

**LYONS RIDGE METROPOLITAN
DISTRICT
Jefferson County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2019**

**LYONS RIDGE METROPOLITAN DISTRICT
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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lyons Ridge Metropolitan District
Jefferson County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Lyons Ridge Metropolitan District as of and for the year December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Lyons Ridge Metropolitan District, as of December 31, 2019, and the respective changes in financial position and the budgetary comparisons for the General Fund, the Architectural Control Fund and the Montane Design Review Committee Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lyons Ridge Metropolitan District's basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – for the Debt Service and Capital Projects Funds (the Supplementary Information), and the Schedule of Debt Service Requirements to Maturity and the Summary of Assessed Valuation, Mill Levy and Property Taxes Collected (the Other Information), is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Other Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

D'Agostino & Associates, P.C.

June 29, 2020

BASIC FINANCIAL STATEMENTS

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 219,300
Cash and Investments - Restricted	544,362
Receivable - County Treasurer	4,443
Property Taxes Receivable	783,796
Prepaid Expenses	13,275
Warranty Deposit	158,185
Capital Assets Being Depreciated, Net	<u>3,116,747</u>
Total Assets	<u>4,840,108</u>
LIABILITIES	
Accounts Payable	122,875
Security Deposits	131,200
Accrued Interest Payable	36,789
Noncurrent Liabilities:	
Due Within One Year	345,805
Due in More Than One Year	<u>10,629,659</u>
Total Liabilities	<u>11,266,328</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	<u>783,796</u>
Total Deferred Inflows of Resources	<u>783,796</u>
NET POSITION	
Net Investment in Capital Assets	(173,663)
Restricted for:	
Emergency Reserves	4,600
Debt Service	15,961
Capital Projects	56,318
Unrestricted	<u>(7,113,232)</u>
Total Net Position	<u>\$ (7,210,016)</u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 349,071	\$ 38,710	\$ -	\$ -	\$ (310,361)
Interest and Related Costs on Long-Term Debt	473,615	-	-	-	(473,615)
Total Governmental Activities	\$ 822,686	\$ 38,710	\$ -	\$ -	(783,976)
 GENERAL REVENUES					
Property Taxes					603,245
Specific Ownership Taxes					51,391
Net Investment Income					27,652
Other Income					34
Total General Revenues					682,322
 CHANGE IN NET POSITION					
Net Position - Beginning of Year					(7,108,362)
 NET POSITION - END OF YEAR					
					\$ (7,210,016)

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

ASSETS	General	Architectural Control	Montane Design Review Committee	Debt Service	Capital Projects	Total Governmental Funds
Cash and Investments	\$ 32,088	\$ 22,374	\$ 164,838	\$ -	\$ -	\$ 219,300
Cash and Investments - Restricted	3,300	100	1,200	434,048	105,714	544,362
Receivable From County	741	-	-	3,702	-	4,443
Property Taxes Receivable	130,633	-	-	653,163	-	783,796
Prepaid Expenses	13,275	-	-	-	-	13,275
Warranty Deposit	-	-	-	-	158,185	158,185
Total Assets	\$ 180,037	\$ 22,474	\$ 166,038	\$ 1,090,913	\$ 263,899	\$ 1,723,361
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 16,629	\$ -	\$ 4,379	\$ -	\$ 101,867	\$ 122,875
Security Deposits	-	200	131,000	-	-	131,200
Total Liabilities	16,629	200	135,379	-	101,867	254,075
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Tax Revenue	130,633	-	-	653,163	-	783,796
Total Deferred Inflows of Resources	130,633	-	-	653,163	-	783,796
FUND BALANCES						
Nonspendable:						
Prepaid Expenses	13,275	-	-	-	-	13,275
Restricted For:						
Emergency Reserves	3,300	100	1,200	-	-	4,600
Debt Service	-	-	-	437,750	-	437,750
Capital Projects	-	-	-	-	162,032	162,032
Committed For:						
Reserves	-	22,174	29,459	-	-	51,633
Unassigned	16,200	-	-	-	-	16,200
Total Fund Balances	32,775	22,274	30,659	437,750	162,032	685,490
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 180,037	\$ 22,474	\$ 166,038	\$ 1,090,913	\$ 263,899	

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, Net	3,116,747
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Long-term liabilities are not due and payable in the current period and, therefore, are not
in the funds:

Accrued Interest on Developer Advance	(20,549)
Developer Advance Payable	(245,000)
Loan Payable	(10,709,915)
Accrued Interest Payable	(36,789)
	<u>(11,711,253)</u>

Net Position of Governmental Activities	<u>\$ (7,210,016)</u>
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See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	General	Architectural Control	Montane Design Review Committee	Debt Service	Capital Projects	Total Governmental Funds
REVENUES						
Property Taxes	\$ 100,541	\$ -	\$ -	\$ 502,704	\$ -	\$ 603,245
Specific Ownership Taxes	8,565	-	-	42,826	-	51,391
Building Permits	-	-	1,650	-	-	1,650
Landscaping Fees	-	400	23,560	-	-	23,960
Minor Application Income	-	800	550	-	-	1,350
New Development Fees	-	-	11,750	-	-	11,750
Net Investment Income	28	-	-	23,775	3,849	27,652
Other Revenue	34	-	-	-	-	34
Total Revenues	<u>109,168</u>	<u>1,200</u>	<u>37,510</u>	<u>569,305</u>	<u>3,849</u>	<u>721,032</u>
EXPENDITURES						
Current:						
Accounting	15,062	-	-	-	-	15,062
Audit	4,500	-	-	-	-	4,500
County Treasurer's Fee	1,509	-	-	7,543	-	9,052
District Management	12,900	-	-	-	-	12,900
Insurance and Bonds	2,763	-	-	-	-	2,763
Legal	24,438	300	-	-	-	24,738
Miscellaneous	68	-	-	-	-	68
Operations and Maintenance						
Snow Removal	10,420	-	-	-	-	10,420
Landscaping Improvements	35,602	-	-	-	-	35,602
Ejector Pump Contract	17,580	-	-	-	-	17,580
O&M Labor	15,472	-	-	-	-	15,472
Operating Expenditures	-	115	13,296	-	-	13,411
Covenant Enforcement - Legal	-	-	19,350	-	-	19,350
Miscellaneous Repairs	8,665	-	-	-	-	8,665
Miscellaneous Landscaping	15,620	-	-	-	-	15,620
Mulch	7,443	-	-	-	-	7,443
Utilities	10,876	-	-	-	-	10,876
Debt Service:						
Paying Agent Fees	-	-	-	4,500	-	4,500
Loan Interest	-	-	-	449,618	-	449,618
Loan Principal	-	-	-	198,857	-	198,857
Capital Outlay/Expenditures	-	-	-	-	650,892	650,892
Total Expenditures	<u>182,918</u>	<u>415</u>	<u>32,646</u>	<u>660,518</u>	<u>650,892</u>	<u>1,527,389</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(73,750)	785	4,864	(91,213)	(647,043)	(806,357)
OTHER FINANCING SOURCES (USES)						
Developer Advance	90,000	-	-	-	-	90,000
Total Other Financing Sources (Uses)	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,000</u>
NET CHANGE IN FUND BALANCES	16,250	785	4,864	(91,213)	(647,043)	(716,357)
Fund Balances - Beginning of Year	<u>16,525</u>	<u>21,489</u>	<u>25,795</u>	<u>528,963</u>	<u>809,075</u>	<u>1,401,847</u>
FUND BALANCES - END OF YEAR	<u>\$ 32,775</u>	<u>\$ 22,274</u>	<u>\$ 30,659</u>	<u>\$ 437,750</u>	<u>\$ 162,032</u>	<u>\$ 685,490</u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Governmental Funds	\$ (716,357)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense, the allocation of the cost of any depreciable asset over the estimated useful life of the asset.</p>	
Capital Outlay - Current Year	650,892
Depreciation	(133,092)
<p>Long-term debt (e.g., issuance of bonds, the receipt of Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>	
Current Year Loan Principal Payment	198,857
Developer Advances	(90,000)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued Interest on Developer Advance - Change in Liability	(12,507)
Accrued Interest on Loan - Change in Liability	<u>553</u>
Change in Net Position of Governmental Activities	<u><u>\$ (101,654)</u></u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	100,525	\$ 100,541	\$ 16
Specific Ownership Taxes	6,032	8,565	2,533
Net Investment Income	500	28	(472)
Other Revenue	-	34	34
Total Revenues	<u>107,057</u>	<u>109,168</u>	<u>2,111</u>
EXPENDITURES			
Current:			
Accounting	15,000	15,062	(62)
Audit	5,000	4,500	500
County Treasurer's Fee	1,508	1,509	(1)
District Management	12,900	12,900	-
Dues and Membership	650	-	650
Insurance and Bonds	2,610	2,763	(153)
Legal	20,000	24,438	(4,438)
Miscellaneous	500	68	432
Operations and Maintenance			
Mulch	8,000	7,443	557
Repay Developer Advance	1,000	-	1,000
Landscaping Improvements	40,000	35,602	4,398
Ejector Pump Contract	30,000	17,580	12,420
O&M Labor	15,472	15,472	-
Miscellaneous Landscaping	20,000	15,620	4,380
Miscellaneous Repairs	5,000	8,665	(3,665)
Snow and Ice Removal	10,000	10,420	(420)
Utilities	12,000	10,876	1,124
Total Expenditures	<u>199,640</u>	<u>182,918</u>	<u>16,722</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(92,583)	(73,750)	18,833
OTHER FINANCING SOURCES (USES)			
Developer Advance	90,000	90,000	-
Total Other Financing Sources (Uses)	<u>90,000</u>	<u>90,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,583)	16,250	18,833
Fund Balance - Beginning of Year	<u>6,512</u>	<u>16,525</u>	<u>10,013</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,929</u>	<u>\$ 32,775</u>	<u>\$ 28,846</u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
ARCHITECTURAL CONTROL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original Budget Final	Actual Amounts	Variance with Final Budget Positive – (Negative)
REVENUES			
Permits and Fees	\$ 5,000	\$ -	\$ (5,000)
Landscaping Fees	5,000	400	(4,600)
Minor Application Income	150	800	650
New Development Fees	200	-	(200)
Fines	250	-	(250)
Total Revenues	<u>10,600</u>	<u>1,200</u>	<u>(9,400)</u>
EXPENDITURES			
Operating Expenditures	5,000	115	4,885
Legal	-	300	(300)
Miscellaneous	100	-	100
Covenant Enforcement	10,500	-	10,500
Contingency	2,000	-	2,000
Total Expenditures	<u>17,600</u>	<u>415</u>	<u>17,185</u>
NET CHANGE IN FUND BALANCE	(7,000)	785	7,785
Fund Balance - Beginning of Year	<u>28,207</u>	<u>21,489</u>	<u>(6,718)</u>
FUND BALANCE - END OF YEAR	<u>\$ 21,207</u>	<u>\$ 22,274</u>	<u>\$ 1,067</u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
MONTANE DESIGN REVIEW COMMITTEE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Building Permits	\$ 900	\$ 1,700	\$ 1,650	\$ (50)
Minor App Income	-	750	550	(200)
Landscaping Fees	900	24,000	23,560	(440)
New Development Fees	4,000	12,000	11,750	(250)
Total Revenues	<u>5,800</u>	<u>38,450</u>	<u>37,510</u>	<u>(940)</u>
EXPENDITURES				
Operating Expenditures	5,000	14,000	13,296	704
Miscellaneous	100	100	-	100
Covenant Enforcement	5,000	5,000	-	5,000
Covenant Enforcement - Legal	-	20,000	19,350	650
Contingency	2,000	2,000	-	2,000
Total Expenditures	<u>12,100</u>	<u>41,100</u>	<u>32,646</u>	<u>8,454</u>
NET CHANGE IN FUND BALANCE	(6,300)	(2,650)	4,864	7,514
Fund Balance - Beginning of Year	<u>15,895</u>	<u>25,795</u>	<u>25,795</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 9,595</u>	<u>\$ 23,145</u>	<u>\$ 30,659</u>	<u>\$ 7,514</u>

See accompanying Notes to Basic Financial Statements.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Lyons Ridge Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court of Jefferson County on November 17, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the Amended and Restated Service Plan dated May 28, 2010. The District's service area is located in Jefferson County, Colorado. The District was established to provide the following services: streets and drainage, water, sanitary sewer, parks and recreation, traffic safety protection, and public transportation.

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

The District has no employees and all operations and administrative functions are contracted.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

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

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

The Architectural Control Fund (special revenue fund) accounts for the resources accumulated and payments for services associated with design review and covenant enforcement within the Lyons Ridge community of the District.

The Montane Design Review Committee Fund (special revenue fund) accounts for the resources accumulated and payments for services associated with design review and covenant enforcement within the Montane community of the District.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

Budgets

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

The District amended its annual budget for the year ended December 31, 2019.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

It is the policy of the County to accept maintenance responsibility for all capital improvements within the County, except for certain landscaping improvements specified in the District's Service Plan, upon the District's completion and conveyance of such improvements provided they meet the County's specifications.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Drainage/Detention Improvements	25 Years
Park and Open Space	15 to 35 Years

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the board of directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2019, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 219,300
Cash and Investments - Restricted	544,362
Total Cash and Investments	<u>\$ 763,662</u>

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash and investments as of December 31, 2019, consist of the following:

Deposits with Financial Institutions	\$ 122,274
Investments	<u>641,388</u>
Total Cash and Investments	<u><u>\$ 763,662</u></u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

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

At December 31, 2019, the District's cash deposits had a bank balance of \$122,574 and a carrying balance of \$122,274.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

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

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	\$ 348,817
Treasury Money Market Fund	Weighted Average Under 60 Days	292,571
Total		<u><u>\$ 641,388</u></u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

U.S. Treasury Money Market Fund

The debt service money that is included in the debt service reserve trust account at Zions Bank is invested in the JPMorgan 100% U.S. Treasury Securities Money Market Fund. This fund is a money market fund that is managed by JPMorgan and each share is equal in value to \$1.00. The funds are invested in U.S. Treasury obligations, which are fully guaranteed as to principal and interest by the United States, with maturities of 180 days or less and repurchase agreements collateralized by U.S. Treasury obligations. The JPMorgan 100% U.S. Treasury Securities Money Market Fund is rated Aaa by Moody's. The fund and the District record this investment using the net asset value method.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2019 follows:

	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
<u>Governmental Activities</u>				
Capital Assets, Being				
Depreciated:				
Parks and Open Space	\$ 778,537	\$ 549,025	\$ -	\$ 1,327,562
Bergen Ditch	388,145	-	-	388,145
Drainage and Detention	1,590,713	101,867	-	1,692,580
Total Capital Assets, Being				
Depreciated	<u>2,757,395</u>	<u>650,892</u>	<u>-</u>	<u>3,408,287</u>
Less Accumulated				
Depreciation for:				
Parks and Open Space	(75,203)	(51,900)	-	(127,103)
Bergen Ditch	(23,289)	(15,528)	-	(38,817)
Drainage and Detention	(59,956)	(65,664)	-	(125,620)
Total Accumulated				
Depreciation	<u>(158,448)</u>	<u>(133,092)</u>	<u>-</u>	<u>(291,540)</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 2,598,947</u>	<u>\$ 517,800</u>	<u>\$ -</u>	<u>\$ 3,116,747</u>

During 2018, a significant portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records. There is a two-year warranty period on the capital assets conveyed. The District anticipates that the costs, if any, associated with the warranty will be insignificant.

Depreciation expense of \$133,092 was charged to the general government function on the statement of activities.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2019:

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019	Due Within One Year
2015A and 2015B Limited Tax					
General Obligation Loan	\$ 10,908,772	\$ -	\$ 198,857	\$ 10,709,915	\$ 345,805
Developer Advances:					
Operating	155,000	90,000	-	245,000	-
Interest on Developer Advances Operating	8,042	12,507	-	20,549	-
Total	<u>\$ 11,071,814</u>	<u>\$ 102,507</u>	<u>\$ 198,857</u>	<u>\$ 10,975,464</u>	<u>\$ 345,805</u>

The details of the District's long-term obligations are as follows:

Series 2015A – \$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Loan

On October 16, 2015, the District entered into the 2015A Loan Agreement (the Series 2015A Loan) with Zions Bank (successor of Vectra Bank) in an amount not to exceed \$10,000,000, with a maturity date of December 1, 2045. The interest rate is calculated as 3.25% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the Advance and is reset on December 1, 2020, and each five year anniversary of such date until maturity. Payments are due semi-annually on June 1 and December 1 of each year, commencing June 1, 2016, through December 1, 2045. Repayment of principal amounts commences on December 1, 2017. The District may prepay the outstanding principal commencing on the second anniversary with a 1% penalty. Prepayments may occur after the third anniversary without penalty. The Series 2015A Loan was executed to reimburse the Developer for infrastructure acquired by the District.

The District may make advance requests once each calendar year quarter in amounts not less than \$250,000, and not to exceed the aggregate amount of \$10,000,000. Loan advances and interest rates on the Series 2015A Loan as of December 31, 2019 are as follows:

Loan Date	Loan Amount	Interest
October 16, 2015	\$ 4,233,646	3.6975%
August 10, 2016	413,522	3.6680%
November 1, 2016	618,533	3.6080%
February 23, 2017	293,303	4.0350%
June 6, 2017	725,369	3.9000%
November 22, 2017	637,635	4.0650%
June 14, 2018	3,077,992	4.5380%
Total	<u>\$ 10,000,000</u>	

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2015A – \$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Loan (Continued)

The Series 2015A Loan is secured and payable from the Pledged Revenue, consisting of monies derived by property and specific ownership taxes, as derived by the debt mill levy, and any other legally available monies of the District credited to the Loan Fund. There is a \$200,000 reserve requirement, which has been met as of December 1, 2019.

Series 2015B – \$1,200,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Loan

On October 16, 2015, the District entered into the 2015B Loan Agreement (the Series 2015B Loan) with Zions Bank (successor of Vectra Bank) in an amount not to exceed \$1,200,000, with a maturity date of December 1, 2045. Estimated closing date is December 1, 2019. The interest rate is calculated as 3.25% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the Advance and is reset on December 1, 2020, and each five-year anniversary of such date until maturity. Payments are due semi-annually on June 1 and December 1 of each year, commencing the first June 1 or December 1 after the date of the first advance through December 1, 2045. The Series 2015B Loan was executed to reimburse the Developer for infrastructure acquired by the District.

The District may make advance requests once each calendar year quarter in amounts not less than \$250,000, and not to exceed the maximum advance amount. Loan advances and interest rates on the Series 2015B Loan as of December 31, 2019 are as follows:

<u>Loan Date</u>	<u>Loan Amount</u>	<u>Interest</u>
June 14, 2018	<u>\$ 1,200,000</u>	4.5380%

The Series 2015B Loan is secured and payable from the Pledged Revenue, consisting of monies derived by property taxes, specific ownership taxes, and any other legally available monies of the District credited to the Loan Fund. The Series 2015B Loan is parity debt to the Series 2015A Loan.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 345,805	\$ 441,464	\$ 787,269
2021	234,089	426,307	660,396
2022	252,456	416,677	669,133
2023	264,110	406,279	670,389
2024	284,232	396,218	680,450
2025-2029	1,252,906	1,814,805	3,067,711
2030-2034	1,631,772	1,536,931	3,168,703
2035-2039	2,330,099	1,148,048	3,478,147
2040-2044	3,347,181	591,558	3,938,739
2045	767,265	31,849	799,114
Total	<u>\$ 10,709,915</u>	<u>\$ 7,210,136</u>	<u>\$ 17,920,051</u>

Authorized Debt

On November 2, 2010, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$68,590,000 at an interest rate not to exceed 15% per annum. At December 31, 2019, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Amount Authorized November 2, 2010</u>	<u>Authorization Used 2015A and 2015B Loan</u>	<u>Remaining at December 31, 2019</u>
Street Improvements	\$ 11,265,000	\$ 4,200,995	\$ 7,064,005
Water Improvements	11,265,000	2,599,982	8,665,018
Sanitation and Storm Drainage	11,265,000	2,613,484	8,651,516
Parks and Recreation	11,265,000	1,785,539	9,479,461
Safety Protection	11,265,000	-	11,265,000
Public Transportation	11,265,000	-	11,265,000
Operations and Maintenance	1,000,000	-	1,000,000
Refunding of Debt	33,795,000	-	33,795,000
Total	<u>\$ 102,385,000</u>	<u>\$ 11,200,000</u>	<u>\$ 91,185,000</u>

Pursuant to the Service Plan dated May 28, 2010, the District can issue bond indebtedness of up to \$11,265,000. In addition, the maximum debt service mill levy for the District is 50.000 mills, as adjusted for changes in the ratio of actual value to assessed value property within the District. As of December 31, 2019, the calculated adjusted debt service mill levy was 55.090 mills.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area within the limitations of the District's Service Plan.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 NET POSITION

The District has net position 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 and reduced by the outstanding balance of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2019, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 3,116,747
Current Portion of Outstanding Long-Term Obligations	(113,719)
Noncurrent Portion of Outstanding Long-Term Obligations	(3,408,263)
Unspent Loan Proceeds	56,318
Portion of Loan Proceeds Used for Debt Service	175,254
Net Investment in Capital Assets	\$ (173,663)

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2019, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 4,600
Debt Service	15,961
Capital Projects	56,318
Total Restricted Net Position	\$ 76,879

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of debt issued for public improvements that have been conveyed to other governments.

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Shea Properties Management Company, Inc. Three of the members of the Board of Directors are officers, employees or associated with the Developer and may have conflicts of interest in dealing with the District. See Note 8 concerning reimbursements made to the Developer.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 RELATED PARTIES (CONTINUED)

Developer Advances

On November 1, 2017 the District entered into the Operations and Administrative Reimbursement Agreement with Shea Properties Management Company, Inc. (Developer). The Developer agrees to advance funds to the District to provide needed facilities and services for the operations and administration of the District. Repayment of these advances will be made by the District to the Developer when sufficient revenue has been collected by the District. Interest will accumulate starting on the date the Developer incurred the cost at the annual rate of 7%. As of December 31, 2019, that amount reimbursable to the Developer totaled \$265,549, \$245,000 for principal and \$20,549 for interest.

NOTE 8 AGREEMENTS AND COMMITMENTS

Construction and Acquisition Agreement

On September 1, 2012, the District entered into a Construction and Acquisition Agreement with Shea Properties Management Company, Inc. (Shea). Shea will coordinate and construct certain District improvements which will result in economies in construction costs and timely construction of the development. Actual construction costs are not to exceed \$11,200,000. The improvements will be transferred to the District upon completion. Some of the improvements will then be transferred to other entities. As of December 31, 2019, the District has reimbursed Shea \$10,301,279 for actual construction costs. Of this amount, \$101,867 was payable at December 31, 2019.

NOTE 9 RISK MANAGEMENT

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

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

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

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

On November 2, 2010, the District's electors authorized the District to collect, spend or retain the full amount of revenue authorized by law or contract collected or received by the District during 2011 and each fiscal year thereafter without regards to any spending, revenue raising or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance and other expenses.

On November 2, 2010, the District's electors authorized the District to increase taxes \$1,000,000 annually (first full fiscal year dollar increase) and by the same amount annually thereafter plus inflation and local growth consisting of an ad valorem mill levy imposed on all taxable property within the District without limitation of rate and in an amount sufficient to fund annual expenses related to the operations and maintenance of the District.

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

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

SUPPLEMENTARY INFORMATION

**LYONS RIDGE METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 502,624	\$ 502,704	\$ 80
Specific Ownership Tax	30,157	42,826	12,669
Net Investment Income	10,000	23,775	13,775
Other Revenue	10,000	-	(10,000)
Total Revenues	<u>552,781</u>	<u>569,305</u>	<u>16,524</u>
EXPENDITURES			
County Treasurer's fee	7,539	7,543	(4)
Paying Agent Fees	-	4,500	(4,500)
Loan Interest	450,000	449,618	382
Loan Principal	198,857	198,857	-
Contingency	10,000	-	10,000
Total Expenditures	<u>666,396</u>	<u>660,518</u>	<u>5,878</u>
NET CHANGE IN FUND BALANCE	(113,615)	(91,213)	22,402
Fund Balance - Beginning of Year	<u>546,166</u>	<u>528,963</u>	<u>(17,203)</u>
FUND BALANCE - END OF YEAR	<u>\$ 432,551</u>	<u>\$ 437,750</u>	<u>\$ 5,199</u>

**LYONS RIDGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ 10,000	\$ 3,849	\$ (6,151)
Total Revenues	<u>10,000</u>	<u>3,849</u>	<u>(6,151)</u>
EXPENDITURES			
Landscaping Improvements	5,000	549,025	(544,025)
Streets	500,000	-	500,000
Capital Outlay	<u>276,122</u>	<u>101,867</u>	<u>174,255</u>
Total Expenditures	<u>781,122</u>	<u>650,892</u>	<u>130,230</u>
NET CHANGE IN FUND BALANCE	(771,122)	(647,043)	124,079
Fund Balance - Beginning of Year	<u>771,122</u>	<u>809,075</u>	<u>37,953</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 162,032</u>	<u>\$ 162,032</u>

OTHER INFORMATION

**LYONS RIDGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2019**

\$10,000,000 Limited Tax General Obligation Loan - Series 2015A
\$1,200,000 Limited Tax General Obligation Loan - Series 2015B
(Convertible to Unlimited Tax)
Dated October 1, 2015
Interest Rate - Variable

Principal Payable Annually, Beginning December 1, 2017
Interest Payable Semi-Annually, June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 345,805	\$ 441,464	\$ 787,269
2021	234,089	426,307	660,396
2022	252,456	416,677	669,133
2023	264,110	406,279	670,389
2024	284,232	396,218	680,450
2025	297,396	383,686	681,082
2026	216,310	371,445	587,755
2027	228,963	362,562	591,525
2028	242,127	353,889	596,016
2029	268,110	343,223	611,333
2030	282,273	332,192	614,465
2031	302,190	320,594	622,784
2032	325,557	308,812	634,369
2033	347,130	294,798	641,928
2034	374,622	280,535	655,157
2035	402,783	265,129	667,912
2036	432,216	249,103	681,319
2037	464,502	230,818	695,320
2038	497,789	211,725	709,514
2039	532,809	191,273	724,082
2040	577,749	169,732	747,481
2041	618,483	145,647	764,130
2042	671,893	120,228	792,121
2043	715,833	92,618	808,451
2044	763,223	63,333	826,556
2045	767,265	31,849	799,114
	<u>\$ 10,709,915</u>	<u>\$ 7,210,136</u>	<u>\$ 17,920,051</u>

**LYONS RIDGE METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Property Taxes		Percent Collected to Levied
		General	Debt	Levied	Collected	
2015	\$ 1,349,675	10.000	50.000	\$ 80,981	\$ 80,981	100.00 %
2016	4,729,260	10.000	50.000	283,756	279,406	98.47
2017	5,741,242	10.000	50.000	344,474	347,666	100.93
2018	7,924,097	10.908	54.540	518,616	519,768	100.22
2019	9,162,777	10.971	54.855	603,149	603,245	100.02
Estimated for year ending December 31, 2020	\$ 11,856,283	11.018	55.090	\$ 783,796		