

RIVERVIEW METROPOLITAN DISTRICT

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**RIVERVIEW METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2021**

INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	4
STATEMENT OF ACTIVITIES	5
FUND FINANCIAL STATEMENTS	
BALANCE SHEET	6
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	7
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND	8
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	9
NOTES TO BASIC FINANCIAL STATEMENTS	10
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	20
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION	21
SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND	22
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – DEBT SERVICE FUND	23



INDEPENDENT AUDITORS' REPORT

Board of Directors
Riverview Metropolitan District
Dacono, Colorado

Report on Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Riverview Metropolitan District (the District), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As described in Note 9 to the financial statements, the District restated beginning fund balance for the presentation of a capital projects fund and debt service fund for activities which were previously presented within the General Fund. Total beginning fund balance of governmental funds was not changed as a result of this restatement. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The schedule of revenues, expenditures, and changes in fund balance – budget and actual – capital projects fund and schedule of revenues, expenditures, and changes in fund balance – budget and actual – debt service fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of revenues, expenditures, and changes in fund balance – budget and actual – capital projects fund and schedule of revenues, expenditures, and changes in fund balance – budget and actual – debt service fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
August 3, 2022

**RIVERVIEW METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 505,433
Restricted Cash and Investments	1,151,092
Due From County Treasurer	719
Property Tax Receivable	182,278
Construction in Process	<u>2,739,505</u>
Total Assets	<u>4,579,027</u>
LIABILITIES	
Accounts Payable and Retainage Payable	15,421
Due Within the Year:	
Accrued Interest	39,949
General Obligation Limited Tax Bonds	17,825
Due in More Than One Year:	
Developer Advances	146,170
General Obligation Limited Tax Bonds	<u>5,696,384</u>
Total Liabilities	<u>5,915,749</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>182,278</u>
Total Deferred Inflows of Resources	<u>182,278</u>
NET POSITION	
Restricted for Emergencies	2,507
Restricted for Debt Service	1,178,566
Unrestricted	<u>(2,700,073)</u>
Total Net Position	<u><u>\$ (1,519,000)</u></u>

See accompanying Notes to Basic Financial Statements.

**RIVERVIEW METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	Expenses	Program Revenue Charges for Services	Net (Expense) Revenue and Change in Net Position Governmental Activities
FUNCTIONS/PROGRAMS			
Governmental Activities:			
General Government	\$ 83,947	\$ -	\$ (83,947)
Interest Expense	581,813	-	(581,813)
Total Governmental Activities	\$ 665,760	\$ -	(665,760)
GENERAL REVENUES			
Property Taxes			151,572
Specific Ownership Taxes			10,891
Net Investment Income			1,044
Total General Revenues			163,507
CHANGE IN NET POSITION			(502,253)
Net Position - Beginning of Year			(1,016,747)
NET POSITION - END OF YEAR			\$ (1,519,000)

See accompanying Notes to Basic Financial Statements.

**RIVERVIEW METROPOLITAN DISTRICT
BALANCE SHEET
DECEMBER 31, 2021**

	General Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS				
Cash and Investments	\$ 14,670	\$ 423,939	\$ 66,824	\$ 505,433
Restricted Cash and Investments	-	-	1,151,092	1,151,092
Due From County Treasurer	120	-	599	719
Property Tax Receivable	30,380	-	151,898	182,278
Total Assets	\$ 45,170	\$ 423,939	\$ 1,370,413	\$ 1,839,522
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
TOTAL LIABILITIES				
Accounts Payable and Retainage Payable	\$ 10,421	\$ 5,000	\$ -	\$ 15,421
Total Liabilities	10,421	5,000	-	15,421
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	30,380	-	151,898	182,278
Total Deferred Inflows of Resources	30,380	-	151,898	182,278
FUND BALANCE				
Restricted for TABOR	2,507	-	-	2,507
Restricted for Debt Service	-	-	1,218,515	1,218,515
Assigned for Capital Projects	-	418,939	-	418,939
Unassigned	1,862	-	-	1,862
Total Fund Balance	4,369	418,939	1,218,515	1,641,823
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 45,170	\$ 423,939	\$ 1,370,413	\$ 1,839,522

See accompanying Notes to Basic Financial Statements.

**RIVERVIEW METROPOLITAN DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Total Fund Balance - Total Governmental Fund		\$ 1,641,823
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund balance sheet:</p>		
Capital Assets, Not Being Depreciated		2,739,505
<p>Accrued interest payable is recognized for governmental activities and, therefore, is not reported as a liability in the governmental fund.</p>		
		(39,949)
<p>Some liabilities are not due in the current period and, therefore, are not reported in the fund balance sheet.</p>		
Developer Advances		(146,170)
General Obligation Limited Tax Bonds Series 2021		(5,305,000)
Bond Premium		(409,209)
Total		<u>(5,860,379)</u>
Net Position of Governmental Activities		<u>\$ (1,519,000)</u>

See accompanying Notes to Basic Financial Statements.

**RIVERVIEW METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND
YEAR ENDED DECEMBER 31, 2021**

	General Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUES				
Property Taxes	\$ 25,262	\$ -	\$ 126,310	\$ 151,572
Specific Ownership Taxes	1,815	-	9,076	10,891
Net Investment Income	-	14	1,030	1,044
Total Revenues	<u>27,077</u>	<u>14</u>	<u>136,416</u>	<u>163,507</u>
EXPENDITURES				
General Government:				
Accounting and Audit Fees	19,512	-	-	19,512
Insurance	799	-	-	799
Legal	30,102	-	-	30,102
Snow Removal	838	-	-	838
Utilities	1,737	-	-	1,737
Landscape Maintenance	9,599	-	-	9,599
Treasurer's Fees	758	-	3,791	4,549
Miscellaneous	1,052	3	-	1,055
Debt Service:				
Interest	-	-	523,160	523,160
Bond Issuance Costs	-	-	319,246	319,246
Capital Outlay:	-	15,756	-	15,756
Total Expenditures	<u>64,397</u>	<u>15,759</u>	<u>846,197</u>	<u>926,353</u>
(DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(37,320)	(15,745)	(709,781)	(762,846)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	207,068	207,068
Transfers Out	-	(207,068)	-	(207,068)
Developer Advances	56,499	-	-	56,499
Issuance of Refunding Bonds	-	-	5,305,000	5,305,000
Issuance of Bond Premium	-	-	416,982	416,982
Debt Service - Principal	-	-	(4,000,000)	(4,000,000)
Total Other Financing Sources	<u>56,499</u>	<u>(207,068)</u>	<u>1,929,050</u>	<u>1,778,481</u>
NET CHANGE IN FUND BALANCE	19,179	(222,813)	1,219,269	1,015,635
Fund Balance - Beginning of Year, as Restated	<u>(14,810)</u>	<u>641,752</u>	<u>(754)</u>	<u>626,188</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,369</u>	<u>\$ 418,939</u>	<u>\$ 1,218,515</u>	<u>\$ 1,641,823</u>

See accompanying Notes to Basic Financial Statements.

**RIVERVIEW METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO
THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balance - Total Governmental Fund \$ 1,015,635

Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt provides current financial resources to the governmental fund, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Proceeds from Developer Advances	(56,499)
Issuance of Debt	(5,305,000)
Issuance of Bond Premium	(416,982)
Payment of Principal	4,000,000
Amortization of Bond Premium	7,773

The change in accrued interest does not have any impact on governmental fund expenditures. This transaction, however, does increase the amount of interest expense on the statement of activities.

Accrued Interest	252,820
------------------	---------

Change in Net Position of Governmental Activities	\$ (502,253)
---	--------------

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 DEFINITION OF REPORTING ENTITY

Riverview Metropolitan District (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Steamboat Springs, Colorado (the City) on October 22, 2017. Pursuant to the Service Plan, the District is an operating and financing district and is intended to provide funding for construction, operation, and maintenance of public improvements within the District boundaries.

The District has the power to provide street and roadway improvements, water, sanitation, safety protection improvements, park and recreation improvements, transportation, mosquito pest control, fire protection improvements, television relay and translation improvements, and other related improvements for the benefit of taxpayers and service users within the District's boundaries. The Service Plan anticipates the District will convey a portion of the constructed improvements to the City for ownership and maintenance.

The District has no employees and all services are contracted.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity, including the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes.

The statement of net position reports all financial resources of the District. The difference between the assets, liabilities, and deferred outflows and inflows of resources of the District is reported as net position.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The District is responsible for the repayment of bonds issued for the purpose of constructing infrastructure improvements which will be conveyed to the City or retained by the District. Consequently, a net deficit balance is reflected on the District's statement of net position as of December 31, 2021.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except for those required to be accounted for in another fund.

The Capital Projects Fund accounts for financial resources that are collected and used to acquire or construct capital assets.

The Debt Service Fund accounts for the payment of principal and interest on the District's long-term liabilities.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board (the Board) holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The Board can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Receivables

Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Property Taxes

Property taxes are levied by the Board. 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.

Property taxes are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenue is recorded as revenue in the year they are available or collected.

Fund Balance and Net Position

Net position is reported in the governmental activities and is classified as restricted or unrestricted. Restrictions of net position represent amounts that are not available for appropriation or are legally restricted. As of December 31, 2021, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are not spendable in form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – amounts that are subject to a purpose constraint imposed by a formal action of the Board. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified or rescinded only through resolutions approved by the Board.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Net Position (Continued)

Assigned – amounts that are subject to a purpose constraint that represents an intended use established by the District in its budget process. The purpose of the assignment must be narrower than the purpose of the General Fund.

Unassigned – represents the residual classification for the District’s General Fund and could report a surplus or deficit. As of December 31, 2021, the unassigned fund balance of the General Fund was \$1,862.

Restricted Fund Balance

Emergency Reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 8). \$2,507 of the General Fund balance has been reserved in compliance with this requirement.

Fund balance of \$1,218,515 is restricted to meet contractual commitments under the Series 2021 Limited Tax Bonds (see Note 5).

The District’s order of fund balance spending policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The District reserves the right to selectively spend unassigned fund balance.

NOTE 3 CASH AND INVESTMENTS

Cash and investments reflected on the statement of net position as of December 31, 2021 consist of the following:

Restricted	\$ 1,151,092
Unrestricted	505,433
Total Cash and Investments	<u>\$ 1,656,525</u>

Cash and investments reflected on the statement of net position as of December 31, 2021 consist of the following:

Cash Deposits	\$ 505,433
Investments	1,151,092
Total Cash and Investments	<u>\$ 1,656,525</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to the aggregate uninsured deposits.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash Deposits (Continued)

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the District's cash deposits had a carrying balance of \$505,433.

Investments

The District has not adopted a formal investment policy; however, it follows state statutes regarding investments. The District also follows investment policies in bond or note agreements when those agreements are more restrictive than state statutes. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities and World Bank securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools
- Certain reverse repurchase agreements
- Certain corporate bonds
- Certain securities lending agreements

Colorado revised statutes limit investment maturities to five years or less depending on the specific investment held unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of U.S. local government, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

As of December 31, 2021, the District had \$1,151,092 invested in the Colorado Surplus Asset Fund Trust (CSAFE) Cash Fund, which is an external investment pool established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pool. The external investment pool is measured at amortized cost. CSAFE operates similar to a money market fund and each share is equal in value to \$1.00. The pool is rated AAAM by Standard and Poor's. Investments of the pool are limited to those allowed by State statutes.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 CONSTRUCTION IN PROCESS

An analysis of the changes in construction in process for the year ended December 31, 2021 follows:

	Balance at December 31, 2020	Additions	Retirements	Balance at December 31, 2021
Construction in Process	\$ 2,739,505	\$ -	\$ -	\$ 2,739,505

The District is expected to convey a portion of the construction in process to the City once the construction is complete. When the completed construction projects are conveyed, the District removes the cost of construction from its statement of net position. During the year ended December 31, 2021, there were no conveyances to the City of Steamboat Springs.

NOTE 5 LONG-TERM OBLIGATIONS

The District's long-term obligations consist of the following from inception to December 31, 2021:

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Due Within One Year
Developer Advances:					
RiverView-Yampa Development, LLC	\$ 89,671	\$ 56,499	\$ -	\$ 146,170	\$ -
General Obligation					
Limited Tax Bonds:					
Series 2018	4,000,000	-	4,000,000	-	-
Series 2021	-	5,305,000	-	5,305,000	-
Bond Premium	-	416,982	7,773	409,209	17,825
Total Long-Term Obligations	\$ 4,089,671	\$ 5,778,481	\$ 4,007,773	\$ 5,860,379	\$ 17,825

Developer Advances

On December 19, 2017 and as amended on May 17, 2021, the District entered into a funding and reimbursement agreement with RiverView-Yampa Development, LLC (the Developer), pursuant to which the developer agreed to advance the District up to \$150,000 for eligible costs as defined by the District and shall be available to the District through December 31, 2021. The developer advances under the agreement carry interest at 6.5% per annum.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2018 Bonds

The District issued the 2018 Limited Tax General Obligation Bonds on February 22, 2018 for an amount of \$4,000,000. The proceeds of such debt are used for project costs and costs of issuing the Bonds. The District drew down \$4,000,000 of principal on the date of issuance. The Bonds are subject to redemption prior to maturity at the option of the District as well as mandatory redemption for excess funds in the Subordinate Bond Fund to be first applied to interest then principal as a whole or in denominations of \$1,000. The Bonds were refunded by the Series 2021 Bonds on June 24, 2021. The District paid \$407,482 in interest during the year ended December 31, 2021.

Series 2021 Bonds

The District issued the 2021 Limited Tax General Refunding Bonds on June 24, 2021 for an amount of \$5,305,000. The proceeds of such debt are used for the purposes of: refunding the Series 2018 Bonds in full on a current basis; funding the Reserve Fund; funding a portion of interest to accrue on the bonds; and paying the costs related to the issuance of the bonds.

The bonds are subject to redemption prior to maturity at the option of the District as well as mandatory redemption for excess funds in the Subordinate Bond Fund to be first applied to interest then principal in denominations of \$500,000 or any integral multiple of \$1,000.

The bonds will mature on December 1, 2051 and bear interest at a rate of 5% payable to the extent of Pledged Revenue. Interest payments are due on December 1 of each year beginning on December 1, 2021. The District paid \$115,678 in interest during the year ended December 31, 2021.

The following summarizes the debt services requirements to maturity for the 2021 Bonds:

<u>Year Ending December 31.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 265,250	\$ 265,250
2023	-	265,250	265,250
2024	-	265,250	265,250
2025	-	265,250	265,250
2026	-	265,250	265,250
2027-2031	275,000	1,303,000	1,578,000
2032-2036	530,000	1,210,250	1,740,250
2037-2041	855,000	1,047,000	1,902,000
2042-2046	1,300,000	791,250	2,091,250
2047-2051	2,345,000	411,750	2,756,750
Total	<u>\$ 5,305,000</u>	<u>\$ 6,089,500</u>	<u>\$ 11,394,500</u>

Based on the results of the 2017 election, the District has \$198,695,000 in authorized but unissued debt. The Service Plan for the District limits general obligation debt to \$17,000,000.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 RELATED PARTIES

Some members of the Board are employees or are associated with RiverView Yampa Development, LLC, the developer within the District. Note 5 outlines developer advances transactions.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2021. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage during the past three years.

The District pays annual premiums to the Pool for liability and public officials liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 7, 2018, the District's electors authorized the District to collect and spend or retain in a reserve all annual District revenue without regard to any limitations under TABOR.

**RIVERVIEW METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

NOTE 9 RESTATEMENT OF BEGINNING FUND BALANCE

During December 31, 2021, the District determined that it was appropriate to present its activity in three funds: the General Fund, Capital Projects Fund, and Debt Service Fund. The 2020 ending balance of the General Fund of \$626,188 was allocated as \$641,752 to the Capital Projects Fund with deficit balances of (\$754) to the Debt Service Fund and (\$14,810) to the General Fund. Total fund balance of governmental funds was not changed as part of this restatement.

REQUIRED SUPPLEMENTARY INFORMATION

**RIVERVIEW METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 25,262	\$ 25,262	\$ 25,262	\$ -
Specific Ownership Taxes	1,100	1,100	1,815	715
Total Revenues	<u>26,362</u>	<u>26,362</u>	<u>27,077</u>	<u>715</u>
EXPENDITURES				
Accounting and Audit Fees	17,900	17,900	19,512	(1,612)
Insurance	3,870	3,870	799	3,071
Legal	18,000	18,000	30,102	(12,102)
Snow Removal	1,300	1,300	838	462
Utilities	2,500	2,500	1,737	763
Landscape Maintenance	10,000	10,000	9,599	401
Permits	200	200	-	200
Treasurer's Fees	800	800	758	42
Miscellaneous	-	-	1,052	(1,052)
Contingency	-	10,430	-	10,430
Total Expenditures	<u>54,570</u>	<u>65,000</u>	<u>64,397</u>	<u>603</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(28,208)	(38,638)	(37,320)	(1,318)
OTHER FINANCING SOURCES (USES)				
Developer Contributions	28,090	40,000	56,499	16,499
Total Other Financing Sources (Uses)	<u>28,090</u>	<u>40,000</u>	<u>56,499</u>	<u>16,499</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(118)	1,362	19,179	17,817
Fund Balance - Beginning of Year	<u>118</u>	<u>118</u>	<u>(14,810)</u>	<u>14,928</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,480</u>	<u>\$ 4,369</u>	<u>\$ 2,889</u>

**RIVERVIEW METROPOLITAN DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2021**

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Budgets for all governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP). The District adopts a legal budget for the General Fund. All appropriations lapse at year-end.

The level on which expenditures may not legally exceed appropriations is the fund level. Expenditures may not exceed the appropriation levels for legally adopted budgets. Revisions to an appropriation require approval by the Board at a public meeting, with prior published notice of the proposed change.

**RIVERVIEW METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
YEAR ENDED DECEMBER 31, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ -	\$ -	\$ 14	\$ 14
Total Revenues	<u>-</u>	<u>-</u>	<u>14</u>	<u>14</u>
EXPENDITURES				
Bank Fees	-	-	3	(3)
Capital Outlay	260,000	200,000	15,756	184,244
Contingency	-	185,195	-	185,195
Total Expenditures	<u>260,000</u>	<u>385,195</u>	<u>15,759</u>	<u>369,436</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(260,000)	(385,195)	(15,745)	(369,450)
OTHER FINANCING SOURCES (USES)				
Transfer to Debt Service Fund	-	(257,928)	(207,068)	50,860
Total Other Financing Sources (Uses)	<u>-</u>	<u>(257,928)</u>	<u>(207,068)</u>	<u>50,860</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(260,000)	(643,123)	(222,813)	420,310
Fund Balance - Beginning of Year	<u>643,123</u>	<u>643,123</u>	<u>641,752</u>	<u>1,371</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 383,123</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 418,939</u></u>	<u><u>\$ 418,939</u></u>

**RIVERVIEW METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2021**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 126,310	\$ 126,310	\$ 126,310	\$ -
Specific Ownership Taxes	6,000	6,000	9,076	3,076
Net Investment Income	3,000	3,000	1,030	(1,970)
Total Revenues	<u>135,310</u>	<u>135,310</u>	<u>136,416</u>	<u>1,106</u>
EXPENDITURES				
Bond Issuance Costs	-	221,000	316,746	(95,746)
Trustee Fees	-	5,500	2,500	3,000
Treasurer's Fees	-	3,688	3,791	(103)
Bond Interest	135,310	121,675	523,160	(401,485)
Contingency	-	185,234	-	185,234
Total Expenditures	<u>135,310</u>	<u>537,097</u>	<u>846,197</u>	<u>(309,100)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(401,787)	(709,781)	307,994
OTHER FINANCING SOURCES (USES)				
Transfers from Capital Projects Fund	-	257,928	207,068	(50,860)
Bond Proceeds	-	5,550,000	5,305,000	(245,000)
Bond Premium	-	205,864	416,982	211,118
Debt Service - Principal	-	(4,462,903)	(4,000,000)	462,903
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,550,889</u>	<u>1,929,050</u>	<u>378,161</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	-	1,149,102	1,219,269	70,167
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>(754)</u>	<u>754</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,149,102</u>	<u>\$ 1,218,515</u>	<u>\$ 69,413</u>



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.