TRIVIEW METROPOLITAN DISTRICT BOARD OF DIRECTORS

Regular Board Meeting

Tuesday, July 10, 2018

Fairfield Inn and Suites-Mt. Herman Conference Room 15275 Struthers Road Colorado Springs, CO 80921 5:00 p.m. – 8:00 p.m.

AGENDA

- 1. Call to Order
- 2. Declaration of a Quorum, Notice of Posting
- 3. Approval of Agenda
- 4. Approval of Consent Agenda
 - a. Prior Meeting Minutes
 - i. June 12, 2018 Regular Board Meeting (enclosure)
 - b. Billing Summary Rate Code Report (enclosure)
 - c. Sanctuary Point Taps for June, 2018 (enclosure)
 - d. Tax Transfer from Monument (enclosure)
- 5. Public Comment not related to the 2018 Rate Study.
- 6. Presentation of the Triview Metropolitan District ended December 31, 2017 Audit by Stockman Kast Ryan Company.
- 7. Public Hearing regarding Water and Wastewater Rates (District Manager Andrew Rheem, and Brian Kirsch Raftelis Financial Consultants)
- 8. Operations Report
 - a. District Manager Monthly Report (enclosure)
 - i. West Interceptor update (District Manager)
 - ii. Loan Refunding Update
 - b. Public Works and Parks and Open Space Updates
 - i. 2018 Road Rehabilitation Project.
 - ii. Update regarding ROW Mowing, Park Mowing, Open Space Clean up, Weed Control, etc.
 - iii. Irrigation Central Control System Installation update
 - iv. Status of A-Yard Wall
 - c. Utilities Department Updates (enclosure)

- i. SCADA Installation Project Status
- ii. Status of A-Plant
- iii. Pressure Zone Adjustments
- iv. Status of Fire Hydrant Maintenance Program
- v. Leak detection
- vi. June Water use.

9. Board Discussion:

- a. Update regarding Regionalization discussions with Colorado Springs Utilities.
- Discussion regarding a possible ballot initiative that would allow the District to use excess revenue from the District's 35 mills for capital projects.
- c. 2018 Integrated Water Resources Plan
- d. Propose dates for a Joint Meeting with Donala Water and Sanitation District.

10. Action Items:

- a. Review and consider approval of Resolution 2018-01 establishing Water Rates and Wastewater Rates effective September 1, 2018.
- b. Review and Consider approval and Acceptance of the Triview Metropolitan District Audit for Calendar year 2017.
- c. Review and Consider approval of a Letter of Engagement between Butler Snow and the Triview Metropolitan District to provide Special Counsel Services related to an election to allow the District to use excess money generated from the District's current mill levy for capital improvement projects.
- 11. Review and Consider approval or ratification of the Triview Metropolitan District Financials and Payables.
 - a. Checks of \$5,000.00 or more (enclosure)
 - b. May, 2018 Financials (enclosure)
- 12. Update Board on Public Relation activities.
- 13. Executive Session §24-6-402(4)(b)(e) Legal Advice, Negotiations.
- 14. Adjournment

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRIVIEW METROPOLITANDISTRICT AND THE BOARD OF DIRECTORS OF THE WATER ACTIVITY ENTERPRISE HELD

June 12, 2018

A regular meeting of the Board of Directors of the Triview Metropolitan District was held on Tuesday, April 10, 2018, beginning at 5:00 p.m., at the Fairfield Inn and Suites - Mount Herman Conference Room, 15275 Struthers Road, Colorado Springs, Colorado 80921. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

President:

Mark Melville

Vice President

Marco Fiorito

Secretary/Treasurer: James Barnhart was absent and his absence

was excused

Director

James Otis

Director

Anthony Sexton

Also in attendance were:

James McGrady District Manager Joyce Levad District Administrator Shawn Sexton Water Superintendent, Chris Cummins District Water Attorney Gary Shupp District General Counsel

<u>ADMINISTRATIVE</u>

MATTERS

President Melville called the meeting to order at 5:00 p.m. Meeting was posted

Agenda – Mr. McGrady distributed for the Board's approval the proposed agenda. A motion was made by Director Fiorito to approve the agenda. Upon a second by Director Otis a vote was taken and the motion carried unanimously.

Consent Agenda –

- **Prior Meeting Minutes** a.
 - i. May 15, 2018 Regular Board Meeting
- Billing Summary Rate Code Report b.

- c. Sanctuary Point Taps for March
- d. Tax Transfer from Monument

A motion to approve the Consent Agenda was made by Director Fiorito. The motion was duly seconded by Director Otis. A vote was taken, and the motion carried unanimously.

PUBLIC COMMENT

Ms. Lisa Hatfield made comments related to Higby Road. Ms. Hatfield feels that construction traffic should continue to be diverted onto Baptist Road as opposed to Higby given the the fact Higby road has blind curves, is relatively narrow and has steep grades. Ms. Pepin representing the Homestead Subdivision presented pictures of major cracks within their subdivision. It was estimated that there is about 2.5 miles of road. She also pointed out that there are red ant colonies by the park. She also requested that a speed limit sign be moved forward to improve visibility. Mr. Rob Irvin who lives on Windy Creek pointed out that there seems to be a fairly large number of trespassers on that land. He estimated that there are 10 visitors a day going to the lower pond owned by Miles Grant and also on land owned by Creekside Development behind the Goodwill Store. Those in attendance pointed out there are signs around Creekside Developments property but there are no signs around the property owned by Mr. Grant. Those in attendance believe the problem is the South pond. Mr. McGrady will contact the land owner regarding access to Mr. Grant's parcel and ask him to install no trespassing signs similar to the signs installed by Creekside Development. It was also suggested no trespassing signs be installed at the end of Creekside Drive. Adrian Limon was present to discuss speeding on Gleneagle Drive. The Board directed that the traffic/speed study prepared by H.R. Green be sent to Mr. Limon.

<u>OPERATIONS</u>

REPORT District Manager Report

The District Manager review some of the items in his report, however, the report was included in the Board Packet. There were not any questions or comments regarding the report. Other topics discussed by the Manager included the following:

- West Interceptor update; (District Manager). Meetings are continuing to be held between the project participants and a cost sharing agreement continues to be negotiated.
- Rate Study update; (District Manager). The study has been delayed a month given the need to update the District's capital plan and financing plan as it relates to water and wastewater

infrastructure. With the possibility of regional Water and Wastewater service now being considered forecasting rate adjustments has become less certain. It is anticipated that the rate Study will be presented to the Board at the July 10, 2018 Board meeting.

• See attached Report for further details.

Public Works and Open Space Updates:

Mr. McGrady provided updates to the Board. Topics discussed included the following:

- 2018 Road Rehabilitation Project. The overlay project is more or less complete. It is anticipated that full depth mill and overlay will be done on major cracks in the area near Bear Creek Elementary, Maple Hill Road, and one large crack in Remington Hills. It is anticipated that all work will be completed by the end of June, 2018.
- Irrigation Central Control System Installation update. Mr. Miles is installing the controllers as we speak. Mr. Miles indicated that he has run into several major issues in Promontory Point as it relates to grounding of the existing two wire system.
- The District has been working with TruGreen Lawn Care to develop a fertilization program and weed control program.
 Emphasis will be along Gleneagle Drive, Lyons Tail, Burke Hollow Park, and Jackson Creek Parkway.
- Status of A-Yard Wall: Work will be started on the wall in Mid June. Once the wall has been built around the substation the wall will be constructed around the District's A-Yard.

Utility Department Updates:

- SCADA Installation Project Status. Moving forward with A Plant SCADA. Installation of a new SCADA System at B Plant will be done in the fall of 2018.
- Well D-1 Repairs are complete and the well has been put back in service.
- A-Plant has been completed and is back in service although it is being run manually at this time.
- Hydrant Inspection and Painting Program is nearing completion.
- May 2018 water use was approximately 29.4 million gallons. Water use in May 2017 was 19.0 million gallons.

<u>DIRECTORS</u> IITEMS

Gleneagle Drive Speed Study. The Board would like H.R. Green to do a multiday Speed Study in the fall in September October after school has started. Some possible solutions to control speed would

be install rumble strips on the bike lanes. Speed Trailer also helps reduce speed. Residents believe there are several areas where there are Obstructed views, specifically at the Northeast corner of Transcontinental and Gleneagle Drive. It was also suggested that the speed limit be reduced to 30 mph.

Update regarding Regionalization discussions with Colorado Springs Utilities. Mr. McGrady provided updates on several regional water and wastewater meeting he has attended. The Board expressed interest in continuing these discussions.

The preliminary memo prepared by Raftelis related to 2018 rate study was presented. The Board has reviewed the draft memo.

Presentation by D.A. Davidson, Brandon Debenidette regarding refunding of the KeyBank Loan and Independence Bank Loan in order to improve cash flow and eliminate restrictive loan covenants. The Board directed Mr. McGrady to proceed to negotiate advance refunding options and prepare costs. D.A. Davidson will send an engagement letter to Mr. McGrady for his signature.

ACTION ITEMS

A. Review and Consider a Design Proposal from H.R. Green to prepare 60% design plans for the Jackson Creek Parkway extension from the end of the 4 lane cross section to Higby Road and authorization for the District Manager to sign.

A motion was made by Director Fiorito to proceed with the development of 60% design plans and authorize for the District Manager to sign. The motion was duly seconded by Director Otis. A vote was taken, and the motion carried unanimously.

B. Review and Consider a Road Improvements Maintenance Agreement by and between the Triview Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado and Creekside Developers, Inc., a Colorado corporation.

A motion to accept agreement as presented was made by Director Otis. The motion was duly seconded by Director Fiorito. A vote was taken, and the motion carried unanimously.

C. Review and Consider a Water Shares Purchase and Sale Agreement. This Water Shares Purchase and Sale Agreement between Comanche Resources, LLC' a Colorado limited liability company, and Triview Metropolitan District, a quasi-municipal

corporation and political subdivision of the State of Colorado, and authorization for the District manager to sign.

A motion to approve a material identical contract and authorize the District Manager to sign was made by Director Fiorito. The Motion was duly seconded by Director Otis. A vote was taken, and the motion carried unanimously.

FINANCIAL MATTERS

<u>Checks Greater than \$5,000</u> - The Board reviewed the payment of claims greater than \$5,000. A motion to approve the checks greater than \$5,000 was made by Director Fiorito. The motion was duly seconded by Director Sexton. A vote was taken, and the motion carried unanimously.

Monthly Cash Position and Unaudited Financial Statements – the Board reviewed the April 2018 unaudited Financial Statements as presented. A motion to approve the District's April 2018 Financial Statements was made by Director Fiorito. The motion was duly seconded by Director Otis. A vote was taken and the motion carried unanimously.

LEGAL

No report.

PUBLIC RELATIONS

It was suggested by Ground Floor media and members of the Board that the District needs to develop a Mission Statement or a Vision Statement. Ground Floor Media has prepared a series of topics that they would like to discuss with the Board and key staff members. The Board agreed that this should take place as soon as possible. Ms Levad will set up teleconference between the Board members and Ground Floor media.

OTHER BUSINESS

The Board would like to participate in a van tour of some of Colorado Springs Utilities key facilities such as Water and Wastewater Treatment Plants. Ms. Levad will also work with Board members who want to participate in the SDA Conference.

EXECUTIVE SESSION

A motion was made by Director Otis for the Board to enter into Executive Session pursuant to C.R.S. Section 24-6-402(4) (b), (e), Legal Advice and Negotiations. Upon a second by Director Fiorito, a vote was taken, and the motion carried unanimously. Executive session was entered into at approximately 7:11 p.m.

The executive session was adjourned and the Board returned to regular session at approximately 9:41 p.m.

ADJOURNMENT

There being no further business to come before the Board, a motion to adjourn the meeting was made by Director Fiorito and was duly seconded by Director Otis. The meeting was adjourned at approximately 9:42 p.m.

Respectfully submitted,

James C. McGrady Secretary for the Meeting

Triview Metropolitan District 6/1 to 6/30/2018 Summary Financial Information - Board Packet

Sales	Amount	Items
Rate Code 01 Triview Metro - Res Sewer Base Rate	\$54,918.07	1577
Rate Code 01Triview Metro - Res Sewer Use Rate	\$24,479.45	1449
Rate Code 01 Triview Metro - Res Water Base Rate	\$31,200.00	1566
Rate Code 01 Triview Metro - Res Water Use Rate Tier1	\$29,638.40	1506
Rate Code 01 Triview Metro - Res Water Use Rate Tier2	\$39,414.40	1178
Rate Code 01 Triview Metro - Res Water Use Rate Tier3	\$7,262.82	184
Rate Code 01 Triview Metro - Res Water Use Rate Tier4	\$1,524.25	32
Rate Code 01 Triview Metro - Res Water Use Rate Tier5	\$560.21	5
Rate Code 02 Triview Metro - Com Sewer Base Rate 1"	\$905.10	21
Rate Code 02 Triview Metro - Com Water Base Rate 1"	\$654.36	21
Rate Code 04 Triview Metro - Com Sewer Base Rate 1.5"	\$2,327.40	27
Rate Code 04 Triview Metro - Com Water Base Rate 1.5"	\$1,492.83	27
Rate Code 07 Triview Metro - Com Sewer Base Rate 2"	\$1,745.40	10
Rate Code 07 Triview Metro - Com Water Base Rate 2"	\$1,047.40	10
Rate Code 09 Triview Metro - Com Sewer Base Rate 3"	\$818.88	2
Rate Code 09 Triview Metro - Com Water Base Rate 3"	\$472.88	2
Usage Fee Triview Metro - Com Sewer Use Rate	\$13,203.35	60
Usage Fee Triview Metro - Com Water Use Rate	\$13,583.85	60
Rate Code 03 Triview Metro - Com Irr Water Base 1"	\$498.56	16
Rate Code 10 Triview Metro - Com Irr Water Base 2"	\$1,675.84	16
Rate Code 11 Triview Metro - Com Irr Water Base 1.5"	\$497.61	9
Usage Fee Triview Metro - Com Irr Water Use	\$8,985.69	31
Triview Metro - Quik Way Sewer	\$73.40	1
Title Prep Fee Triview Metro - Title Request Fee	\$900.00	18
Triview Metro - 5% Late Fee	\$1,110.91	161
Special Impact Triview Metro - Special Impact Fee	\$1,200.00	122
Triview Metro - Disconnect Fee	\$150.00	1
Triview Metro - NSF Fee	\$25.00	1
Total Accounts	\$240,366.06	8113

Rate Code Breakout	# Units
Rate Code 01 - Residential 5/8"	1528
Rate Code 02 - Commercial Account 1"	21
Rate Code 03 - Irrigation Account 1"	16
Rate Code 04 - Commercial Account 1 1/2"	27
Rate Code 06 - Transition Account (Quik Way)	1
Rate Code 07 - Commercial Account 2"	10
Rate Code 08 - Triview No Charge	2
Rate Code 09 - Commercial Account 3"	2
Rate Code 10 - Irrigation Account 2"	16
Rate Code 11 - Irrigation Account 1 1/2"	9
Rate Code 12 - Permitted	0
Total Accounts	1632

Aging Report		Amount	
Amount Past Due 1-30 Days		\$	33,122.56
Amount Past Due 31-60 Days		\$	2,161.00
Amount Past Due 61-90 Days		\$	(1,114.30)
Amount Past Due 91-120 Days		\$	(1,002.03)
Amount Past Due 120+ Days		\$	(1,354.88)
ý	Total AR	\$31,812.35	

Receipts	Amount	Items
Payment - ACH	\$86,107.48	646
Payment - Check Peoples Bank	\$106,845.91	657
Payment - On Site	\$40,214.47	261
Refund CREDIT	(\$1,972.33)	34
REVERSE Payment	(\$164.28)	2
REVERSE Payment - NSF	(\$247.03)	1
Total Receipts	\$230,784.22	1601

Water	Gallons	Accounts
Gallons sold 5-1 to 5-31-2018 =	24,916,000	1629
Gallons sold 6-1 to 6-31-2018 =	33,866,000	1642

Usage Breakout in Gallons for Residential	# of Accounts	Combined Use	% of Usage
Over 50,000	2	119,000	0.48%
40,001 - 50,000	3	134,000	0.54%
30,001 - 40,000	27	935,000	3.75%
20,001 - 30,000	151	3,641,000	14.61%
10,001 - 20,000	658	9,583,000	38.46%
8,001 - 10,000	161	1,525,000	6.12%
6,001 - 8,000	175	1,320,000	5.30%
4,001 - 6,000	166	912,000	3.66%
2,001 - 4,000	99	343,000	1.38%
1 - 2,000	51	81,000	0.33%
Zero Usage	35	0	0.00%
Tota	al Meters 1528	18,593,000	74.62%

Usage Breakout in Gallons for Commercial	# of Accounts	Combined Use	% of Usage
Over 50,000	30	3,174,000	12.74%
40,001 - 50,000	7	318,000	1.28%
30,001 - 40,000	3	107,000	0.43%
20,001 - 30,000	2	55,000	0.22%
10,001 - 20,000	6	94,000	0.38%
8,001 - 10,000	2	19,000	0.08%
6,001 - 8,000	1	7,000	0.03%
4,001 - 6,000	3	17,000	0.07%
2,001 - 4,000	4	12,000	0.05%
1 - 2,000	2	2,000	0.01%
Zero Usage	0	0	0.00%
Total	Meters 60	3,805,000	15.27%

Usage Breakout in Gallons for Irrigation	# of Accounts	Combined Use	% of Usage
Over 50,000	13	2,263,000	9.08%
40,001 - 50,000	0	0	0.00%
30,001 - 40,000	1	33,000	0.13%
20,001 - 30,000	6	157,000	0.63%
10,001 - 20,000	2	29,000	0.12%
8,001 - 10,000	0	0	0.00%
6,001 - 8,000	1	8,000	0.03%
4,001 - 6,000	4	22,000	0.09%
2,001 - 4,000	0	0	0.00%
1 - 2,000	5	6,000	0.02%
Zero Usage	9	0	0.00%

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8,001 - 10,000	0	0	0.00%
6,001 - 8,000	1	8,000	0.03%
4,001 - 6,000	4	22,000	0.09%
2,001 - 4,000	0	0	0.00%
1 - 2,000	5	6,000	0.02%
Zero Usage	9	0	0.00%

NO.	ADDRESS	PAYEE	TOTAL FEES PAID TO TMD	Escrow Account	Lot
16406	Dancing Bear Lane	Vantage Homes	\$40,422.26	\$8,000.00	34
16454	Dancing Bear Lane	Classic Homes	\$40,644.89	\$8,000.00	32
1347	Eagle Claw Lane	Vantage Homes	\$40,520.79	\$8,000.00	79
16343	Shadow Cat Place	Classic Homes	\$40,838.98	\$8,000.00	74
16386	Shadow Cat Place	Classic Homes	\$40,340.46	\$8,000.00	69
16255	Thunder Cat Way	Classic Homes	\$40,794.17	\$8,000.00	55
1446	Catnap Lane	Classic Homes	\$40,340.65	\$8,000.00	21
16280	Thunder Cat Way	Saddletree Homes	\$40,482.01	\$8,000.00	18
1327	Eagle Claw Lane	Classic Homes	\$40,136.25	\$8,000.00	81
			\$364,520.46		



June 19, 2018

Triview Metropolitan District P. O. Box 849 Monument, CO 80132 Attention: Joyce Levad

Dear Joyce,

The Town will transfer \$172,206.30 to the Triview ColoTrust District Fund account on June 19, 2018 and your funds should be available to you on 06/20/18. This was approved by the BOT on June 18, 2018. The ACH detail is as follows and documentation is enclosed.

Sales Tax Due for April 2018 \$157,648.44

Motor Vehicle Tax for May 2018 \$14,304.14

Regional Building Sales Tax for May18 \$253.72

If you have questions or need additional information, please do not hesitate to contact me.

Sincerely,

Pamela Smith

Town Treasurer

PKS/ps

c: file

Enclosures

TRIVIEW METROPOLITAN DISTRICT

BASIC FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

BOARD OF TRUSTEES

President Reid Bolander
Vice President Mark Melville
Secretary/Treasurer Marco Fiorito
Director James Barnhart
Director James Otis

James McGrady - District Manager

TRIVIEW METROPOLITAN DISTRICT

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MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

TRIVIEW METROPOLITAN DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MD&A) is presented to provide an overview of the financial activities and conditions for the fiscal year ended on December 31, 2017. The MD&A contains information currently known to management as of the date of the auditor's report. The MD&A should be read in conjunction with the District's financial statement that accompanies this report.

FINANCIAL HIGHLIGHTS

- Total Assets equaled: \$66,022,198 for 2017.
- Deferred Outflows of Resources were \$4,635,586.
- Cash, Cash Equivalents and Investments as of December 31, 2017 were \$18,119,859.
- Total Liabilities for 2017 equaled \$59,176,912.
- Deferred Inflows of Resources were \$2,794,539.
- Net Position for 2017 totaled \$8,686,333.
- Governmental change in Net Position from 2016 to 2017 totaled \$2,008,452.
- Business-type change in Net Position from 2016 to 2017 totaled \$3,080,419.

FINANCIAL STATEMENTS

The financial statements consist of three parts - management discussion and analysis, the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the district:

- The first two are government-wide statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District government, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of supplemental information that further explains and supports the information in the financial statements.

Government-wide Statements — The government-wide statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the District as a whole and include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in them. The District's net position, the difference between assets and liabilities, is one way to measure the District's financial status, or financial position. Over time increases or decreases in the District's net position is one indicator whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the District's property tax base (Assessed Valuation) are needed to assess the overall strength of the District.

Fund Financial Statements — The fund financial statements provide more detailed information about the District's funds, focusing on its most significant funds, not the District as a whole. The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental Fund — The activity of the District's General fund is reported as a governmental fund, which focuses on how money flows into and out of the General fund. This fund is reported using the modified accrual accounting method, which measures cash and all of the other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs.

Proprietary (Enterprise) Fund — The activity of the District Enterprise fund is to report the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District's Enterprise fund is the same as the business-type activities reported in the governmental-wide statements but provides more detailed and additional information, such as cash flows.

District Specific — The Triview Metropolitan District utilizes two separate financial categories of activities; one for the general district functions and one for the enterprise, or business-type functions. Each of these, in turn, is segregated into operational and capital functions. Together, these comprise the overall government-wide statements. The Governmental, or general, category covers the public functions involving: administration; streets; drainage; landscaping; traffic control; street lighting; street signage; environmental and mosquito control. The Proprietary, or Business-type, category involves the public provision of water, wastewater, reuse water, related administration, and environmental functions. The Governmental functions are funded by property taxes, sales taxes, impact fees and bond financing when required. The Proprietary functions are funded by water and sewer user charges, tap fees and, similarly, bond financing when required for capital projects.

FINANCIAL POSITION & RESULTS FROM OPERATIONS

NET POSITION:

		2017			2016	
	Governmental Activities	Proprietary Activities	Total	Governmental Activities	Proprietary Activities	Total
ASSETS Other Capital	\$ 17,147,798 8,435,975	\$ 4,563,724 35,874,701	\$ 21,711,522 44,310,676	\$ 15,002,775 8,469,009	\$ 1,762,824 36,016,128	\$ 16,765,599 44,485,137
Total assets	\$ 25,583,773	<u>\$ 40,438,425</u>	\$ 66,650,136	<u>\$ 23,471,784</u>	\$ 37,778,952	\$ 61,250,736
DEFERRED OUTFLOW OF RESOURCES	VS \$ 4,432,209	\$ 203,377	\$ 4,635,586	<u>\$ 4,526,516</u>	\$ 224,060	<u>\$ 4,750,576</u>

		2017			2016	
	Governmental Activities	Proprietary Activities	Total	Governmental Activities	Proprietary Activities	Total
LIABILITIES Current Long-term	\$ 917,461 45,986,498	\$ 1,804,079 10,468,874	\$ 2,721,540 56,455,372	\$ 699,635 46,557,111	\$ 1,660,708 11,053,874	\$ 2,360,343 57,610,985
Total liabilities	\$ 46,903,959	\$ 12,272,953	\$ 59,176,912	<u>\$ 47,256,746</u>	<u>\$ 12,714,582</u>	\$ 59,971,328
DEFERRED INFLOWS OF RESOURCES	\$ 2,794,539	<u>\$</u> -	\$ 2,794,539	\$ 2,432,522	<u>\$</u> -	\$ 2,432,522
NET POSITION Net investment in capital assets Restricted position Unrestricted position	\$ (32,028,388) 621,722 	\$ 28,009,047 359,802	\$ (4,019,341) 621,722 12,083,952	\$ (32,484,304) 187,950 10,605,386	\$ 27,419,283 (2,130,853)	\$ (5,065,021) 187,950 8,474,533
Total net position	\$ (19,682,516)	\$ 28,368,849	\$ 8,686,333	\$ (21,690,968)	\$ 25,288,430	\$ 3,597,462

Triview Metropolitan District was formed in 1985. In 1987 debt was placed upon Triview and in 1988 the developer filed for bankruptcy. This "Old Debt" remained in place accruing interest at 12.21% annual rate with no payments being made. This is referred to as the "Inactive Period". In 1994 the majority of the land within the District was acquired by a new developer and in 1997 a development agreement was reached whereby all of the previous debt and any new debt to that developer became Limited Tax Obligation Debt, or "Unscheduled Bonds" resembling "Revenue Bonds". The point-in-time from 1998 onward is referred to as the "Active Period".

The Old Debt had paid for a portion of the sewer system, a partially constructed water tank, partial road grading and soft costs; but nothing at that stage, the Inactive Period, could provide services. In order to service the first house within Triview, additional funds had to be obtained to complete the water and sewer systems, construct streets and improve the site drainage along with other required improvements. This funding initially took the form of developer loans that were then converted into Limited Tax Liability Bonds during this Active Period.

The current financial position is the result of the District investing in infrastructure in order to provide services. That infrastructure is being depreciated. The debt in excess of that directly related to the infrastructure equates to the accruing interest costs thus resulting in the status of the net position.

PROGRAM REVENUE BY SOURCE:

) /	2017			2016	
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Charges of services User charges (rates) Impact fees Capital contributions:	\$ 588,830	\$ 4,058,339	\$ 4,058,339 588,830	\$ 729,290	\$ 2,284,399	\$ 2,284,399 729,290
Water & sewer tap fees		1,307,842	1,307,842		566,727	566,727
GENERAL Tax revenues Interest income Other	5,289,219 144,636 36,178	16,197 263,594	5,289,219 160,833 263,594	4,858,109 79,625 23,503	13,884 668,436	4,858,109 93,509 691,939
Total revenues	6,058,863	5,645,972	11,704,835	5,690,527	3,533,446	9,223,973

		2017			2016	
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
FUNCTIONAL						
General government	566,292		566,292	461,921		461,921
Streets	430,394		430,394	433,959		433,959
Lighting	45,895		45,895	32,728		32,728
Signage	4,814		4,814	2,987		2,987
Traffic control	28,734		28,734	28,393		28,393
Parks	537,130		537,130	312,883		312,883
Conservation	18,467		18,467	18,681		18,681
Debt service	2,018,685		2,018,685	3,205,582		3,205,582
Water, wastewater and reuse		2,965,553	2,965,553		2,761,668	2,761,668
Total expenditures	3,650,411	2,965,553	6,615,964	4,497,134	2,761,668	7,258,802
Transfers	(400,000)	400,000	-	(230,000)	230,000	
Change in net position	2,008,452	3,080,419	5,088,871	963,393	1,001,778	1,965,171
Net position – beginning of year	(21,690,968)	25,288,430	3,597,462	(22,654,361)	24,286,652	1,632,291
Net position— end of year	\$ (19,682,516)	\$ 28,368,849	\$ 8,686,333	\$ (21,690,968)	\$ 25,288,430	\$ 3,597,462

Both Governmental and Proprietary (Business Type) Activities exhibited a positive change in net position primarily attributable to monitoring appropriate expenditures in conjunction with declining fee revenue.

ANALYSIS OF POSITION

The overall financial position of the District improved during 2017, due to substantial revenue growth and continued monitoring of operating expenditures.

In the Water, Wastewater and Reuse Enterprise Fund Schedule of Revenues, Expenses and Changes in Net Position, (non-GAAP budgeting basis) Budget and Actual, expenses were under budget by \$369,065. The revenues were better than budget due primarily to the increased in tap revenue from several residential developments.

Capital assets for the Governmental Activities decreased due to capital outlays of only \$455,654 in 2017 and depreciation in excess of additional capital. Capital assets for the Business-type Activities decreased also due to depreciation expense exceeding capital outlay in 2017. Triview has constructed facilities that, in some cases, will serve the build-out population yet the District is less than 40% developed and probably 15 years from build out status. These facilities are depreciated, as necessary, at a logical rate. With increased development and increased facility construction, depreciation will not be as significant a factor once an adequate economy of scale is reached.

CAPITAL ASSETS:

				2017					2016		
		overnmental Activities	J	Proprietary Activities		Total	overnmental Activities]	Proprietary Activities		Total
Operating systems Accumulated	\$	15,173,130	\$	48,478,551	\$	63,651,681	\$ 14,717,476	\$	47,689,837	\$	62,407,313
depreciation	-	(6,737,155)	_	(12,603,850)	_	(19,341,005)	(6,248,467)	1	(11,673,709)	-	(17,922,176)
Total capital assets, net	\$	8,435,975	\$	35,874,701	\$	44,310,676	\$ 8,469,009	\$	36,016,128	\$	44,485,137

The long-term liabilities decreased during 2017 by \$1,635,613 primarily due to repayment of debt obligation.

LONG-TERM DEBT:

		2017			2016	
	Governmental Activities	Proprietary Activities	Total	Governmental Activities	Proprietary Activities	Total
Loan payable G.O. bonds payable	\$ 46,526,498	\$ 11,053,874	\$ 11,053,874 46,526,498	\$ 47,132,111	\$ 12,083,874 \$	12,083,874 47,132,111
Total debt	\$ 46,526,498	\$ 11,053,874	\$ 57,580,372	\$ 47,132,111	<u>\$ 12,083,874</u> <u>\$</u>	59,215,985

The following are "known conditions" that will have a significant effect upon the financial position of the District. Two commercial taps, along with a multi-family dwelling tap, are anticipated for 2018.

As of December 31, 2017, there are 1,405 residential taps and 96 commercial taps being serviced by the District.

This additional commercial development generates the following revenue implications:

- Increase in property tax base, which is assessed under Statute at 3½ times that of residential property.
- Increase in retail commercial sales tax revenues; which Triview receives 50% of same under an agreement with the Town of Monument.
- Increase in employment base that relates to residential demand for District housing.
- Increase in use tax revenues; which are based upon building costs by type.
- Increase in water and sewer user fees and charges.
- Increase in impact fees generated by the additional commercial development.

The residential market continued to prosper during 2017. The District anticipates the momentum to continue into 2018 due to the continued development of Sanctuary Pointe and an estimated 60 residences to be permitted.

Increases in residential units generate the following revenue implications:

- Increase in property tax base as compared to undeveloped land; which is assessed at lesser rates.
- Increase in use tax revenues.
- Increase in water and sewer user fees and charges.
- Increase in impact fees generated by the additional residential development.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Triview Metropolitan District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to James McGrady, District Manager, PO Box 849, 16055 Old Forest Point, Suite 300, Monument, Colorado, 80132.



BASIC FINANCIAL STATEMENTS

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF NET POSITION December 31, 2017

	vernmental Activities	siness-Type Activities		Total
ASSETS		8		
Cash and cash equivalents	\$ 84,103	\$ 1,749,646	\$	1,833,749
Cash and cash equivalents, restricted	439,957	, 🖃		439,957
Investments	13,985,336	1,860,817		15,846,153
Property taxes receivable	2,794,539	_		2,794,539
Interest receivable	2,293			2,293
Accounts receivable	406,028	81,272		487,300
Prepaid expenses	63,480	16,468		79,948
Internal balances	(627,938)	627,938		-
Funds held in escrow	_	227,583		227,583
Capital assets, net of accumulated				
depreciation	8,435,975	35,874,701		44,310,676
Total assets	 25,583,773	40,438,425		66,022,198
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	4,432,209	203,377		4,635,586
Total deferred outflows of resources	4,432,209	 203,377		4,635,586
LIABILITIES				
Accounts payable	73,194	853,835		927,029
Accrued interest	304,267	89,661		393,928
Escrow funds held	-x	227,583		227,583
Accrued settlement	·	48,000		48,000
Long-term liabilities				
Due within one year	540,000	585,000		1,125,000
Due in more than one year	 45,986,498	10,468,874		56,455,372
Total liabilities	 46,903,959	 12,272,953	_	59,176,912
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	2,794,539	-		2,794,539
Total deferred inflows of resources	2,794,539			2,794,539
NET POSITION				
Net investment in capital assets	(32,028,388)	28,009,047		(4,019,341)
Restricted				
Debt service	439,957	-		439,957
Emergency reserve (TABOR)	181,765	_		181,765
Unrestricted	11,724,150	359,802		12,083,952
Total net position	\$ (19,682,516)	\$ 28,368,849	\$	8,686,333

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF ACTIVITIES Year Ended December 31, 2017

				Program Revenues	venues		١				
				Operating	ng	Capital		Net	Net (Expense) Revenue and	e and	
				Grants	500	Grants	١	C	Changes in Net Position	tion	
		Ch	Charges for	and		and		Governmental	Business-type		
Functions/Programs	Expenses	S	Services	Contributions	ions	Contributions	اء	Activities	Activities		Total
Governmental activities:			22							(
General government	\$ 566,292	\$	1	\$,	∽	,	\$ (566,292)	· ·	9	(566, 292)
Streets	430,394	-	109,282					(321,112)	•		(321,112)
Lighting	45,895	10	•		·			(45,895)			(45,895)
Drainage			138,875		ı			138,875	•		138,875
Signage	4,814	-	,		•			(4,814)	•		(4,814)
Traffic control	28,734	4	1		•			(28,734)			(28,734)
Parks landscane and onen snace	537,130		340,673					(196,457)	•		(196,457)
Conservation	18.467	7						(18,467)			(18,467)
Interest and fiscal charges	2,018,685	. 10	•		•			(2,018,685)			(2,018,685)
General government	\$ 3,650,411	s 1	588,830	8		8	 	(3,061,581)			(3,061,581)
		,									
Business-type activities:	2 2 965 553	٠	5 366 181	¥.		€			2,400,628		2,400,628
watch, wastewatch and rector und Total	\$ 2,965,553	1 11	5,366,181	8		S			2,400,628		2,400,628
		Gro	Conough textening.								
			Taxes					5.289.219	,	1	5,289,219
		·	Investment earnings	rnings				144,636	16,197		160,833
		_	Conservation Trust funds	Trust funds				18,467	•		18,467
			Other revenues	S				17,711	263,594		281,305
			Transfers					(400,000)	400,000		1
			Total general revenues	1 revenues			ı	5,070,033	679,791		5,749,824
		Chan	Change in net position	tion				2,008,452	3,080,419	_	5,088,871
		Net p	Net position - Beginning	inning				(21,690,968)	25,288,430	 -	3,597,462
		Net p	Net position - Ending	ing .			1 1	\$ (19,682,516)	\$ 28,368,849	8	8,686,333
		•)			ı			1	

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT BALANCE SHEET GOVERNMENTAL FUND

December 31, 2017

ASSETS Cash and cash equivalents Investments Restricted cash and cash equivalents Property taxes receivable	\$	84,103 13,985,336 439,957
Investments Restricted cash and cash equivalents	D	13,985,336
Restricted cash and cash equivalents		
		439,931
Property taxes receivable		2,794,539
		2,794,339
Interest receivable		
Accounts receivable, other		406,028
Prepaid expense	dr.	63,480
Total assets	\$	17,775,736
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND		
FUND BALANCE	o	72 104
Accounts payable	\$	73,194
Due to other funds		627,938
Total liabilities		701,132
DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenue		2,794,539
TOTAL DEFERRED INFLOWS OF RESOURCES		2,794,539
FUND BALANCE		
Nonspendable:		
Prepaid expenditures		63,480
Restricted:		
Debt service		439,957
Emergency reserves		181,765
Unassigned		13,594,863
Total fund balance		14,280,065
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND		
FUND BALANCE		17,775,736
Total fund balance, governmental funds	\$	14,280,065
Amounts reported for governmental activities in the Statement of Net Position are different		
because:		
Capital assets used in governmental activities are not financial		
resources and, therefore, are not reported in the funds. Capital assets		8,435,975
Deferred outflows of resources are not current financial resources, and		
therefore are not reported in the funds		4,432,209
Accrued interest is not due and payable in the current period, and		(304,267)
therefore, is not reported as a liability in the funds Long-term liabilities are not due and payable in the current period and are		(=3.,==7)
not included in the fund financial statements, but are included in the		
governmental activities of the Statement of Net Position		(46,526,498)
governmental activities of the Statement of Ivel 1 ostiton		\
Net position of governmental activities		(19,682,516)

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND Year Ended December 31, 2017

		General
REVENUES		
Taxes	\$	5,289,219
Fees		588,830
Conservation trust funds		18,467
Interest income		144,636
Miscellaneous revenue	-	17,711
Total revenues	-	6,058,863
EXPENDITURES		
General government		622,414
Streets		401,529
Lighting		45,895
Signage		4,814
Traffic control		1,882
Parks, landscape and open space		503,691
Conservation		18,467
Debt Service:		
Interest and fiscal charges		2,302,749
Total expenditures	-	3,901,441
EXCESS OF REVENUE OVER EXPENDITURES		2,157,422
OTHER FINANCING SOURCES (USES)		
Transfers out		(400,000)
Total other financing sources		(400,000)
NET CHANGE IN FUND BALANCE		1,757,422
FUND BALANCE - BEGINNING OF YEAR		12,522,643
FUND BALANCE - END OF YEAR	\$	14,280,065

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES Year Ended December 31, 2017

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	\$ 1,757,422
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays for the period.	(33,034)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect	
of these differences in the treatment of long-term debt and related items.	 284,064
Change in net position - Governmental activities	\$ 2,008,452

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF NET POSITION PROPRIETARY FUND - WATER, WASTEWATER AND REUSE FUND December 31, 2017

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets	0 1.740.646
Cash and cash equivalents	\$ 1,749,646
Investments	1,860,817
Accounts Receivable	81,272
Prepaid expenses	16,468
Due from other funds	627,938
Total current assets	4,336,141
Non-current assets	
Funds held in escrow	227,583
Capital assets, net of depreciation	35,874,701
Total non-current assets	36,102,284
Total assets	40,438,425
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	203,377
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 40,641,802
LIABILITIES AND NET POSITION	
Current Liabilities	
Accounts payable	\$ 853,835
Accrued interest	89,661
Accrued settlement	48,000
Bonds/Notes payable	585,000
Total current liabilities	1,576,496
Non-current liabilities	
Escrow funds held	227,583
Bonds/Notes payable	10,468,874
Total non-current liabilities	10,696,457
Total liabilities	12,272,953_
Total natifices	
NET POSITION	
Net investment in capital assets	28,009,047
Unrestricted	359,802
Total net position	28,368,849
TOTAL LIABILITIES AND NET POSITION	\$ 40,641,802

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND - WATER, WASTEWATER AND REUSE FUND Year Ended December 31, 2017

OPERATING REVENUE		
Water sales	\$	2,615,798
Tap fees		1,307,842
Payment in lieu of fees		282,710
Sewer charges	<u> </u>	1,159,831
Total operating reven		5,366,181
OPERATING EXPENSES		
Water system		510,039
Wastewater system		702,407
General and administrative		408,891
Depreciation		930,141
Total operating exper	ises	2,551,478
OPERATING INCOME		2,814,703
NONOPERATING REVENUE	(EXPENSE)	
Interest income		16,197
Miscellaneous income		40,665
Other fees		59,600
Developer reimbursement		163,329
Interest expense		(414,075)
Total nonoperating ex	xpense, net	(134,284)
INCOME BEFORE TRANSFE	RS	2,680,419
TRANSFERS IN		400,000
CHANGE IN NET POSITION		3,080,419
NET POSITION - BEGINNING	G OF YEAR	25,288,430
NET POSITION - END OF YE	AR <u>\$</u>	28,368,849

These financial statements should be read only in connection with the accompanying notes to financial statements.

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF CASH FLOWS PROPRIETARY FUND - WATER, WASTEWATER AND REUSE FUND Year Ended December 31, 2017

	_
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 5,377,645
Cash payments to suppliers for goods and services	(1,283,837)
Cash payments to employees for services	(221,910)
Net cash provided in operating activities	 3,871,898
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers in	400,000
Miscellaneous non-operating income	100,265
Change in due from other funds	(956,734)
Net cash used by noncapital financing activities	 (456,469)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(788,714)
Principal paid on debt	(1,030,000)
Developer reimbursement	163,329
Interest paid on debt	(414,484)
Net cash used in capital and related financing activities	(2,069,869)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from disposition of investments	275,997
Purchases of investments	(16,197)
Investment income	16,197
Net cash provided by investing activities	275,997
NET DECREASE IN CASH AND CASH EQUIVALENTS	1,621,557
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	 128,089
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,749,646

Continued

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF CASH FLOWS PROPRIETARY FUND - WATER, WASTEWATER AND REUSE FUND Year Ended December 31, 2017

RECONCILIATION OF OPERATING INCOME TO CASH FLOWS PROVIDED BY OPERATING ACTIVITIES

Operating income	\$	2,814,703
Adjustments to reconcile operating income to net cash		
used in operating activities:		
Depreciation		930,141
Effects of changes in operating assets and liabilities:		
Accounts receivable		(484,421)
Change in deferred		20,263
Prepaid expense		2,640
Accounts payable		588,572
		1.057.105
Total adjustments	-	1,057,195
Net cash used in operating activities	\$	3,871,898

NOTES TO BASIC FINANCIAL STATEMENTS

TRIVIEW METROPOLITAN DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Triview Metropolitan District (the "District") is a quasi-municipal political subdivision of the State of Colorado organized to develop and provide certain services to the residents of the District. The District was formed by order of the District Court for the County of El Paso, Colorado, entered in Civil Action No. 85 CV 0893 on May 13, 1985, following the favorable outcome of an organizational election held on May 10, 1985. The District, as a metropolitan district, derives its power from state statutes. Among the express statutory powers of the District are the powers of taxation and eminent domain, and the power to borrow money and issue both general obligation bonds and revenue bonds. The District has purchased water rights, and has constructed a water distribution system, a sanitary and storm sewer collection system, roadways, signs and other improvements.

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). A summary of the significant accounting policies used in the preparation of these financial statements follows.

Reporting Entity — The District has no component units for which either discrete or blended presentation is required. The inclusion or exclusion of component units is based on a determination of the elected official's financial accountability to their constituents, and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government (including its blended component units, which are in substance, part of the primary government) and discretely presented component units. The criteria used for determining whether an entity should be included, either blended or discretely presented, includes but is not limited to fiscal dependency, imposition of will, legal standing, and the primary recipient of services.

Government-Wide and Fund Financial Statements — The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between *governmental* and *business-type* activities of the District. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities are financed to a significant extent by fees and charges.

The statement of activities demonstrates the degree to which direct 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. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. *Program revenues* include 1) fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are reported 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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

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 period or soon enough thereafter to pay liabilities of the current fiscal 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The District considers property taxes as available if they are collected within 30 days after yearend. Property taxes are recognized as revenue in the fiscal period for which they are levied, providing the available criteria are met.

Those revenues susceptible to accrual are property taxes, sales taxes, interest revenue and charges for services. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District reports the following major governmental fund:

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

Additionally, the District reports the following major proprietary fund:

Enterprise Fund – The enterprise fund is used to account for those operations financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The District has one enterprise fund-the Water, Wastewater and Reuse Fund. The intent of the District is that the costs of providing goods and services to the general public on a

continuing basis be financed or recovered primarily through user charges. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as programs revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

Prepaid Expenses — Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Due To and From Other Funds — Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. In the fund financial statements, these receivables and payable are classified as "due from other funds" or "due to other funds". In the government-wide financial statements, all internal balances have been substantially eliminated.

Restricted Cash and Investments — The use of certain cash and investments of the District is restricted. These cash and investment items are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by debt agreements.

Investments – Investments are stated at fair value. Fair value is the amount the District can reasonably expect to receive to sell an investment in an orderly transaction between market participants. See Note 4 for further information on the fair values of investments.

Capital Assets — Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, traffic, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Buildings, improvements, vehicles, and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

Roads and streets	2-40 years
Wells	20 years
Water storage tank	40 years
Wastewater treatment facility	40 years
Water distribution System and treatment facility	40 years
Equipment	3-7 years

When depreciable property is acquired, depreciation is included in expense for the year of acquisition for the number of months during the year the asset was in service. When depreciable property is retired or otherwise disposed of, depreciation is included in expense for the number of months in service during the year of retirement and the related costs and accumulated depreciation are removed from the accounts with any gain or loss reflected in the statement of revenue, expenses and changes in fund net assets.

Accumulated Employee Benefit Amounts — Accumulated unpaid vacation, sick pay, and other employee benefit amounts are not material. Therefore, a liability of these benefits has not been reflected in these financial statements.

Long-Term Liabilities — In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount. Issue costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance Classification — The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Non-spendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted -This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Directors or through the Board of Directors delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Statement of Cash Flows — For purposes of the Statement of Cash Flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, government pools, and short-term investments with original maturities of three months or less from the date of acquisition, including restricted cash and cash equivalents. Funds held in escrow are excluded from the District's definition of cash and cash equivalents.

Estimates — The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events — The District has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date of issuance of the financial statements.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the general fund balance sheet and the government-wide statement of net position:

The general fund balance sheet includes reconciliation between *fund balance-governmental fund* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds". The details of this difference are as follows:

Capital assets \$ 15,173,130
Accumulated depreciation (6,737,155)

Net adjustment to fund balance – governmental fund to arrive

at net position – governmental activities

\$ 8,435,975

Explanation of certain differences between the governmental fund statement of revenues, expenditures and change in fund balance and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures, and change in fund balance includes a reconciliation of *net changes in fund balance-governmental fund* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that Governmental funds report outlays for capital assets as expenditures. In contrast in the Statement of Activities the cost of capital assets is allocated over their estimated useful lives as depreciation expense. The details of this difference are as follows:

Depreciation	\$ (488,688)
Capital outlays	455,654
Net adjustment to net change in fund balance – governmental fund	
to arrive at change in net position – governmental activities	\$ (33,034)

Another element of the reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities". The details of this difference are as follows:

Amortization of advance refunding difference	\$ (94,307)
Amortization of discount/premium	30,613
Repayment of bonds	575,000
Change in accrued interest	 (227,242)
Net adjustment to net change in fund balance – governmental fund	
to arrive at change in net position of governmental activities	\$ 284,064

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget Information — The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. In the fall, the District Manager submits to the Board of Directors, a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2. Public hearings are conducted by the District to obtain taxpayer comments.
- 3. Prior to December 15, the budget is legally approved.
- 4. Any revisions that alter the total expenditures of any fund must be approved by the Board of Directors.
- 5. Formal budgetary integration is employed as a management control device during the year for the governmental and proprietary funds.
- 6. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

- 7. The budget for the Water, Wastewater and Reuse Fund is prepared on a basis of accounting other than generally accepted accounting principles, which is normal for proprietary funds. The primary differences are that bond proceeds are treated as a budget source, capital expenditures and principal payments are treated as a budget use, and accrued unpaid interest and the amortization and depreciation expense are not budgeted.
- 8. Budgeted amounts are as originally adopted or amended.
- 9. All annual appropriations lapse at the end of the year.

4. DEPOSITS AND INVESTMENTS

The District's deposits and investments consist of the following at December 31, 2017:

	Deposits	Certificate of Deposit	COLO- TRUST	Total
Cash and cash				
equivalents	\$1,833,750	\$ 2,622,443	\$ 13,223,710	\$ 17,679,902
Restricted cash and				
cash equivalents	439,957			439,957
Funds held in escrow	_227,583		À	227,583
Total	\$2,501,290	\$ 2,622,443	\$ 13,223,710	\$ <u>18,347,442</u>

Reconciliation of cash and cash equivalents to the government-wide financial statements at December 31, 2017:

	G	overnmental Activities	l	Business- type Activities		Total
Cash and cash equivalents	\$	84,103	\$	1,749,646	\$	1,833,749
Restricted cash and cash equivalents		439,957				439,957
Investments		13,985,336		1,860,817		15,846,153
Funds held in escrow				227,583		227,583
m + 1	Φ	14 500 206	ф	2 020 046	Ф	10 247 442
Total	7	14,509,396	2	3,838,046	2	18,347,442

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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2017, the carrying amount of the District's deposits including certificates of deposits and money markets were \$5,123,732 the bank balances were \$5,213,693. Of the total bank balance, \$977,583 was covered by FDIC insurance and \$4,236,110 falls under the provision of the Colorado Public Deposit Protection Act which is collateralized in single institution pools.

Investments — The District is authorized by Colorado statutes to invest in the following:

- Obligations of the United States and certain U.S. government agencies' securities
- Certain international agencies' securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Certain commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certificates of deposits
- Certain money market fund
- Guaranteed investment contracts

Fair Value Measurements – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest level to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest level to unobservable inputs (level 3) as follows:

Level 1 Unadjusted quoted prices for identical instruments in active markets.

Level 2 Observable inputs other than quoted market prices.

Level 3 Valuation derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The District has the following fair value measurements as of December 31, 2017:

	December 31, 2017	Fair Value M Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable	Significant Unobservable Inputs (Level 3)
Investments by fair level: Certificates of deposits Total investments by fair level value	\$2,622,443 : \$2,622,443	\$	\$2,622,443 \$2,622,443	\$ \$
Investments measured at NAV: COLOTRUST Total investments measured at NAV Total investments measured at fair Value	\$13,223,711 \$13,223,711 \$15,846,154			

Fixed income securities classified in Level 2 of the fair value hierarchy are valued primarily using quoted prices in inactive markets, as well as other pricing methods using observable inputs.

Investments Measured at NAV:

Colorado Government Liquid Asset Trust (COLOTRUST) is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes by state statutes. A twelve member Board of Trustees, elected by the fund participants, is responsible for overseeing the management of COLOTRUST, including establishing operating standards and policies. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Designated custodial banks provide safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. All securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes. COLOTRUST reports all investments as level 2 investments while the District's investment in COLOTRUST is reported at NAV. The District has no unfunded commitments or redemption restrictions on their investment in COLOTRUST. The separate audited financial statements of COLOTRUST are available on their website at www.colotrust.com. The District has no unfunded commitments or redemption restrictions on their investments in COLOTRUST.

Investments with maturities of less than 90 days are classified as cash and cash equivalents on the financial statements.

The District's investments are subject to interest rate risk and credit risk as described below:

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Credit Risk. State law limits investments to those described above. The District does not have an

investment policy that would further limit its investment choices. As of December 31, 2017 the District's ColoTrust investment is rated AAAm by Standard & Poor's.

5. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at December 31, 2017:

GENERAL FUND		
Cash with County Treasurer	\$	25,485
Taxes from town		362,982
Undeposited funds	_	17,561
Total general fund		406,028
WATER, WASTEWATER AND REUSE FUND		
Developer fees/reimbursements		15,914
User fees receivable		65,358
Total water, wastewater and reuse fund		81,272
Total accounts receivables	<u>\$</u>	487,300

6. INTERFUND BALANCES AND TRANSFERS

Interfund balances consisted of the following at December 31, 2017:

Receivable	Payable	Amount
Enterprise fund	General fund	\$ 627,938

The enterprise fund has a receivable from the general fund, the purpose of this interfund balance is to be a mechanism to track the proper allocation of payments and receipts. During the year ended December 31, 2017 the General Fund transferred \$400,000 to the Enterprise Fund for the allocation of certain taxes to the enterprise fund for operations.

7. PROPERTY TAX

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and are payable in two installments due February 28 and June 15, or in one installment due April 30. El Paso County bills and collects property taxes for the District. District property tax revenues are recognized when levied to the extent that they result in current receivables. The tax rate for the year ended December 31, 2017 was 35.000 mills. The District's assessed valuation for 2016, for taxes collected in 2017, was \$69,500,640.

8. ESCROW FUNDS HELD

An escrow account in the District's name has been established. As a result of agreements between the District, El Paso County, Centre Development and Pinetree Properties one million dollars was deposited with the District to construct infrastructure improvements west of Interstate 25 and to provide service to that portion of the District. The remaining balance of \$227,583 includes interest of \$153,936 at December 31, 2017.

9. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance at December 31,		Disposals/	Balance at December 31,
Governmental activities:	2016	Additions	Retirements	2017
Capital assets, being depreciated:				
Road and streets	\$ 12,500,039	\$ 351,522	\$ -	\$ 12,851,561
Traffic control	436,399	-	-	436,399
Parks, landscape and open space	1,342,775	60,637	-	1,403,412
Equipment	265,918	43,495	-	309,413
Office space	172,345			172,345
Total capital assets being				
depreciated	14,717,476	455,654	-	15,173,130
Less accumulated depreciation for:				
Road and streets	(5,303,264)	(380,387)		(5,683,651)
Traffic control	(351,964)	(26,852)		(378,816)
Parks, landscape and open space	(423,727)	(33,439)	-	(457,166)
Equipment	(152,952)	(43,195)	-	(196,147)
Office space	(16,560)	(4,815)	_	(21,375)
Total accumulated depreciation	(6,248,467)	(488,688)		(6,737,155)
Total capital assets, net	\$ 8,469,009	\$ (33,034)	\$ -	\$ 8,435,975
Business-type activities:				
Capital assets, not being depreciated:				
Water rights	\$ 11,540,081	\$ 10,500	\$ -	\$ 11,550,581
Capital assets, being depreciated:		,	-	,,
Wells	2,360,826	146,230		2,507,056
Water storage tank	1,038,433	-		1,038,433
Wastewater treatment facility	10,017,728	-	- 2	10,017,728
Water distribution system and				,,
treatment facility	19,475,104	107,480		19,582,584
Sanctuary Pointe	3,196,449	275,728		3,472,177
Equipment	61,216	248,776	_0	309,992
Total capital assets being			-	
depreciated	47,689,837	788,714		48,478,551
Less accumulated depreciation for:				,-,-,
Wells	(781,669)	(81,212)	- 2	(862,881)
Water storage tank	(507,761)	(25,961)	_	(533,722)
Wastewater treatment facility	(3,242,001)	(250,443)		(3,492,444)
Water distribution system and	(0,2 12,001)	(===,)		(0,1,2,1,1)
treatment facility	(7,048,677)	(488,431)	_	(7,537,108)
Sanctuary Pointe	(34,577)	(80,032)		(114,609)
Equipment	(59,024)	(4,062)		(63,086)
Total accumulated depreciation	(11,673,709)	(930,141)		(12,603,850)
Total capital assets, net	\$ 36,016,128	\$ (141,427)	\$ -	\$ 35,874,701

10. LONG-TERM LIABILITIES

Loans — On October 22, 2014 the District issued a Tax Exempt Revenue Note for \$5,933,874 through Northstar Bank. This Note is payable semiannually in principal amounts of \$200,000 excluding interest at 2.75% to 3.75% with the final payment due October 22, 2029. The proceeds of this Note were used to pay the outstanding Colorado Water Resources and Power Development Authority loans along with the outstanding management fees to Donala Water and Sanitation District. The District has pledged all future net enterprise revenues as payment on this loan.

The District entered in to a loan agreement with a commercial company on August 22, 2014 in the amount of \$1,350,000 for the purchase of certain water rights with an actual purchase price of \$2,000,000. This loan is payable over three years with \$450,000 plus interest at 3.5% due annually for three years. The loan was paid in full in 2017.

Annual debt service requirements to maturity for business -type activities loans are as follows:

	Business Type Activities			
<u>Year</u>		Principal		Interest
2018	\$	400,000	\$	176,215
2019		400,000		161,007
2020		400,000		146,187
2021		400,000		130,590
2022		400,000		84,613
2023 - 2027		2,000,000		255,937
2028 - 2029		733,874		25,120
Total	\$	4,733,874	\$	979,669

Revenue Bond – The District issued Water and Wastewater Enterprise Revenue bonds on December 14, 2016, to provide funds for the acquisition of \$6,500,000 of water rights. The Bond is payable semiannually on June 1 and December 1 each year commencing June 1, 2017 with the final payment due December 1, 2031. The Bond is pledged by water and sewer revenue and bear an interest rate of 2.98%.

Annual debt service requirements to maturity for business-type activities bonds are as follows:

]	Business Type Activities			
P	rincipal		Interest	
\$	185,000	\$	188,336	
	190,000		182,823	
	195,000		177,161	
	200,000		171,350	
	210,000		165,390	
	1,135,000		729,951	
	4,205,000		455,791	
:				
\$	6,320,000	\$	2,070,802	
	\$ P	Principal \$ 185,000 190,000 195,000 200,000 210,000 1,135,000 4,205,000	Principal \$ 185,000 \$ 190,000 195,000 200,000 210,000 1,135,000 4,205,000	

General Obligation Bonds — The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Voters of the District authorized the issuance of \$50,840,800 of debt at special elections held in November 1986 and November 1987. General obligation bonds have been issued for governmental activities.

On December 15, 2016, the District issued \$46,215,000 in general obligation bonds with interest rates ranging from 4.0% to 5.0%. The District issued the bonds to advance refund \$42,740,000 of the outstanding Series 2009 general obligation bonds. The refunding was undertaken to lock in interest rates which were being remarketed weekly with the refunded bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$4,526,516. This amount is netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. At December 31, 2017, the balance in the Escrow account for the refunding of the 2009 Series bonds was \$44,945,647...

The 2016 refunding of the Series 2009 General Obligation Refunding Bonds increased total debt service payments over the next 29 years by approximately \$11,400,000. The 2016 refunding also results in an economic loss (difference between the present values of the debt service payments on the old and new debt) of approximately \$1,300,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Series 2016 General Obligation Refunding Bonds bearing interest rates ranging from 4.00% to 5.00% until maturity on November 1, 2046.

\$ 45,640,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Gov	Governmental Activities			
December 31,	Princ	ipal	Interest		
2018	\$ 54	0,000 \$	1,943,612		
2019	56	0,000	1,922,013		
2020	63	0,000	1,899,613		
2021	65	5,000	1,874,412		
2022	73	0,000	1,848,213		
2023 - 2027	4,50	0,000	8,675,763		
2028 - 2032	6,47	0,000	7,368,063		
2033 - 2037	8,70	5,000	5,769,162		
2038 - 2042	11,39	0,000	3,814,094		
2043 - 2046	11,46	0,000	1,212,956		
Total	\$ 45,64	0,000 \$	36,327,901		

Changes In Long-Term Liabilities —

Governmental Activities:	Balance at December 31, 2016	Additi	ions	R	eductions	D	Balance at eccember 31, 2017	Amounts Due Within One Year
Series 2016 GO Bonds	\$ 46,215,000	\$	-	\$	575,000	\$	45,640,000	\$ 540,000
Bond Issuance Premium	917,111				30,613		886,498	-
Total - Governmental Activities	\$ 47,132,111	\$		\$	605,613	\$	46,526,498	 540,000
Business-Type Activities:								
Northgate Water Agreement	\$ 450,000	\$	-	\$	450,000	\$		\$
Northstar Revenue Note	5,133,874		-		400,000		4,733,874	400,000
KeyBank Revenue Bond	6,500,000				180,000		6,320,000	185,000
Total - Business-Type Activities	\$ 12,083,874	\$		\$	1,030,000	\$	11,053,874	\$ 585,000

11. NET POSITION

The District has net assets consisting of three components: net investment in capital assets; restricted; and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

As of December 31, 2017, the District had net investment in capital assets as follows:

Net investment in capital assets:	
Capital assets, net of depreciation	\$ 44,310,676
Capital asset related to deferred outflow	4,635,586
Long-term liabilities due within one year	(1,125,000)
Long-term liabilities due in more than one year	(56,455,372)
Debt proceeds spent for non-capitalized purposes	4,614,769
Total net investment in capital assets	\$ (4,019,341)

Restricted assets are reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets are assets which have restrictions placed on the use of the assets through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported:

Restricted:

Restricted for debt service	\$ 439,957
Emergency reserve (TABOR)	181,765
Total restricted	\$ 621,722

Unrestricted net position consists of the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. The District utilizes unrestricted net position before using restricted net position. As of December 31, 2017, the District had unrestricted net position of \$12,083,952.

12. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District carries commercial insurance for these risks of loss, including worker's compensation and employee health and accident insurance. Settlements have not exceeded coverage during the past three fiscal years.

13. COMMITMENTS AND CONTINGENCIES

Litigation — The District is involved in pending or threatened lawsuits and claims. The District and its legal counsel estimate that the potential claims against the District not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the District.

Tap fees — In 2007, the District settled a condemnation proceeding with a developer by agreeing to provide the developer with a credit for sewer and water tap fees in the cumulative amount of \$436,000. As of December 31, 2017 the developer had a remaining credit for sewer and water tap fees in the amount of \$48,000.

Commitments - On January 23, 2015 the District entered into an agreement with certain developers to expand the Districts infrastructure to provide water, sewer and other standard services to a new area, Phase I of Sanctuary Pointe (Phase I) within the District's boundaries. The expansion of the District's services to this new area will require additional infrastructure estimated to cost approximately \$4,850,000.

A separate escrow account will be set up for a portion of the tap fees to be used to fund the additional infrastructure improvements. The District pledges to escrow \$8,000 from each single family and \$6,000 from each multi-family tap fee from Phase I. The agreement requires the Developers in Phase I to pay a Water Impact Fee of \$3,000, in excess of the standard District tap fees.

The agreement committed funding of approximately \$2,400,000 from escrowed tap fees and an additional \$250,000 from the District. The additional funding of approximately \$2,200,000 will be provided by the Developers. The contribution from the Developers will be repaid by the District from additional escrowed tap fees based on the schedule above. The estimated remaining funding of \$250,000 not supplied by the tap fees was required from the District within 90 days of the of the installation of the final residential meter in Phase I. As of December 31, 2017, the District had expended \$2,650,000 for infrastructure improvements in accordance with the Agreement.

Should the Developers fail to complete the development within two years after filing their intent to proceed the District will not be obligated to reimburse the Developers for all sewer infrastructure estimated to be approximately \$1,355,000.

14. INTERGOVERNMENTAL AGREEMENTS

Intergovernmental Agreement with Forest Lakes Metropolitan District and Donala Water and Sanitation District — The District entered into an agreement dated November 11, 1999, subsequently amended on October 25, 2001, with Forest Lakes Metropolitan District and Donala Water and Sanitation District to define ownership rights in the wastewater treatment plant. Under the amended agreement, the District and Forest Lakes transferred part ownership to Donala.

In 2009 the Districts completed an expansion of the plant to 1.75 million gallons per day (MGD). Under the terms of the above agreements, the three Districts reallocated ownership. Ownership was also modified under a 2009 agreement between the District and Donala, with the District deeding ownership of 6.7% of the 1.75 MGD capacity to Donala. The current ownership is 37.3% owned by the District, 17.1% by Forest Lakes, and 45.6% by Donala. The plant is currently being operated by Donala and all parties are responsible for their respective share of operations and maintenance costs, based on the relative share of actual flows.

In 2009 the District deeded 6.7% of the 1.75 MGD total plant treatment capacity to Donala. The District expects the 6.7% of plant ownership to be deeded back to the District pursuant to the intergovernmental agreement to fund the completion of the wastewater treatment plant

In addition, in accordance with the November 11, 1999 agreement, an ownership interest in a 24" interceptor was transferred to the Forest Lakes Metropolitan District. As a result of the transfer, the interceptor is owned 50% by the District, 25% by Forest Lakes, and 25% by Donala.

Intergovernmental Agreement with Forest Lakes Metropolitan — On March 28, 2002, the District entered into an intergovernmental agreement with Forest Lakes Metropolitan District for the design, construction, operation and ownership of the Monument Creek Interceptor.

Intergovernmental Agreements with the Town of Monument — The 1987-1999 IGA with the Town of Monument is part of (appendix to) the 1987 Annexation Agreement which brought the property into the Town. This IGA sets out how the District and the Town will interact as two separate public entities. Additionally, the IGA contains various requirements for Triview Metropolitan District to follow, including the collection of certain fees and the methods for infrastructure construction as well as the maintenance of said facilities.

15. AMENDMENT TO COLORADO CONSTITUTION

Colorado voters passed an amendment to the *State Constitution*, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On November 6, 2006 District residents voted to exempt the District from the revenue limits of the Amendment. This revenue change is effective from January 1, 2007 through December 31, 2017.

The Amendment is complex and subject to judicial interpretation. The entity believes it is in compliance with the requirements of the amendment. However, the entity has made certain interpretations of the amendment's language in order to determine its compliance.



REQUIRED SUPPLEMENTAL INFORMATION

TRIVIEW METROPOLITAN DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2017

		Budgeted Amounts Original & Final				100 0	Fin	riance with al Budget - Positive
	Orig			Actual		(Negative)		
REVENUES								
Taxes	\$	4,634,862	\$	5,289,219	\$	654,357		
Fees		503,717		588,830		85,113		
Conservation Trust funds		14,000		18,467		4,467		
Interest income		68,000		144,636		76,636		
Miscellaneous revenue		10,300		17,711		7,411		
Total Revenues		5,230,879		6,058,863		827,984		
EXPENDITURES								
General government		742,378		622,414		119,964		
Streets		904,000		401,529		502,471		
Lighting		27,000		45,895		(18,895)		
Signage		2,000		4,814		(2,814)		
Traffic control		25,350		1,882		23,468		
Drainage		15,500		-		15,500		
Parks, landscape & open space		644,724		503,691		141,033		
Conservation		14,000		18,467		(4,467)		
Debt Service:								
Interest and fiscal charges		3,172,500		2,302,749		869,751		
Total Expenditures		5,547,452		3,901,441		1,646,011		
EXCESS OF REVENUE OVER (UNDER)								
EXPENDITURES		(316,573)		2,157,422		2,473,995		
OTHER FINANCING SOURCES (USES)								
Transfers out		(290,000)		(400,000)		(110,000)		
Total other financing sources		(290,000)		(400,000)		(110,000)		
NET CHANGE IN FUND BALANCE		(606,573)		1,757,422		2,363,995		
FUND BALANCE - BEGINNING OF YEAR		13,138,878		12,522,643		(616,235)		
FUND BALANCE - END OF YEAR	\$	12,532,305	\$	14,280,065	\$	1,747,760		

SUPPLEMENTAL INFORMATION

TRIVIEW METROPOLITAN DISTRICT SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION (NON-GAAP BUDGETARY BASIS) WATER, WASTEWATER AND REUSE FUND

For the Year Ended December 31, 2017

	Budgeted Amounts Original & Final Actual		Variance with Final Budget - Positive (Negative)	
REVENUES				
Water assessments	\$ 1,899,000	\$ 2,615,798	\$ 716,798	
Sewer assessments	1,097,000	1,159,831	62,831	
Interest income	12,000	16,197	4,197	
Water and sewer tap fees	845,750	1,307,842	462,092	
Payment in lieu of fees	-	282,710	282,710	
Fees	25,000	59,600	34,600	
Developer reimbursement	-	163,329	163,329	
Miscellaneous income	10,000	40,665	30,665	
Total Revenues	3,888,750	5,645,972	1,757,222	
EXPENDITURES				
General & administrative:				
Salaries & wages	348,247	221,910	126,337	
Employee benefits	84,430	57,199	27,231	
Engineering	61,500	16,702	44,798	
Legal	9,000	6,709	2,291	
Accounting and auditing	25,300	22,040	3,260	
Conference/training/class	1,600	1,404	196	
Dues, publications & subscriptions	4,000	1,458	2,542	
IT support	1,000	2,178	(1,178)	
Office supplies & equipment	5,600	5,778	(178)	
Postage	5,000	1,552	3,448	
Publications - legal notice	350	1,552	350	
Repairs & maintenance	1,500	102	1,398	
Telephone service	2,400	4,118	(1,718)	
Travel & meetings	1,500	111	1,389	
Office overhead	1,000	3,245	(2,245)	
Insurance	8,000	5,109	2,891	
Billing expense	50,000	52,300	(2,300)	
Miscellaneous	1,000	60	940	
Vehicle repair and maintenance	3,200	6,916	(3,716)	
Total General & Administrative	614,627	408,891	205,736	
Water system	601,150	510,039	91,111	
Wastewater system	713,591	702,407	11,184	
Principal payments on capital debt	1,030,000	1,030,000		
Interest expense	393,878	414,075	(20,197)	
Capital expenditures	664,209	788,714	(124,505)	
Total Expenses	4,017,455	3,854,126	163,329	
EXCESS OF REVENUE OVER (UNDER)	(100 705)	1.701.046	1 020 551	
EXPENDITURES	(128,705)	1,791,846	1,920,551	
OTHER FINANCING SOURCES (USES)				
Transfer from (to) other funds	290,000	400,000	110,000	
Total other financing sources	290,000	400,000	110,000	
EXCESS OF REVENUE OVER EXPENSES	161,295	2,191,846	2,030,551	
NET POSITION - BEGINNING OF YEAR	56,418	635,303	578,885	
NET POSITION - END OF YEAR	\$ 217,713	\$ 2,827,149	\$ 2,609,436	

TRIVIEW METROPOLITAN DISTRICT RECONCILIATION OF BUDGETARY BASIS TO STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUND Year Ended December 31, 2017

Revenue (budgetary basis)	\$	5,645,972
Expenditures (budgetary basis)		3,854,126
Reconciling Items:		
Expenditures included in statement of revenues, expenses and changes		
in net position, but not included with expenditures on a budgetary basis:		
Depreciation		930,141
Expenditures included under budgetary basis, but not included in statement of revenues, expenses and changes in net position		,
Capital outlay - water system improvements and water rights		(788,714)
Debt paid	,	(1,030,000)
Total		2,965,553
Other financing sources (uses)	1	400,000
Change in net position per statement of revenues, expenses		
and changes in net position	\$	3,080,419

TRIVIEW

Metropolitan District

Water and Wastewater Financial Plan July 10, 2018 Presented by Brian Kirsch and Andrew Rheem



AGENDA

- Project and financial planning overview
- Wastewater and water financial plans for 2018 through 2028
- Capital needs
- > Proposed annual rate revenue increases and typical monthly residential bills
- Projected financial results
- Residential monthly bill survey comparisons
- Discussion and next steps





RAFIEL

- Who we are:
- Leading water, wastewater, and stormwater rate consultants in the country and in Colorado
- services to the water, wastewater and stormwater Provide a range of financial, rate and tap fee utility industry
- planning, stormwater, and data management services - We also provide operational assessments, strategic
- Pueblo West Metro District, Idaho Springs, City and Woodmoor Water & Sanitation District, Canon City, County of Denver, and St. Vrain Sanitation District Recent studies completed for Greeley, Pueblo,





meaning as defined in Section 15B (e) of the Securities Raftelis is a Registered Municipal Advisor within the Exchange Act of 1934 and the rules and regulations promulgated thereunder (Municipal Advisor Rule).

contained herein are not intended to be, and do not constitute "advice" within the However, except in circumstances where Raftelis expressly agrees otherwise in writing, Raftelis is not acting as a Municipal Advisor, and the opinions or views meaning of the Municipal Advisor Rule.



PROJECT OVERVIEW

- Develop a financial plan for the water and wastewater systems for 2018 through 2028
- Complete assessment of existing water and wastewater tap tees
- This study does not include cost of service, rate design, or overall tap fee updates
- Triview utilities face the following challenges over the 11year planning period:
- High growth
- Debt service payments existing and future
- Wastewater regulations and necessary capital facilities
- Water supply needs
- Water rights acquisitions and conveyance to treatment



FINANCIAL PLANNING OVERVIEW

- Separate water and wastewater fund financial plans
- Project the utility's expenses from 2018 through 2028
- Operations and maintenance (O&M) expenses
- Capital expenses and external capital funding
- Debt service
- Project the utility's rate revenue under existing rates
- Project tap fee and miscellaneous non-rate revenues
- Propose annual rate revenue adjustments as needed
- > Fund O&M, cash-funded capital, and debt service
- Exceed debt service coverage (DSC) ratio requirements
- Exceed cash reserve targets



DEBT SERVICE COVERAGE RATIO AND CASH RESERVES

DSC ratio is a legal requirement of current loans:

(Annual Revenue – Annual O&M Costs) Annual Debt Service

- Current loans require the District to maintain a minimum DSC ratio of 110% which includes one-time annual tap fee revenues
- Rate setting recommendation based on a target DSC ratio without tap fees of 110%
- Cash reserves target
- > 90-days or 25% of annual O&M
- District restricts tap fees, but maintains no other reserves



Wastewater Fund



WASTEWATER FINANCIAL PLAN PROJECTION ASSUMPTIONS

- Borrow \$1 million from Water Fund in 2018 to minimize 2018 wastewater rate revenue increase
- Loan repaid in 2019 through 2022 with 2% interest
- refunded with bonds in September / October 2018 and NorthStar Bank loan of approximately \$4 million fully repaid by 2031
- Springs Utilities (CSU) and wastewater continues to be sent to Upper Monument Creek Regional Wastewater Assumes that no connection is made to Colorado **Treatment Facility (UMCRWWTF)**
- This includes plant expansion projects beginning in 2023
- Excludes 2018 and 2019 arsenic capital improvements
- assumption for capital planning as CSU evaluates Planning for no CSU connection is a conservative regional option



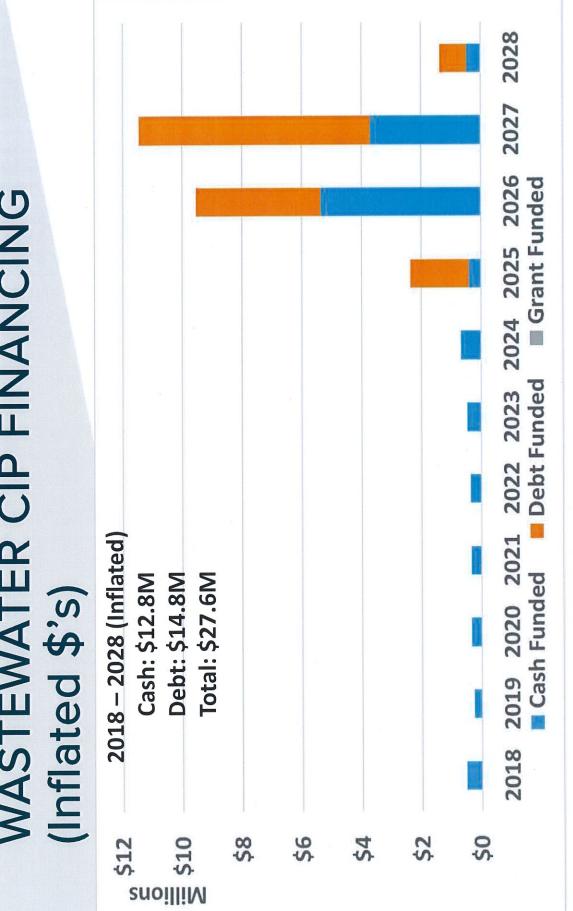
PROJECTS (in inflated dollars) MAJOR WASTEWATER CIP

- Catwalk and bar screen (UMCRWWTF) \$270,000 (2018)
- Develop specific tap fee reimbursements for previously constructed infrastructure, \$1.62 million (2018-2028)
- Plant expansion (UMCRWWTF) \$12.70 million (2023 - 2028)
- Regulation 31 Upgrades (UMCRWWTF) -\$10.75 million (2023 - 2028)



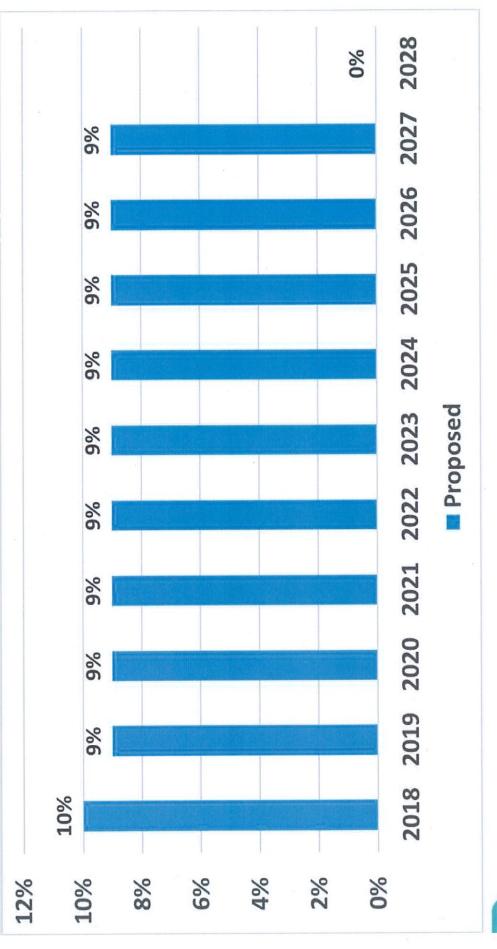
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WASTEWATER CIP FINANCING





RECOMMENDED WASTEWATER RATE REVENUE INCREASES (1)

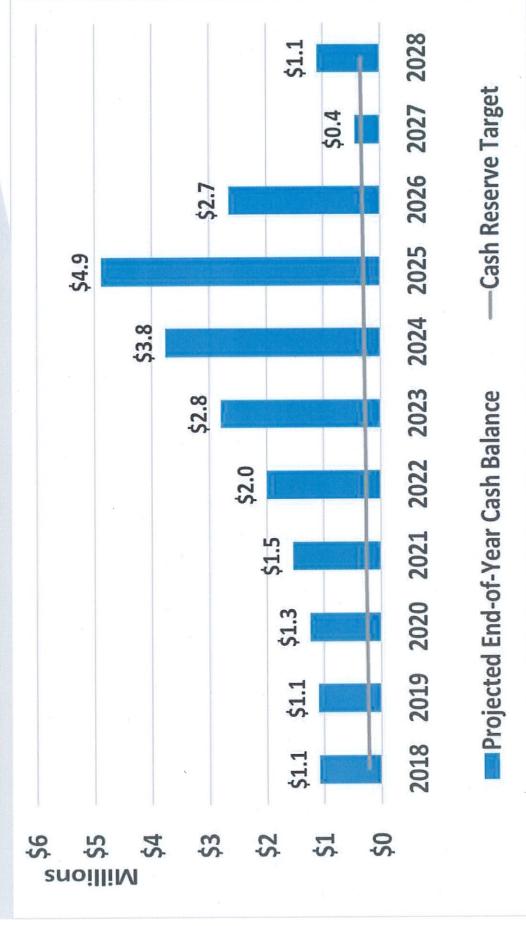




(1) 2018 increases effective September 1st. 2019 and thereafter effective January 1st.

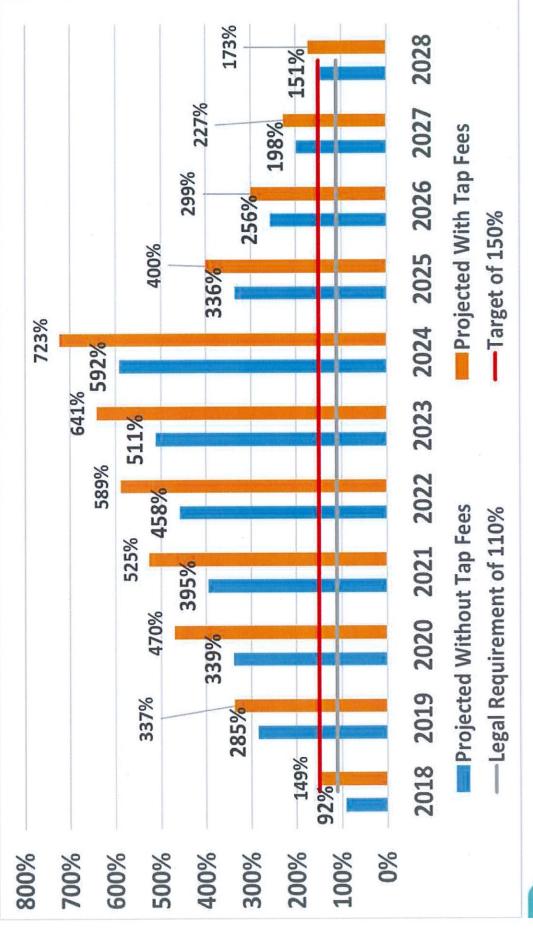
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WASTEWATER CASH RESERVES



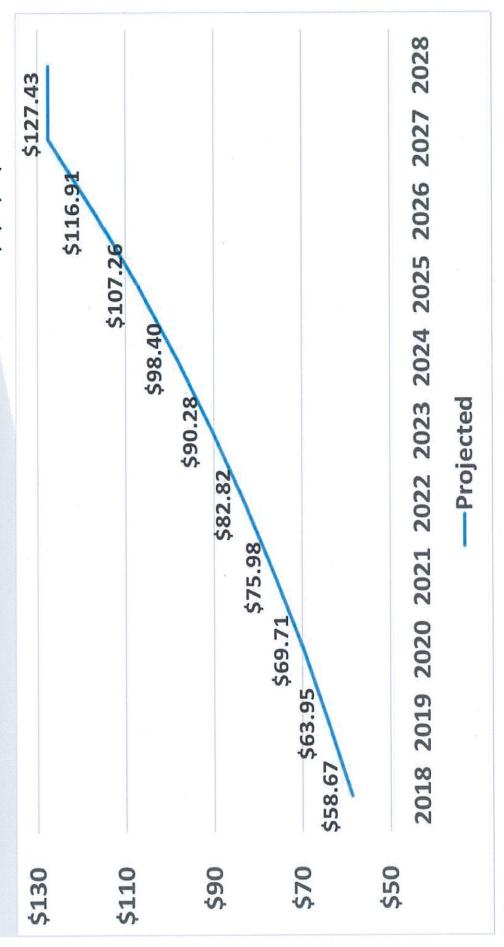


WASTEWATER DSC RATIO





MONTHLY WASTEWATER BILLS (1) (2) PROJECTED TYPICAL RESIDENTIAL





(1) Based on 3/4-inch residential meter, 5,000 gallons of usage.

(2) Current typical bill is \$53.34 per month before 2018 rate increase.

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Water Fund



PROJECTION ASSUMPTIONS WATER FINANCIAL PLAN

- Recommend the elimination of the Water Reuse Fee
- Recommend that the Renewable Water Fee be increased to \$7,000 per %-inch meter
- Loan \$1 million to Wastewater Fund in 2018
- > Repaid in 2019 through 2022 at 2% interest
- September or October 2018 and fully repaid by KeyBank loan is refunded with a bond issue in
- Includes capital costs of a pipeline to CSU
- adjustments that may occur from a connection to > Does not include potential operating cost



REUSE AND RENEWABLE WATER FEES PROPOSED CHANGES TO WATER

- Recommend the District eliminate the reuse fee
- The separate reuse water system previously planned is no longer part of the District's master plan
- Recommend increasing the Renewable Water fee to \$7,000 per %-inch water meter
- Neflects the recent water rights acquisition per ¾-inch water meter
- acquisitions to transition from a ground water based water supply to a surface water based water supply Supports the District plans future water rights
- Should be evaluated once the pipeline to transmit water to the District treatment facility is finalized



RESIDENTIAL TAP FEES COMPARED (1)

	Current	Per Dwell	Current Per Dwelling Unit Proposed Per Dwelling Unit	Proposed	Per Dwel	ling Unit
Description	SFR Detached	SFR Attached (2)	Apartment	SFR Detached	SFR Attached (2)	Apartment
Water	\$12,040	\$9,030	\$6,285	\$12,040	\$12,040 \$12,040 \$12,040	\$12,040
Sewer	6,875	5,156	3,589	6,875	6,875	6,875
Renewable	3,500	2,625	1,827	7,000	7,000	7,000
Reuse	000′9	4,500	3,132	0	0	0
Total	28,415	21,311	14,833	25,915	19,436	13,514
Change - \$				(2,500)	(1,875)	(1,319)
Change - %				(8.8%)	(8.8%)	(8.9%)



(1) Utility tap fee assessment varies for Promontory Pointe. (2) Includes condominiums and townhomes which are individually metered.

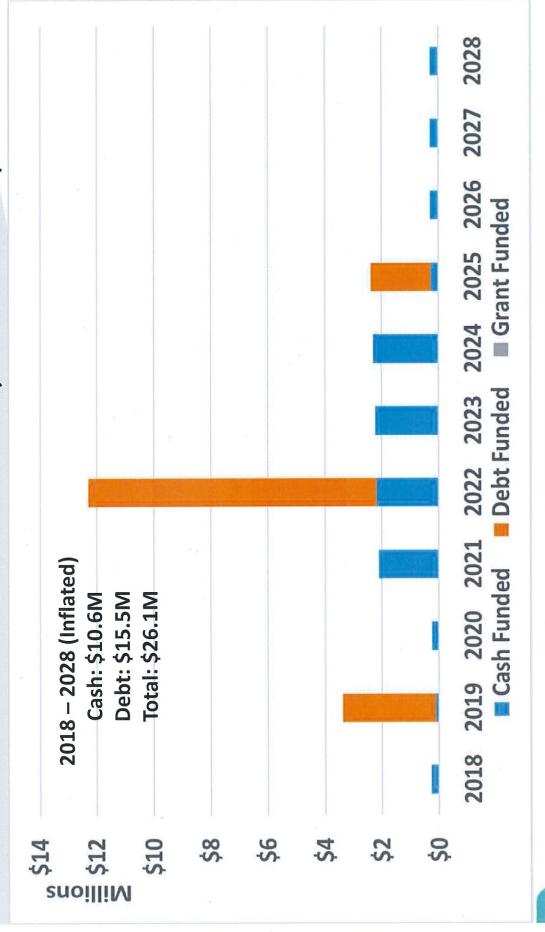
MAJOR WATER CIP PROJECTS (in inflated dollars)

- Water rights purchases
- \$1.75 million (2019)
- \$1.86 million (2021)
- \$1.91 million (2022)
- \$1.97 million (2023) \$2.03 million (2024)
- \$2.09 million (2025)
- constructed infrastructure, \$2.88 million (2018-2028) Development tap fee reimbursements for previously
- New well, \$1.55 million (2019)
- Pipeline to CSU, \$10.13 million (2023)



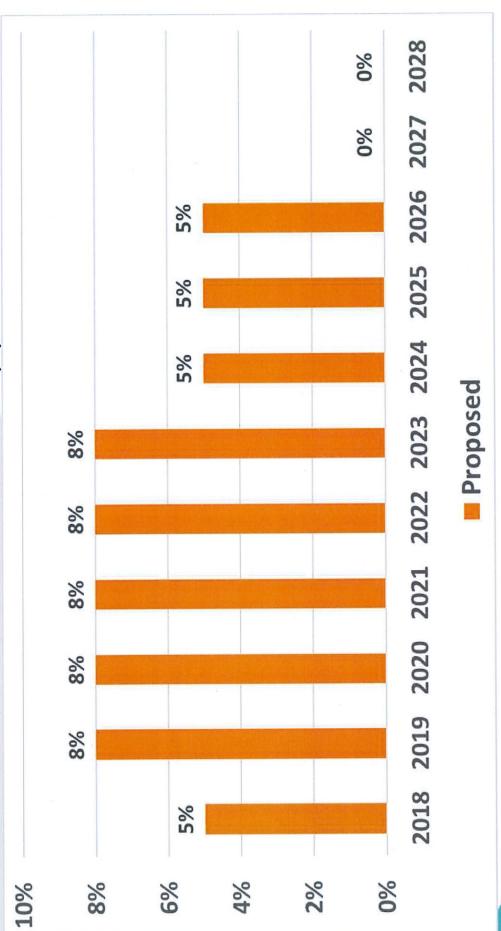
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WATER CIP FINANCING (Inflated \$'s)





RECOMMENDED WATER RATE REVENUE INCREASES (1)





(1) 2018 increases effective September 1st. 2019 and thereafter effective January 1st.

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WATER CASH RESERVES





WATER DSC RATIO





PROJECTED TYPICAL RESIDENTIAL **MONTHLY WATER BILLS (1) (2)**





(1) Based on 3/4-inch residential meter, 8,000 gallons usage

(2) Current typical bill is \$49.84 per month before 2018 increases.

PROPOSED 2018 RESIDENTIAL WATER AND WASTEWATER RATES

		Curr	Current	2018 Proposed (1)	posed (1)
Description	Meter Size / Volume	Water	Wastewater	Water	Wastewater
Base Rate	All	\$20.00	\$35.74	\$21.00	\$39.31
Water Volume Rate	e Rate				
Block 1	0 to 6,000	\$3.52	N/A	\$3.70	N/A
Block 2	6,001 to 20,000	4.36	N/A	4.58	N/A
Block 3	20,001 to 30,000	7.71	N/A	8.10	N/A
Block 4	30,001 to 40,000	8.71	N/A	9.15	N/A
Block 5	Over 40,001	10.57	N/A	11.10	N/A
Wastewater	AII (2)		3.52		3.87



(1) 2018 rates assumed effective September 1, 2018.

(2) Applied to the average November through February monthly metered water use.

PROPOSED 2018 NON-RESIDENTIAL WATER AND WASTEWATER RATES

		Curr	Current	2018 Pro	2018 Proposed (1)
Description	Meter Size / Volume	Water	Wastewater	Water	Wastewater
Base Rate	1-inch and less	\$31.16	\$43.10	\$32.72	\$47.41
Base Rate	1 ½-inch	55.29	86.20	58.05	94.82
Base Rate	2-inch	104.74	174.54	109.98	191.99
Base Rate	3-inch	236.44	409.44	248.26	450.38
Base Rate	4-inch	429.67	754.21	451.15	829.63
Base Rate	6-inch	1,021.40	1,810.11	1,072.47	1,991.12
Base Rate	8-inch	2,441.45	4,352.85	2,563.52	4,788.14
Volume (2)	All	3.57	3.47	3.75	3.82

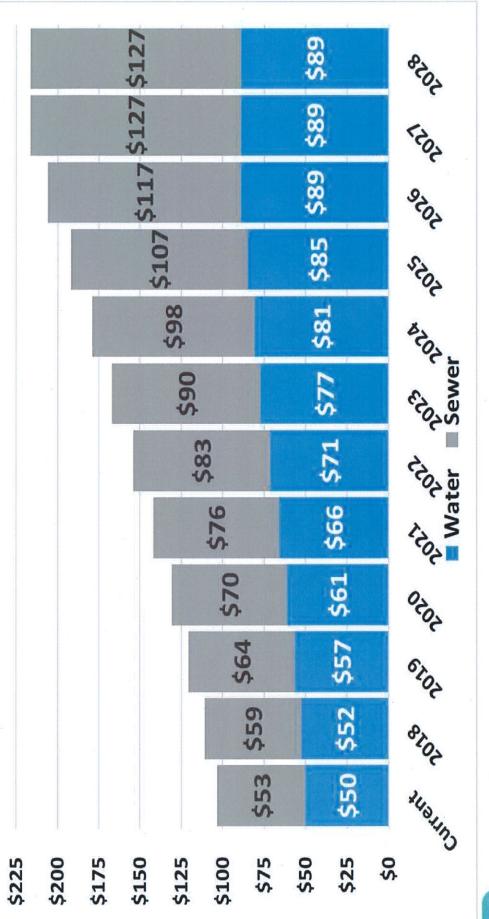
(1) 2018 rates assumed effective September 1, 2018.

(2) Water and wastewater volume rates applied to monthly metered water use.

27



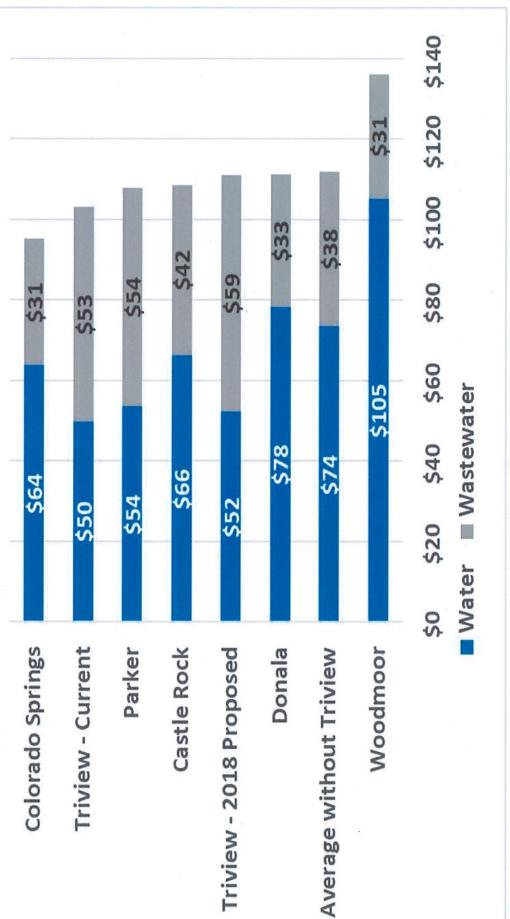
PROJECTED COMBINED TYPICAL RESIDENTIAL MONTHLY BILLS (1)





28 (1) Based on 3/4-inch residential meter, 8,000 gallons water usage and 5,000 gallons billed sewer. Current is before 2018 rate increases.

SURVEY OF LOCAL UTILITIES (1)





29 (1) Based on ¾-inch residential meter, 8,000 gallons water usage and 5,000 gallons billed sewer. Current is before 2018 rate increases.

Discussion



RAFTELIS NEXT STEPS

- Issue Phase 1 report
- Support bond issuance process and requirements
- Update financial plan before 2019 rate adjustment public hearing
- Assist in review of impact to rate revenue requirements of CSU based service plans
- Initial capital requirements
- On-going costs and wholesale rate criteria
- Phase 2 services
- Assess adequacy of water, sewer and renewable water tap fee
- Customer class cost of service
- Alternative rates for service



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Board Information Current Tap Fees & Changes

		TRI	VIEW ME	rROPOLI	TRIVIEW METROPOLITAN DISTRICT TAP/IMPACT FEES SCHEDULE RESIDENTIAL	RESIDENTIAL	MPACT F	ES SCH	EDULE		20	
RESIDENTIAL:	WATER TAP FEE	WATER TAP FEE SEWER TAP FEE	RENEWABLE WATER FEE	REUSE TAP FEE	DRAINAGE		ROAD & BRIDGE Review and Water Meter Sewer Impact WATER IMPACT FEE Comment Fee Fee Fee	Review and Comment Fee	Water Meter Fee	Sewer Impact Fee	WATER IMPACT FEE	Total
APARTMENT	\$6,284.88	\$6,284.88 \$3,588.75 \$1,827.00 3,132.00	\$1,827.00	3,132.00	\$717.75 \$1,760.71 \$564.80 \$500.00 \$500.00	\$1,760.71	\$564.80	\$500.00	\$500.00	\$500.00		\$19.375.89
ATTACHED SINGLE FAMILY \$9,030.00 \$5,156.25 \$2,625.00 4,500.00	\$9,030.00	\$5,156.25	\$2,625.00	4,500.00	\$1,031.25	\$2,529.75	\$1,031.25 \$2,529.75 \$811.50	\$500.00	\$500.00 \$500.00 \$500.00	\$500.00	r	\$27,183.75

Effective May 1, 2017 version3

			COMME	MERCIAL, OFFICE & INDUSTRIAL TAP/IMPACT FEES	ERCIAL, OFFICE & INDUSTRIAL TAP/IMPAC	AP/IMPACT FE	ES				
COI:		WATER TAP FEE		RENEWABLE WATER	REUSE TAP FEE	DRAINAGE IMPACT	ROAD & BRIDGE	LOT INSPECTION	Sewer Impact Fee	REVIEW FEE	TOTALS
e.	D.	Per SFE /Based Upon Tap Size	Per SFE /Based Upon Tap Size	ed Upon		Base on Total Lot Size	Base on Type and Square Footage of	Per SFE /Based Upon Tap Size	Per SFE /Based Upon Tap Size	Bass built	
TAP SIZE	SFES	12,040,00	6,875.00	3,500.00	6,000.00	*	Still Gind	500.00	500.00	49	
1	1.9	\$22,876.00	0 \$13,062.50		49	See	995	\$950.00		day	455 888 50
1.5	4.4	\$52,976.00	\$30,250.	*		table	table	\$2,200.00	4		\$120 426 DD
2	8.1	\$97,524.00			\$48,600.00	*	*	\$4.050.00			\$738 261 50
2.5	13.25	\$159,530.00	\$91,093.75	\$46,375.00		×	*	\$6.625.00		*	₹280 748 75
3	19	\$228,760.00	\$130,625.		0,	*	*	\$9.500.00		*	\$558 885 00
4	35	\$421,400.00		\$122,500.00	\$210,000.00	×	*	\$17.500.00	6	*	\$1 029 525 00
9	84	\$1,011,360.00	0 \$577,500.00	\$294,000.00	\$504,000.00	*	*	\$42,000.00	L	*	\$2 470 860 00
8	154	\$1,854,160.00	0 \$1,058,750.00	\$539,000.00	\$924,000,00	*	*	\$77,000.00		*	\$4 579 910 00
10	250	\$3,010,000.00			1	*	*	\$125,000.00	69	*	\$7,353,750.00
NOTE 1: SEE money circle feetiles	368	\$4,430,720.00	\$2,530,000.00	\$1,288,000.00	\$2,208,000.00	*	¥	\$184,000.00		*	\$10,824,720.00
NOTE 2: The equivalency chart for the tan cize is based mon data from the based	IIVAIENT	mon date from the	Dennis de la companya								
NOTE 3: The minimum tan for a commercial, office or Industrial use is 1"	nercial, office or I	nductrial use is 1"	e Denver Water Board	ard							
and the minimum amount of Tan (Transit con in each one one	Tan (Impact Foor	- 420 000 000 P									
NOTE 4: NAATT means "Not Available At This Time	At This Time	2 450 to 00.00									
NOTE 5: Irrigation taps for Commercial, Office or Industrial fees are the same as Ian foce	al, Office or Indus	strial fees are the ca		homono of agin and an anomal	in characterist						
				Day of the second	na criangen						
Categories Impact Fees	Commercial/sqft	t Office/sqf	Industrial/sqft		Commercial	- 10	Commercial Boad B. Bridge Sees	Comp		COMMERCIAL-OFFICE-INDUSTR.	CE-INDUSTR.
		L		. (4	wood or britished	600		REVIEW & COMMENT FEES:	I rees:
Drainage	\$ 0.23	\$ 0.23	\$ 0.23	Lot Size	0.23	Square Ft. Bidg.				Range	Offsite Costs
				-	60.04	STOU	0004			1-25,000	\$0.30
Roads & Bridges	7-7				200		00.04			50,001-250,000	\$0.24
1 Shopping Center	\$ 0.89			3	Office	,	Office			Over 250,001	\$0.14
2 Speciality Retail	\$ 6.13			· val	Drainage		Road & Bridge Fees	Sans		Brilding Co Et	
3 Efectronics Superstore	\$ 1.07			Lot Size		Sourane Ft. Bldo.				Date Charles	
4 Free-Standing Discount Sto	1.32			Rate	0.23	of the				Nate	
5 Building Materials Lumber	\$ 1.23			and the same of th	\$0.00	WESTER	40.00				
6 Home Improvement Super	es						20.00				
7 Supermarket	\$ 2.87										
8 Hardware/Paint Store	\$ 1.13										
Gonvenience Market	\$ 10.62			I	Industrial	post	Industrial				
10 High Turnover (sit down) R	\$ 4.63			2	Drainage	- siń	Road & Bridge Fees	Sees			
11 Fast Food Restraurant	\$ 11.79			Lot Size		Square Ft. Bldg.					
12 Gas Station/Car Wash	\$ 23.20		0	Rate	0.23	Rate			, a		
13 Video Rental	\$ 3.25			11	\$0.00	А	\$0.00				
14 Bank	\$ 10.04		8								
15 Pharmacy	\$ 2.06										
16 General Commercial	\$ 5.08										
Hotel/Mote	\$ 1.35										
		\$ 0.36									
10 Indicatrial	_										

Effective 05-01-17 version 3

Sample Bill and Proposed Rates

Residential

	-				
		Cur	rent	2018 Pro	posed (1)
Description	Meter Size / Block	Water	Wastewater	Water	Wastewater
2018 Increase		N/A	N/A	5.0%	10.0%
Base Rate	All	\$20.00	\$35.74	\$21.00	\$39.31
Volume Rates					
Block 1	0 to 6,000	\$3.52	N/A	\$3.70	N/A
Block 2	6,001 to 20,000	4.36	N/A	4.58	N/A
Block 3	20,001 to 30,000	7.71	N/A	8.10	N/A
Block 4	30,001 to 40,000	8.71	N/A	9.15	N/A
Block 5	Over 40,000	10.57	N/A	11.10	N/A
Uniform	Avg. Nov - Feb Use	N/A	\$3.52	N/A	3.87
Total Bill					

⁽¹⁾ Proposed 2018 rates effective September 1, 2018.

Commercial

		Cur	rent	2018 Pro	posed (1)
Description	Meter Size / Block	Water	Wastewater	Water	Wastewater
2018 Increase		N/A	N/A	5.0%	10.0%
Base Rate	1-inch and less	\$31.16	\$43.10	\$32.72	\$47.41
Base Rate	1 1/2-inch	55.29	86.20	58.05	94.82
Base Rate	2-inch	104.74	174.54	109.98	191.99
Base Rate	3-inch	236.44	409.44	248.26	450.38
Base Rate	4-inch	429.67	754.21	451.15	829.63
Base Rate	6-inch	1,021.40	1,810.11	1,072.47	1,991.12
Base Rate	8-inch	2,441.45	4,352.85	2,563.52	4,788.14
Volume Rates					
Uniform	Meter Water	\$3.57	N/A	\$3.75	N/A
Uniform	Avg. Nov - Feb Use	N/A	\$3.47	N/A	3.82
Total Bill					

⁽¹⁾ Proposed 2018 rates effective September 1, 2018.

Residential

				2018	
Description	Meter Size / Block	Current	Bill (2)	Proposed (1)	Bill (2)
2018 Increase	е	N/A			
Base Rate	Water		\$20.00	5.0%	\$21.00
Base Rate	Wastewater		35.74	10.0%	39.31
Dase Nate	WasteWater		\$55.74		\$60.31
Water Volum	ne Rates				
Block 1	0 to 6,000	\$3.52	\$21.12	\$3.70	\$22.20
Block 2	6,001 to 20,000	4.36	8.72	4.58	9.16
Block 3	20,001 to 30,000	7.71	0.00	8.10	0.00
Block 4	30,001 to 40,000	8.71	0.00	9.15	0.00
Block 5	Over 40,000	10.57	0.00	11.10	0.00
Uniform	Avg. Nov - Feb Use	\$3.52	17.60	3.87	19.35
Total Bill		, , , ,	103.18	- 3.07 -	111.02

⁽¹⁾ Proposed 2018 rates effective September 1, 2018.

^{(2) 3/4-}inch water meter with 8,000 gallons water volume and 5,000 gallons average winter month use.

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