

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

**FINANCIAL STATEMENTS**  
**December 31, 2016**



**RECEIVED**

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Dazzio & Associates, PC

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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, 2016, 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, 2016, and the respective changes in financial position and the budgetary comparisons for the General Fund and the Architectural Control 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.

*Dazio & Associates, P.C.*

June 28, 2017

## **BASIC FINANCIAL STATEMENTS**

**LYONS RIDGE METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2016**

	<u><b>Governmental Activities</b></u>
<b>ASSETS</b>	
Cash and investments	\$ 77,246
Cash and investments - Restricted	476,284
Receivable - County Treasurer	1,871
Property taxes receivable	344,474
Prepaid insurance	2,221
Construction in progress	4,658,920
Total assets	<u>5,561,016</u>
<b>LIABILITIES</b>	
Accounts payable	10,760
Security deposits	54,000
Accrued interest payable	16,273
Accrued non-use fee on loan	17,537
Noncurrent liabilities:	
Due in one year	110,000
Due in more than one year	5,117,053
Total liabilities	<u>5,325,623</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenue	344,474
Total deferred inflows of resources	<u>344,474</u>
<b>NET POSITION</b>	
Net investment in capital assets	48,016
Restricted for:	
Emergency reserves	1,870
Debt service	67,284
Unrestricted	(226,251)
Total net position	<u><u>\$ (109,081)</u></u>

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

**LYONS RIDGE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2016**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:					
Government activities:					
General government	\$ 58,760	\$ 8,900	\$ -	\$ -	\$ (49,860)
Interest and related costs on long-term debt	186,124	-	-	-	(186,124)
	<u>\$ 244,884</u>	<u>\$ 8,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(235,984)</u>
General revenues:					
Property taxes					279,406
Specific ownership tax					22,759
Net investment income					11,394
Total general revenues					<u>313,559</u>
Change in net position					77,575
Net position - Beginning					<u>(186,656)</u>
Net position - Ending					<u>\$ (109,081)</u>

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

**LYONS RIDGE METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2016**

	<b>General</b>	<b>Architectural Control</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and investments	\$ 473	\$ 76,773	\$ -	\$ -	\$ 77,246
Cash and investments - Restricted	1,600	-	299,535	175,149	476,284
Receivable from County	312	-	1,559	-	1,871
Property taxes receivable	57,412	-	287,062	-	344,474
Prepaid expenses	2,221	-	-	-	2,221
<b>TOTAL ASSETS</b>	<b>\$ 62,018</b>	<b>\$ 76,773</b>	<b>\$ 588,156</b>	<b>\$ 175,149</b>	<b>\$ 902,096</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 10,760	\$ -	\$ -	\$ -	\$ 10,760
Security deposits	-	54,000	-	-	54,000
Total liabilities	10,760	54,000	-	-	64,760
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property tax revenue	57,412	-	287,062	-	344,474
Total deferred inflows of resources	57,412	-	287,062	-	344,474
<b>FUND BALANCES</b>					
Nonspendable for:					
Prepaid expenses	2,221	-	-	-	2,221
Restricted for:					
Emergencies (TABOR)	1,600	270	-	-	1,870
Debt service	-	-	301,094	-	301,094
Capital projects	-	-	-	175,149	175,149
Committed:					
Architectural Control reserve	-	22,503	-	-	22,503
Unassigned	(9,975)	-	-	-	(9,975)
Total fund balances	(6,154)	22,773	301,094	175,149	492,862
<b>TOTAL LIABILITIES, AND FUND BALANCES</b>	<b>\$ 62,018</b>	<b>\$ 76,773</b>	<b>\$ 588,156</b>	<b>\$ 175,149</b>	

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.	4,658,920
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:	
Loan payable	(5,227,053)
Accrued interest payable	(16,273)
Accrued non-use fee payable	(17,537)
Net position of governmental activities	<b>\$ (109,081)</b>

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

**LYONS RIDGE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2016**

	<u>General</u>	<u>Architectural Control</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Property taxes	\$ 46,568	\$ -	\$ 232,838	\$ -	\$ 279,406
Specific ownership tax	3,793	-	18,966	-	22,759
Building permits	-	3,700	-	-	3,700
Landscaping fees	-	5,000	-	-	5,000
Minor application income	-	200	-	-	200
Net investment income	28	-	139	11,227	11,394
Total revenues	<u>50,389</u>	<u>8,900</u>	<u>251,943</u>	<u>11,227</u>	<u>322,459</u>
<b>EXPENDITURES</b>					
Current					
Accounting	9,037	-	-	-	9,037
Audit	4,200	-	-	-	4,200
Board support	87	-	-	-	87
County Treasurer's fee	699	-	3,495	-	4,194
Insurance and bonds	805	-	-	-	805
Legal	16,722	-	-	-	16,722
Maintenance	23,932	-	-	-	23,932
Miscellaneous	60	25	-	-	85
Operating expenses	-	1,950	-	-	1,950
Utilities	1,243	-	-	-	1,243
Debt service					
Loan interest expense	-	-	187,204	-	187,204
Loan principal	-	-	38,648	-	38,648
Paying agent fees	-	-	3,000	-	3,000
Capital outlay	-	-	-	3,248,708	3,248,708
Total expenditures	<u>56,785</u>	<u>1,975</u>	<u>232,347</u>	<u>3,248,708</u>	<u>3,539,815</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	<u>(6,396)</u>	<u>6,925</u>	<u>19,596</u>	<u>(3,237,481)</u>	<u>(3,217,356)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Loan proceeds	-	-	-	1,032,055	1,032,055
Transfers in	-	-	(76,693)	76,693	-
Transfers (out)	-	-	78,552	(78,552)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,859</u>	<u>1,030,196</u>	<u>1,032,055</u>
<b>NET CHANGE IN FUND BALANCES</b>					
	(6,396)	6,925	21,455	(2,207,285)	(2,185,301)
<b>FUND BALANCES - BEGINNING OF YEAR</b>					
	<u>242</u>	<u>15,848</u>	<u>279,639</u>	<u>2,382,434</u>	<u>2,678,163</u>
<b>FUND BALANCES - END OF YEAR</b>					
	<u>\$ (6,154)</u>	<u>\$ 22,773</u>	<u>\$ 301,094</u>	<u>\$ 175,149</u>	<u>\$ 492,862</u>

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

**LYONS RIDGE METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2016**

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

Net change in fund balances - Total governmental funds \$ (2,185,301)

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.

Capital outlay 3,248,708

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.

Loan proceeds (1,032,055)

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:

Accrued interest on loan - Change in liability	23,661
Accrued non-use fees - Change in liability	(16,086)
	77,575

Changes in net position of governmental activities \$ 77,575

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

**LYONS RIDGE METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
Year Ended December 31, 2016**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Property taxes	\$ 47,293	\$ 46,568	\$ (725)
Specific ownership tax	3,783	3,793	10
Net investment income	-	28	28
Total revenues	<u>51,076</u>	<u>50,389</u>	<u>(687)</u>
<b>EXPENDITURES</b>			
Current			
Accounting	9,000	9,037	(37)
Audit	4,000	4,200	(200)
Board support	-	87	(87)
County Treasurer's fee	709	699	10
District management	5,000	-	5,000
Dues and membership	300	-	300
Insurance and bonds	2,000	805	1,195
Legal	5,000	16,722	(11,722)
Maintenance	32,989	23,932	9,057
Miscellaneous	-	60	(60)
Utilities	-	1,243	(1,243)
Total expenditures	<u>58,998</u>	<u>56,785</u>	<u>2,213</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(7,922)</u>	<u>(6,396)</u>	<u>1,526</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,922)	(6,396)	1,526
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>10,295</u>	<u>242</u>	<u>(10,053)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 2,373</u>	<u>\$ (6,154)</u>	<u>\$ (8,527)</u>

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

**LYONS RIDGE METROPOLITAN DISTRICT  
ARCHITECTUAL CONTROL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
Year Ended December 31, 2016**

	<u>Budget</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Building permits	\$ -	\$ 5,000	\$ 3,700	\$ (1,300)
Fines	-	250	-	(250)
Landscaping fees	-	5,000	5,000	-
Minor application income	-	100	200	100
New development fees	-	200	-	(200)
Total revenues	<u>-</u>	<u>10,550</u>	<u>8,900</u>	<u>(1,650)</u>
<b>EXPENDITURES</b>				
Current				
Contingency	-	2,000	-	2,000
Miscellaneous	-	100	25	75
Operating expenses	-	5,000	1,950	3,050
Total expenditures	<u>-</u>	<u>7,100</u>	<u>1,975</u>	<u>5,125</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
<b>NET CHANGE IN FUND BALANCES</b>	-	3,450	6,925	3,475
<b>FUND BALANCES - BEGINNING OF YEAR</b>				
	<u>-</u>	<u>15,848</u>	<u>15,848</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>				
	<u>\$ -</u>	<u>\$ 19,298</u>	<u>\$ 22,773</u>	<u>\$ 3,475</u>

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

**LYONS RIDGE METROPOLITAN DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 1 - DEFINITION OF REPORTING ENTITY**

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.

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.

**LYONS RIDGE METROPOLITAN DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 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 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 is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the 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.

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.

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District has amended its annual budget for the year ended December 31, 2016.

**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.

Investments are carried at fair value.

**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 unearned property tax revenues are recorded as revenue in the year they are available or collected.

**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 estimated fair 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.

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

**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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become 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.

***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.

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- *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.

**Deficits**

The General Fund reported a deficit in the fund financial statements as of December 31, 2016. The deficit will be eliminated with the receipt of property taxes in 2017.

**NOTE 3 - CASH AND INVESTMENTS**

Cash and investments as of December 31, 2016, are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments	\$ 77,246
Cash and investments - Restricted	<u>476,284</u>
Total cash and investments	<u><u>\$ 553,530</u></u>

Cash and investments as of December 31, 2016, consists of the following:

Deposits with financial institutions	\$ 123,909
Investments	<u>429,621</u>
Total cash and investments	<u><u>\$ 553,530</u></u>

**LYONS RIDGE METROPOLITAN DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

**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.

As of December 31, 2016, the District's cash deposits had a bank balance of \$124,384 and a carrying balance of \$123,909.

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

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

**Fair Value Measurement and Application**

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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series); money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee); and CSAFE which record their investments at amortized cost

The District had invested in COLOTRUST, an external investment pool that records its investments at fair value and measures fair value according to Level 2 inputs.

As of December 31, 2016, the District had the following investments:

<b>Investment</b>	<b>Maturity</b>	<b>Fair Value</b>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	\$ 132,727
Treasury Money Market Fund	Weighted average under 60 days	<u>296,894</u>
		<u>\$ 429,621</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.

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

**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.

**NOTE 4 - CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2016, follows:

	<b>Balance at December 31, 2015</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance at December 31, 2016</b>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Construction in progress	\$ 1,410,212	\$3,248,708	\$ -	\$ 4,658,920
Total capital assets, not being depreciated	<u>\$ 1,410,212</u>	<u>\$3,248,708</u>	<u>\$ -</u>	<u>\$ 4,658,920</u>

It is anticipated that certain assets will be conveyed to other entities upon final acceptance.

**NOTE 5 - LONG-TERM OBLIGATIONS**

The following is an analysis of changes in District's long-term obligations for the year ended December 31, 2016:

	<b>Balance at December 31, 2015</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance at December 31, 2016</b>	<b>Due Within One Year</b>
2015A Limited Tax General Obligation Loan	\$ 4,233,646	\$ 1,032,055	\$ 38,648	\$ 5,227,053	\$110,000

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)**

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 one 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 as of December 31, 2016 are as follows:

<u>Loan Date</u>	<u>Loan Amount</u>	<u>Interest</u>
October 16, 2015	\$ 4,233,646	3.6975%
August 10, 2016	413,522	3.6680%
November 1, 2016	618,533	3.6080%
	<u>\$ 5,265,701</u>	

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, 2016.

**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.

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)**

No loan advances have been requested on the Series 2015B Loan as of December 31, 2016. 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.

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.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 110,000	\$ 195,275	\$ 305,275
2018	142,580	191,151	333,731
2019	149,168	185,825	334,993
2020	153,962	180,747	334,709
2021	105,641	174,501	280,142
2022-2026	588,290	808,963	1,397,253
2027-2031	604,465	701,137	1,305,602
2032-2036	858,275	570,982	1,429,257
2037-2041	1,227,312	384,806	1,612,118
2042-2045	1,287,360	120,539	1,407,899
	<u>\$ 5,227,053</u>	<u>\$ 3,513,926</u>	<u>\$ 8,740,979</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, 2016, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)**

	<u>Amount Authorized November 2, 2010</u>	<u>Authorization Used 2015A Loan</u>	<u>Remaining at December 31, 2016</u>
Street improvements	\$ 11,265,000	\$ 893,954	\$ 10,371,046
Water improvements	11,265,000	1,771,040	9,493,960
Sanitation and storm drainage	11,265,000	1,982,174	9,282,826
Parks and recreation	11,265,000	618,533	10,646,467
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
	<u>\$ 102,385,000</u>	<u>\$ 5,265,701</u>	<u>\$ 97,119,299</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, 2016, the calculated adjusted debt service mill levy was 50.000 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.

**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 balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2016, the District had net investment in capital assets calculated as follows:

**LYONS RIDGE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016**

**NOTE 6 - NET POSITION (CONTINUED)**

	<b>Governmental Activities</b>
Net investment in capital assets:	
Capital assets, net	\$ 4,658,920
Current portion of outstanding long-term obligations	(110,000)
Noncurrent portion of outstanding long-term obligations	(5,117,053)
Unspent loan proceeds	175,149
Debt service reserve	200,000
Proceeds used for cost of issuance	241,000
Net investment in capital assets	\$ 48,016

The restricted component of 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 restricted net position as of December 31, 2016, as follows:

	<b>Governmental Activities</b>
Restricted net position:	
Emergencies	\$ 1,870
Debt service reserve	67,284
Total restricted net position	\$ 69,154

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. Upon completion, some of these public improvements will be conveyed to other governmental entities at which time these costs will be removed from the District's financial records.

**NOTE 7 - RELATED PARTIES**

The Developer of the property which constitutes the District is Shea Properties Management Company, Inc. 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 FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 8 - AGREEMENTS**

**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, 2016, the District has reimbursed Shea \$4,658,920 for actual construction costs.

**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 (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.

**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.

**LYONS RIDGE METROPOLITAN DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)**

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.

**NOTE 11 - INTERFUND AND OPERATING TRANSFERS**

The transfers between the Debt Service Fund and the Capital Projects Fund were related to the proceeds from the Series 2015A Loan.

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTARY INFORMATION**

**LYONS RIDGE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
Year Ended December 31, 2016**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Property taxes	\$ 236,463	\$ 232,838	\$ (3,625)
Specific ownership tax	18,917	18,966	49
Net investment income	-	139	139
Total revenues	<u>255,380</u>	<u>251,943</u>	<u>(3,437)</u>
<b>EXPENDITURES</b>			
Loan interest expense	320,000	187,204	132,796
Loan principal	-	38,648	(38,648)
Paying agent fees	-	3,000	(3,000)
County Treasurer's fee	3,547	3,495	52
Total expenditures	<u>323,547</u>	<u>232,347</u>	<u>91,200</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(68,167)</u>	<u>19,596</u>	<u>87,763</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Loan proceeds	7,188,492	-	(7,188,492)
Transfers to other funds	(6,880,274)	(76,693)	6,803,581
Transfers from other funds	-	78,552	78,552
Total other financing sources (uses)	<u>308,218</u>	<u>1,859</u>	<u>(306,359)</u>
<b>NET CHANGE IN FUND BALANCES</b>	240,051	21,455	(218,596)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>350,902</u>	<u>279,639</u>	<u>(71,263)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 590,953</u>	<u>\$ 301,094</u>	<u>\$ (289,859)</u>

**LYONS RIDGE METROPOLITAN DISTRICT  
CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
Year Ended December 31, 2016**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Net investment income	\$ -	\$ 11,227	\$ 11,227
Total revenues	<u>-</u>	<u>11,227</u>	<u>11,227</u>
<b>EXPENDITURES</b>			
Project management	-	113,537	(113,537)
Drainage / detention	-	391,585	(391,585)
Bergen ditch	-	374,580	(374,580)
Sanitary sewer	-	51,743	(51,743)
Waterlines	-	891,857	(891,857)
Roadways	-	1,206,236	(1,206,236)
Landscaping	-	219,170	(219,170)
Developer reimbursements	6,880,274	-	6,880,274
Total expenditures	<u>6,880,274</u>	<u>3,248,708</u>	<u>3,631,566</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(6,880,274)</u>	<u>(3,237,481)</u>	<u>(3,620,339)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Loan proceeds	-	1,032,055	1,032,055
Transfers from other funds	6,880,274	76,693	(6,803,581)
Transfers to other funds	-	(78,552)	(78,552)
Total other financing sources (uses)	<u>6,880,274</u>	<u>1,030,196</u>	<u>(5,850,078)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(2,207,285)	(2,207,285)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>-</u>	<u>2,382,434</u>	<u>2,382,434</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 175,149</u>	<u>\$ 175,149</u>

## **OTHER INFORMATION**

**LYONS RIDGE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2016**

**\$10,000,000 Limited Tax General Obligation Loan  
(Convertible to Unlimited Tax)  
Series 2015A  
Dated October 1, 2015  
Draws - \$5,265,701  
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>
2017	\$ 110,000	\$ 195,275	\$ 305,275
2018	142,580	191,151	333,731
2019	149,168	185,825	334,993
2020	153,962	180,747	334,709
2021	105,641	174,501	280,142
2022	112,023	170,555	282,578
2023	116,817	166,371	283,188
2024	126,611	162,451	289,062
2025	132,992	157,277	290,269
2026	99,847	152,309	252,156
2027	105,641	148,579	254,220
2028	112,023	145,029	257,052
2029	120,817	140,448	261,265
2030	128,198	135,935	264,133
2031	137,786	131,146	268,932
2032	149,168	126,345	275,513
2033	158,756	120,427	279,183
2034	169,137	114,497	283,634
2035	185,313	108,179	293,492
2036	195,901	101,534	297,435
2037	211,076	93,938	305,014
2038	227,252	86,053	313,305
2039	243,427	77,564	320,991
2040	264,397	68,658	333,055
2041	281,160	58,593	339,753
2042	307,129	48,091	355,220
2043	327,099	36,618	363,717
2044	348,862	24,465	373,327
2045	304,270	11,365	315,635
	<u>\$ 5,227,053</u>	<u>\$ 3,513,926</u>	<u>\$ 8,740,979</u>

**LYONS RIDGE METROPOLITAN DISTRICT  
SUMMARY OF ASSESSED VALUATION, MILL LEVY AND  
PROPERTY TAXES COLLECTED  
December 31, 2016**

<b>Year Ended December 31,</b>	<b>Prior Year Assessed Valuation for Current Year Property Tax Levy</b>	<b>Mills Levied</b>		<b>Property Taxes</b>		<b>Percent Collected to Levied</b>
		<b>General</b>	<b>Debt</b>	<b>Levied</b>	<b>Collected</b>	
2014	\$ 83,850	10.000	50.000	\$ 5,031	\$ 5,324	106%
2015	\$ 1,349,675	10.000	50.000	\$ 80,981	\$ 80,981	100%
2016	\$ 4,729,260	10.000	50.000	\$283,756	\$279,406	98%
Estimated for year ending December 31, 2017	\$ 5,741,242	10.000	50.000	\$344,474		