



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Firelight Irrigation Metropolitan District
Weld County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Firelight Irrigation Metropolitan District (District), for the year ending December 31, 2023, including the estimate of comparative information for the year ending December 31, 2022, and the actual comparative information for the year ending December 31, 2021, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2021 is presented for comparative purposes as required by Colorado Revised Statutes 29-1-105. Such information is taken from the application for exemption from audit of the District for the year ended December 31, 2021. Schilling & Company, Inc. compiled the application for exemption from audit for the year ended December 31, 2021, whose report was dated March 17, 2022.

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

We are not independent with respect to Firelight Irrigation Metropolitan District.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
December 8, 2022

**FIRELIGHT IRRIGATION METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET AS ADOPTED
WITH 2021 ACTUAL AND 2022 ESTIMATED
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

| | <u>ACTUAL 2021</u> | <u>ADOPTED BUDGET 2022</u> | <u>ADOPTED BUDGET 2023</u> |
|--|------------------------|------------------------------------|------------------------------------|
| Assessed Valuation | | | |
| Weld County | \$ 10 | \$ 10 | \$ 10 |
| Northern Firestone Urban Renewal Authority (TIF) | - | - | (4) |
| Total Assessed Valuation - net | <u>\$ 10</u> | <u>\$ 10</u> | <u>\$ 6</u> |
| | | | |
| Mill Levy | | | |
| General Fund | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Mill Levy | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | |
| Tax Revenue | | | |
| General Fund | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total Tax Revenue | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

**FIRELIGHT IRRIGATION METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET AS ADOPTED
WITH 2021 ACTUAL AND 2022 ESTIMATED
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

| | <u>ACTUAL 2021</u> | <u>ESTIMATED 2022</u> | <u>ADOPTED BUDGET 2023</u> |
|---|------------------------|---------------------------|------------------------------------|
| Beginning Funds Available | \$ 826,407 | \$ 956,938 | \$ 320,842 |
| Revenue | | | |
| Interest Income | 390 | 3,825 | 4,000 |
| Intergovernmental transfers from: | | | |
| Firelight Commercial Metropolitan District | 188,137 | 120,414 | 8,304 |
| Firelight Residential Metropolitan District | - | - | 352,695 |
| Total Revenue | <u>188,527</u> | <u>124,239</u> | <u>364,999</u> |
| Total Funds Available | <u>1,014,934</u> | <u>1,081,177</u> | <u>685,841</u> |
| Expenditures | | | |
| Accounting | 9,214 | 10,055 | 11,700 |
| Audit | - | - | 4,800 |
| Legal | 32,651 | 98,303 | 90,000 |
| Election | - | 4,355 | 10,000 |
| Insurance | 6,685 | 5,822 | 6,500 |
| Bank fees | 120 | 120 | 120 |
| Siphon pipe removal | - | - | 100,000 |
| Capital outlay: | | | |
| Design/engineering | 2,931 | - | - |
| Oligarchy Ditch relocation project | 6,395 | 641,680 | - |
| Contingency | - | - | 10,000 |
| Total Expenditures requiring appropriation | <u>57,996</u> | <u>760,335</u> | <u>233,120</u> |
| Ending Funds Available | <u>\$ 956,938</u> | <u>\$ 320,842</u> | <u>\$ 452,721</u> |
| Emergency Reserve | <u>\$ 5,660</u> | <u>\$ 3,800</u> | <u>\$ 11,000</u> |

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

**FIRELIGHT IRRIGATION METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET AS ADOPTED
WITH 2021 ACTUAL AND 2022 ESTIMATED
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

| | <u>ACTUAL 2021</u> | <u>ESTIMATED 2022</u> | <u>ADOPTED BUDGET 2023</u> |
|---|------------------------|---------------------------|------------------------------------|
| Beginning Funds Available | \$ 1,876,286 | \$ 1,202,514 | \$ 1,146,340 |
| Revenue | | | |
| Contractual obligation - District No. 2 | 6,069 | - | - |
| Interest earnings | 759 | 9,045 | 10,000 |
| Total Revenue | <u>6,828</u> | <u>9,045</u> | <u>10,000</u> |
| Total Funds Available | <u>1,883,114</u> | <u>1,211,559</u> | <u>1,156,340</u> |
| Expenditures | | | |
| Service Plan Amendment | 969 | 57,747 | 50,000 |
| Legal | 5,207 | 2,106 | 15,000 |
| Engineering | 50,093 | 5,366 | 50,000 |
| Inspection and maintenance | 3,018 | - | 10,000 |
| Miscellaneous | 17,599 | - | - |
| Capital outlay - water infrastructure | 603,714 | - | 1,031,340 |
| Total Expenditures requiring appropriation | <u>680,600</u> | <u>65,219</u> | <u>1,156,340</u> |
| Ending Funds Available | <u>\$ 1,202,514</u> | <u>\$ 1,146,340</u> | <u>\$ -</u> |

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

**FIRELIGHT IRRIGATION METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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

SERVICES PROVIDED

The District was organized in 2009 along with Firelight Commercial Metropolitan District, Firelight Residential Metropolitan District, and Highway 119 Metropolitan District Nos. 4, 5 and 6. District Nos. 7, 8, 9 and 10 were organized in 2017. All of the Districts combined are referred to as the Districts. The Districts were organized in Weld County, Colorado and are governed pursuant to provisions of the Colorado Special District Act. The Districts were organized to finance, construct, acquire, and, if required or authorized by an intergovernmental agreement with the Town of Firestone, operate and maintain certain streets, traffic safety controls, street lighting, water, sanitary sewer, landscaping, storm sewers, flood and surface drainage and park and recreation improvements.

The District obtained voter approval to retain and spend any excess revenues collected under Article X, Section 20 of the Colorado Constitution.

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

REVENUE

Intergovernmental Transfers

The Firelight Commercial Metropolitan District (Commercial District) levies taxes for operations and transfers those collections to the District. All of the administrative costs of both districts are then paid by the District.

The Commercial District also levied taxes as required by the Capital Pledge Agreement and transferred them to the District. The revenues collected under this contractual obligation were recorded in the Capital Projects Fund. As of December 31, 2021, the Commercial District had fulfilled its obligation under the agreement and therefore, no debt service mill has been levied.

Investment Income

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

EXPENDITURES

District expenditures are estimated based on prior years' amounts expended adjusted for known variations. The District has budgeted inflationary increases for 2023 with no significant changes in the level of services provided.

**FIRELIGHT IRRIGATION METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

CAPITAL OUTLAY

The District anticipates paying for the design and construction of a water infrastructure and the relocation of a water ditch during 2023.

RESERVES

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

This information is an integral part of the accompanying budget.