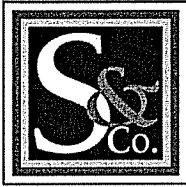
**PART 11 - GOVERNING BODY APPROVAL**

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column
Board Member 1	Print Board Members Name  <b>Aaron Grant</b>	I <u>Aaron Grant</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>[Signature]</u> Date: <u>February 26, 2015</u> My term Expires: <u>May 2016</u>
Board Member 2	Print Board Members Name  <b>Doug Grant</b>	I <u>Doug Grant</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>[Signature]</u> Date: <u>February 26, 2015</u> My term Expires: <u>May 2016</u>
Board Member 3	Print Board Members Name  <b>JoAnna Grant</b>	I <u>JoAnna Grant</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>[Signature]</u> Date: <u>February 26, 2015</u> My term Expires: <u>May 2018</u>
Board Member 4	Print Board Members Name  <b>Andrew Grant</b>	I <u>Andrew Grant</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>[Signature]</u> Date: <u>February 26, 2015</u> My term Expires: <u>May 2018</u>
Board Member 5	Print Board Members Name  <b>Anna Grant</b>	I <u>Anna Grant</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed <u>[Signature]</u> Date: <u>February 26, 2015</u> My term Expires: <u>May 2018</u>
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

**EXHIBIT B**

2015 Budget



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

### **Accountant's Compilation Report**

Board of Directors  
Marketplace Metropolitan District  
Weld County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances for the General Fund of the Marketplace Metropolitan District for the year ending December 31, 2015 including forecasted estimates of comparative information for the year ending December 31, 2014, 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 examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenues, expenditures and fund balances or assumptions. 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 or circumstances occurring after the date of this report.

The actual historical information for the year 2013 is presented for comparative purposes only. Such information is taken from the application for exemption from audit of the Marketplace Metropolitan District for the year ended December 31, 2013. The application for exemption from audit for the year ended December 31, 2013, was compiled by Haynie & Company on January 24, 2014.

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 Marketplace Metropolitan District.

*SCHILLING & COMPANY, INC.*

Schilling & Company, Inc.  
December 5, 2014

**MARKETPLACE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2013</b>	<b>ESTIMATED 2014</b>	<b>ADOPTED BUDGET 2015</b>
<b>ASSESSED VALUATION</b>			
Weld County Certified Assessed Value	\$ 491,270	\$ 762,299	\$ 743,970
<b>MILL LEVY</b>			
General Fund	50.000	50.000	50.000
Total mill levy	50.000	50.000	50.000
<b>PROPERTY TAXES</b>			
General	\$ 24,564	\$ 38,115	\$ 37,199
Levied/budgeted property taxes	24,564	38,115	37,199
Adjustments to actual/rounding	(21)	(1)	-
Property taxes	\$ 24,543	\$ 38,114	\$ 37,199
<b>PROPERTY TAXES BY FUND</b>			
General Fund	\$ 24,543	\$ 38,114	\$ 37,199
	\$ 24,543	\$ 38,114	\$ 37,199

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

**MARKETPLACE METROPOLITAN DISTRICT  
GENERAL FUND  
FORECASTED 2015 BUDGET AS ADOPTED  
WITH 2013 ACTUAL AND 2014 ESTIMATED  
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2013</u>	<u>ESTIMATED 2014</u>	<u>ADOPTED BUDGET 2015</u>
<b>BEGINNING FUND BALANCE</b>	\$ (66,845)	\$ (103,068)	\$ (144,261)
<b>REVENUE</b>			
Property tax	24,543	38,114	37,199
Specific ownership tax	1,647	3,233	3,156
Developer advances	-	-	213,864
Interest income	218	-	-
Miscellaneous	-	62	-
Intergovernmental advances	-	-	-
Total revenue	<u>26,408</u>	<u>41,409</u>	<u>254,219</u>
Total funds available	<u>(40,437)</u>	<u>(61,659)</u>	<u>109,958</u>
<b>EXPENDITURES</b>			
General Government			
Accounting	6,260	5,110	5,000
Legal	25,531	46,134	50,000
Election	-	4,221	-
Insurance and bonds	-	1,799	1,900
Office expense	808	-	200
Miscellaneous	29,661	24,766	26,000
Landscape and road maintenance	-	-	5,000
County treasurer fees	371	572	558
Contingency	-	-	20,000
Total expenditures	<u>62,631</u>	<u>82,602</u>	<u>108,658</u>
Total expenditures and transfers out requiring appropriation	<u>62,631</u>	<u>82,602</u>	<u>108,658</u>
<b>ENDING FUND BALANCE</b>	<u>\$ (103,068)</u>	<u>\$ (144,261)</u>	<u>\$ 1,300</u>
<b>RESTRICTED - EMERGENCY RESERVE</b>	<u>\$ 800</u>	<u>\$ 1,300</u>	<u>\$ 1,300</u>

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



**MARKETPLACE METROPOLITAN DISTRICT  
2015 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 2015 annual budget. Actual results may differ from the prospective results contained in the budget.

**SERVICES PROVIDED**

The Marketplace Metropolitan District (the "District"), was organized on May 25, 2006 in Weld County. The District is authorized to finance streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements. The District anticipates issuing bonds and initiating construction on the infrastructure items listed previously.

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

**REVENUE**

*Property Tax*

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page two of the budget at the adopted total mill levy of 50.000 in the General Fund.

*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 7.5% of the property taxes collected.

*Investment Income*

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**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, managerial, insurance, meeting expense, and other administrative expenses.

**DEBT AND LEASES**

The District has no outstanding bonds. The District has no operating or capital leases.

**MARKETPLACE METROPOLITAN DISTRICT  
2015 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**RESTRICTED FUND BALANCE**

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2015, as defined under TABOR.

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

**EXHIBIT C**

Amended and Restated Fee Resolution

After Recordation, Please Return To:  
WHITE BEAR ANKELE TANAKA & WALDRON  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122

Resolution No. 2014-11-03

AMENDED AND RESTATED RESOLUTION  
OF THE BOARD OF DIRECTORS OF  
MARKETPLACE METROPOLITAN DISTRICT

REGARDING THE IMPOSITION OF  
DISTRICT FEES, RATES, TOLLS, PENALTIES AND CHARGES

---

WHEREAS, pursuant to an Order of the District Court in and for Weld County, Colorado, the Marketplace Metropolitan District (the "District") was duly and validly organized and exists as a metropolitan district in accordance with Colorado law; and

WHEREAS, pursuant to § 32-1-1001(1)(j), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities provided by the District which, until paid, shall constitute a perpetual lien on and against the property served by the District; and

WHEREAS, the Service Plan for the District, as amended, and as may be further amended from time to time (collectively, the "Service Plan"), similarly empowers the District to impose fees, rates, tolls, penalties and charges for services and facilities furnished by the District; and

WHEREAS, the Service Plan authorizes the District to finance public improvements for the use and benefit of District property owners, residents and taxpayers, and to finance the perpetual maintenance of such improvements and associated services, which include streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation facilities (the "Improvements"); and

WHEREAS, the District owns, leases, operates and maintains certain Improvements throughout the District for the benefit of the property owners, residents and taxpayers of the District and the general public; and

WHEREAS, the District has financed, constructed or otherwise acquired certain Improvements throughout the District for which the capital costs associated with the Improvements were incurred by the District (the "Capital Costs"); and

WHEREAS, the establishment of a fair and equitable fee to provide a source of funding for all or a portion of the Capital Costs (the "Capital Facilities Fee") is necessary to provide for the common good and for the prosperity and general welfare of the District, its property owners, residents and taxpayers and the general public; and

WHEREAS, the District provides certain ongoing services throughout the District for the benefit of the property owners, residents and taxpayers of the District and the general public (the "Services"); and

WHEREAS, the District incurs certain costs associated with acquisition, construction, installation, upkeep, repair, operation, maintenance, improvement, replacement and reconstruction of the Improvements, as necessary, inclusive of the cost of utilities, funding of capital and operations reserves and capital replacement costs, as well as costs related to providing the Services, in order for the Improvements to be properly maintained and that the health, safety and welfare of the District and its habitants may be safeguarded (the "Operations Expenses"); and

WHEREAS, the establishment of a fair and equitable fee to provide a source of funding for the Operations Expenses (which are generally attributable to the persons subject to such fees, rates, tolls, penalties and charges) (the "General Operations Fee," together with the Capital Facilities Fees, the "Fees") is necessary to provide for the common good and for the prosperity and general welfare of the District, its property owners, residents and taxpayers and the general public and for the orderly and uniform administration of the District's affairs; and

WHEREAS, on May 29, 2014, the Board of Directors of the District adopted a Resolution Regarding the Imposition of District Fees, Rates, Tolls, Penalties and Charges, which Resolution was recorded on July 18, 2014 in the real property records of the Weld County Clerk and Recorder's Office at Reception Number 4031673 (the "Original Resolution"); and

WHEREAS, the Board of Directors of the District desires to revise, replace and supersede the Fees set forth in the Original Resolution with those set forth herein; and

WHEREAS, the District finds that the General Operations Fee and Capital Facilities Fee set forth herein are reasonably related to the overall costs associated with the Services and the provision of the Improvements, and that imposition thereof is necessary and appropriate.

NOW, THEREFORE, be it resolved by the Board of Directors of the District as follows:

- I. **DEFINITIONS.** The following terms shall have the meanings afforded below:
- A. "*Collections Resolution*" means the procedures associated with the billing and collection of the Fees imposed by the District, as set forth in the Resolution of the Board of Directors of the Marketplace Metropolitan District Regarding Collections, adopted by the Board of Directors on May 29, 2014, and as may be amended from time to time.
  - B. "*Commercial Lot*" means each Lot, regardless of the number of Commercial Units thereon, within the District Boundaries that is used and/or zoned for general commercial, industrial, office, retail or other non-residential uses.
  - C. "*Commercial Unit*" means each office space, unit, building or other structure within the District Boundaries that is used and/or zoned for general commercial, industrial, office, retail, or other non-residential uses.
  - D. "*District Boundaries*" means the legal boundaries of the District, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*,

C.R.S., as more particularly set forth in the map and legal description attached hereto **Exhibit A** and incorporated herein by this reference.

- E. "*Dwelling Unit*" or "*Residential Unit*" means a single-family attached or detached residence and a multi-family attached or detached residence or apartment on a per residence basis (i.e. each patio home shall be a Dwelling Unit, each town home shall be a Dwelling Unit, each apartment unit shall be a Dwelling Unit, each condominium unit shall be a Dwelling Unit and each mobile home shall be a Dwelling Unit).
- F. "*Fees*" means the General Operations Fee and Capital Facilities Fee established herein.
- G. "*Lot*" means each parcel of land established by a recorded final subdivision plat and which is located within the District Boundaries.
- H. "*Transfer*" shall include a grant, sale, conveyance or transfer by deed, instrument, writing, lease, or any other document by which real property is sold, granted, leased, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers for purposes of residential or commercial use.

## **II. GENERAL OPERATIONS FEE.**

- A. A General Operations Fee is hereby established and imposed upon each Residential Unit and Commercial Unit within the District Boundaries for the Services.
- B. The General Operations Fee shall be imposed at a rate established by the District from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. The Schedule of Fees is attached hereto as **Exhibit B** and incorporated herein by this reference.
- C. The General Operations Fee shall be first due and owing as of the date of Transfer or when the unit is occupied for residential use for each Residential Unit or occupied for commercial use for each Commercial Unit, whichever shall first occur, and shall be due on the 1<sup>st</sup> day of each month thereafter.

## **III. DISTRICT CAPITAL FACILITIES FEE.**

- A. A one-time Capital Facilities Fee is hereby established and imposed upon each Residential Unit and each Commercial Unit within the District Boundaries for costs associated with the Improvements.
- B. The Capital Facilities Fee shall be imposed at a rate established by the District from time to time pursuant to an annual Schedule of Fees and shall constitute the rate in effect until such Schedule of Fees is amended. The Schedule of Fees is attached hereto as **Exhibit B** and incorporated herein by this reference.

- C. A "single family residence" shall be defined as a single Lot with a detached home, the plat for which details 6 Dwelling Units per acre or less. Each type I town home or patio home shall pay seventy-five percent (75%) of the single family residence rate and a "type I town home or patio home" shall be defined as cluster housing, the plat for which details between 6.1 to 10 Dwelling Units per acre; each type II town home shall pay fifty percent (50%) of the single family residence rate and a "type II town home" shall be defined as those Dwelling units Platted for between 10.1 to 15 units per acre; and, each apartment or other multi-family residential Dwelling Unit not otherwise enumerated shall pay twenty-five percent (25%) of the single family rate. "Apartment or other multi-family residential Dwelling Unit not otherwise enumerated" shall include all platted property for which more than 15 Dwelling Units are planned per acre.
- D. All Capital Facilities Fees shall be first due and owing as of the date of Transfer or when the unit is occupied for residential use for each Residential Unit or when the unit is occupied for commercial use for each Commercial Unit, whichever shall first occur. The amount of each Capital Facilities Fee due hereunder shall be at the rate in effect at the time of payment.
- E. The Capital Facilities Fee shall automatically increase by five percent (5%) annually, rounded up to the nearest twenty-five dollars (\$25.00) and compounded, on January 1 of each year, commencing January 1, 2015, until no Residential Units or Commercial Units remain to be constructed within the District.

#### IV. GENERAL PROVISIONS.

- A. Payments. Payment for each General Operations Fee shall be made payable to "Marketplace Metropolitan District" and sent to the following address, for receipt on or before the due date: Marketplace Metropolitan District, c/o Summit Association Management; 9450 S. Yosemite St. F2-503, Greenwood Village, CO 80111. Payment for each Capital Facilities Fee shall be made payable to "Marketplace Metropolitan District" and sent to the following address, for receipt on or before the due date: Marketplace Metropolitan District, c/o WHITE BEAR ANKELE TANAKA & WALDRON, 2154 East Commons Avenue, Suite 2000, Centennial, Colorado 80122.
- B. Delinquent Charges and Collections. Delinquent account procedures and collections activities associated with Fees are governed by the terms of the District's Collections Resolution.
- C. Late Fees and Penalty Interest. Any General Operations Fee that is not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee in the amount of Fifteen Dollars (\$15.00) pursuant to § 29-1-1102(3), C.R.S. Any Capital Facilities Fee that is not paid in full within fifteen (15) days after the scheduled due date shall be assessed a late fee in the amount of five percent (5%) of the Capital Facilities Fee per month, not to exceed twenty-five percent (25%)

of the Capital Facilities Fee, whichever is greater, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding Fees, exclusive of assessed late fees and interest, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S.

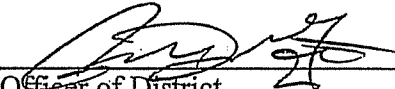
- D. Perpetual Lien. All Fees established herein shall, until paid, constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S. All such liens shall be in a senior position as against all other liens of record affecting the property served or benefited, or to be served or benefited by improvements of the District and shall run with the Property and remain in effect as to any portion of such property as to which the appropriate fee has not been paid, except as specifically provided for by state or federal law. All liens contemplated herein may be foreclosed in any manner authorized by law at such time as the District may determine that fees hereunder have not been paid as required.
- E. Amendment. The District expressly reserves the right to amend, revise, redact and/or repeal this Resolution in whole or in part, from time to time in order to further the purposes of carrying on the business and services of the District. The foregoing shall specifically include, but not be limited to, the right to adopt new policies as may be deemed necessary in the District's sole discretion.
- F. Validity. If any clause or provision of this Resolution is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable clause or provision shall not affect the validity of the Resolution as a whole, and all other clauses or provisions shall be given full force and effect.
- G. Replaces and Supersedes. This Resolution shall revise, replace and supersede the Original Resolution in its entirety.
- H. Effective Date. This Resolution shall be immediately effective as of the date executed below.

*[Remainder of Page Intentionally Left Blank. Signature page follows.]*

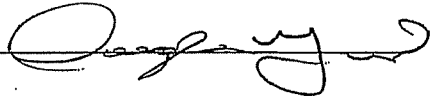


ADOPTED AND APPROVED this 12<sup>th</sup> day of November 2014.

MARKETPLACE METROPOLITAN DISTRICT


  
\_\_\_\_\_  
Officer of District

ATTEST:

  
\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
\_\_\_\_\_  
General Counsel to the District

**EXHIBIT A**  
District Boundaries



ENGINEERING  
PLANNING  
SURVEYING

Civil Arts-Drexel Group, Inc. • 1850 Lathford Circle, Suite A • Longmont, CO 80501 • Tel: (303) 882-1131 • Fax: (303) 882-1149 • www.civilarts-drexel.com

## LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006.

A description of the MARKETPLACE METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado. For: Carriage Hills, LLC.

### LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

(1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;

(2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 211.60 feet along the East Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of State Highway No. 52 conveyed to The Department of Highways, State of Colorado, as described in Special Warranty Deed recorded March 1, 1960, in Book 1552 at Page 144 of the records of Weld County, Colorado, and the TRUE POINT OF BEGINNING;

Thence continuing N00°00'34"W, 526.45 feet along the East Line of the SE1/4 of said Section 31 to the Southeast Corner of PRAIRIE GREENS, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S88°30'07"W, 510.60 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S01°29'53"E, 39.20 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S88°30'07"W, 1185.63 feet along the Southerly Line of said PRAIRIE GREENS to the Easterly Right-of-way Line of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence S88°30'07"W, 30.01 feet the Southerly Line extended Westerly of said PRAIRIE GREENS to the Centerline of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence N02°33'53"W, 142.14 feet along the Centerline of said Frederick Way;



- ENGINEERING  
- PLANNING  
- SURVEYING

MARKETPLACE METROPOLITAN DISTRICT

Thence S87°26'07"W, 33.13 feet to the Southeasterly Corner of Carriage Hills Filing No. 1, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S87°26'07"W, 77.25 feet along the Southerly Line of said Carriage Hills Filing No. 1 to a point of curve to the right;

Thence Northwesterly, 154.70 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point of reverse curve to the left, said arc having a radius of 202.00 feet, a central angle of 43°52'43", and being subtended by a chord that bears N70°37'32"W, 150.94 feet;

Thence Northwesterly, 108.40 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point tangent, said arc having a radius of 148.00 feet, a central angle of 41°57'53", and being subtended by a chord that bears N69°40'07"W, 105.99 feet;

Thence S89°20'57"W, 550.61 feet along the Southerly Line of said Carriage Hills Filing No. 1 to the West Line of the SE1/4 of said Section 31;

Thence S00°00'13"E, 789.85 feet along the West Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of said State Highway No. 52;

Thence N89°20'57"E, 866.38 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Westerly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 110.01 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Easterly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 1511.75 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;



- ENGINEERING  
- PLANNING  
- SURVEYING

MARKETPLACE METROPOLITAN DISTRICT

Thence N44°39'57"E, 142.34 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

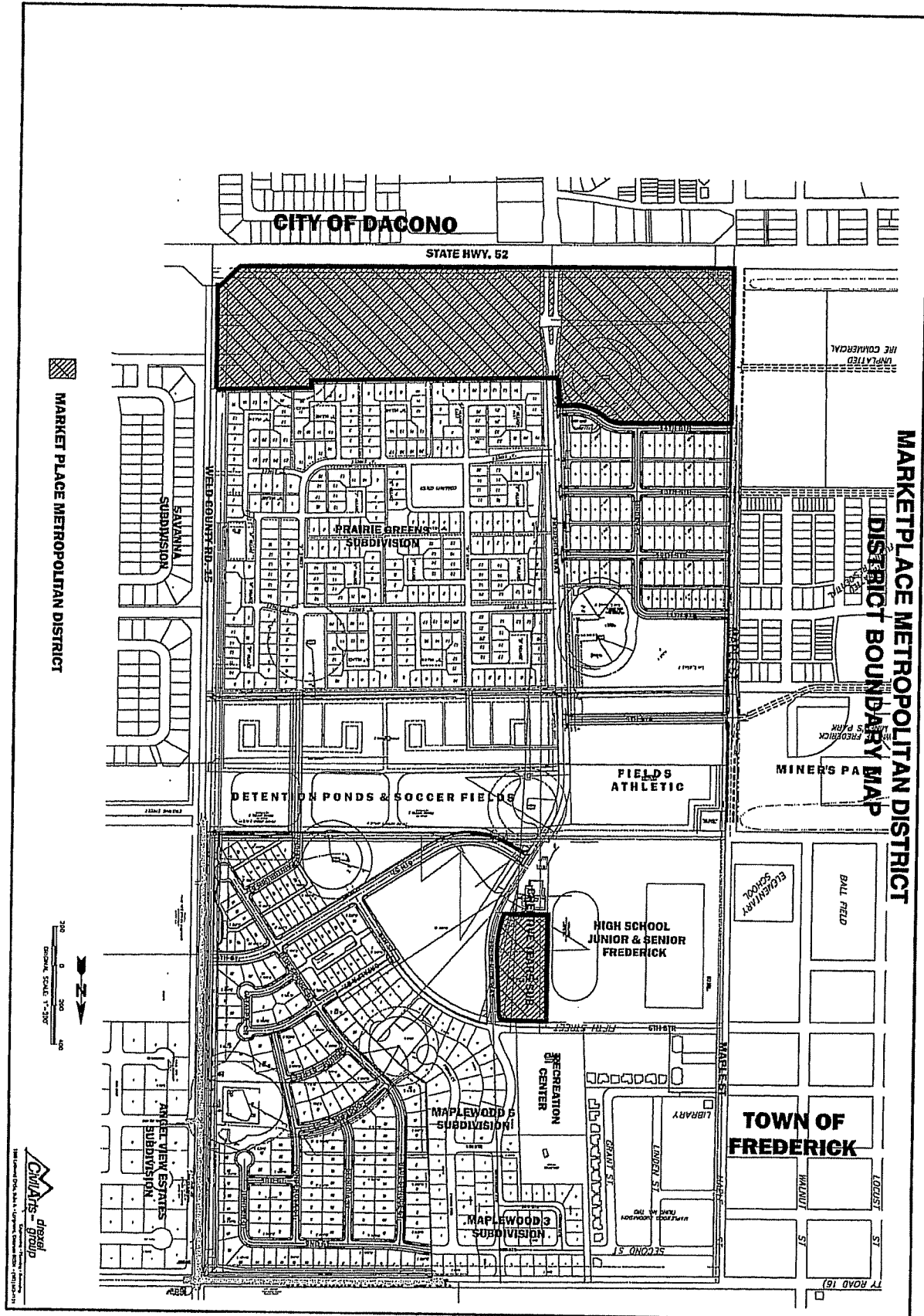
Thence N89°20'57"E, 45.60 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the TRUE POINT OF BEGINNING.

EXCEPT the Right-of-way for Frederick Way according to the recorded plat of Prairie Greens.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

  
Frank N. Drexel  
Colorado Professional Land  
Surveyor No. 24305  
1860 Lefthand Cir #A, Longmont, CO 80501  
Date: \_\_\_\_\_

FEBRUARY 26, 2008 IAC METRO MAPS, INC.




  
 CIVITAS GROUP

**EXHIBIT B**  
**Schedule of Fees**

<b>Schedule of Fees</b>		
<b>Fee Type</b>	<b>Classifications</b>	<b>Rate</b>
General Operations Fee	Residential Unit	\$ 50 /month
	Commercial Unit	\$ 50 /month
Capital Facilities Fee*	Single Family Residence	\$2,500 / Dwelling Unit
	Type I Town Home or Patio Home	75% of Single Family Residence Rate
	Type II Town Home or Patio Home	50% of Single Family Residence Rate
	Apartment or Other Multi-Family Residential Dwelling Unit Not Otherwise Enumerated	25% of Single Family Residence Rate
	Commercial	\$21,780 per acre, or portion thereof, for each Lot (i.e. \$0.50 per square foot for each Lot)
*As of May 29, 2014. Amount to increase by 5% on January 1, 2015 and by 5%, compounded, on each January 1 thereafter.		