

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2019**

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	24
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	25
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST REQUIREMENTS TO MATURITY	27
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	28



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lake of the Rockies Metropolitan District
El Paso County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Lake of the Rockies Metropolitan District ("District") as of and for the year ended 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.

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 District as of December 31, 2019, and the changes in its financial position and the respective budgetary comparison for the general 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 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 which 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 opinions on the basic financial statements are 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 District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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.

BiggsKofford, P.C.

Colorado Springs, Colorado
June 29, 2020

BASIC FINANCIAL STATEMENTS

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 14,059
Cash and Investments - Restricted	304,536
Property Taxes Receivable	227,969
Receivable from County Treasurer	1,615
Accounts Receivable	4,480
Prepaid Expense	400
Capital Assets:	
Capital Assets, Net	<u>852,418</u>
Total Assets	<u>1,405,477</u>
LIABILITIES	
Accounts Payable	30,112
Accrued Interest Payable	11,313
Prepaid Homeowner Fees	2,880
Noncurrent Liabilities:	
Due in More than One Year	<u>4,586,328</u>
Total Liabilities	<u>4,630,633</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>227,969</u>
Total Deferred Inflows of Resources	<u>227,969</u>
NET POSITION	
Net Investment in Capital Assets	(2,301,582)
Restricted for:	
Emergency Reserves	4,400
Debt Service	80,571
Unrestricted	<u>(1,236,514)</u>
Total Net Position	<u><u>\$ (3,453,125)</u></u>

See accompanying Notes to Basic Financial Statements.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

		Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
	Expenses				
FUNCTIONS/PROGRAMS					
Primary Government:					
Government Activities:					
General Government	\$ 238,984	\$ -	\$ 56,509	\$ -	\$ (182,475)
Interest and Related Costs on Long-Term Debt	257,963	-	-	-	(257,963)
Dedication of Capital Assets to Other Governments	2,236,027	-	-	-	(2,236,027)
Total Governmental Activities	<u>\$ 2,732,974</u>	<u>\$ -</u>	<u>\$ 56,509</u>	<u>\$ -</u>	(2,676,465)
GENERAL REVENUES					
Property Taxes					147,876
Specific Ownership Taxes					17,903
Late Fees/Penalties					469
Net investment Income					7,045
Other Revenue					100
Total General Revenues					<u>173,393</u>
CHANGES IN NET POSITION					(2,503,072)
Net Position - Beginning of Year					<u>(950,053)</u>
NET POSITION - END OF YEAR					<u>\$ (3,453,125)</u>

See accompanying Notes to Basic Financial Statements.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 14,059	\$ -	\$ -	\$ 14,059
Cash and Investments - Restricted	\$ 4,400	\$ 300,136	\$ -	\$ 304,536
Deferred Property Tax Receivable	80,176	147,793	-	227,969
Receivable from County Treasurer	867	748	-	1,615
Accounts Receivable	4,480	-	-	4,480
Prepaid Expense	400	-	-	400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 104,382</u>	<u>\$ 448,677</u>	<u>\$ -</u>	<u>\$ 553,059</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 30,112	\$ -	\$ -	\$ 30,112
Prepaid Homeowner Fees	2,880	-	-	2,880
Total Liabilities	<u>32,992</u>	<u>-</u>	<u>-</u>	<u>32,992</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	<u>80,176</u>	<u>147,793</u>	<u>-</u>	<u>227,969</u>
Total Deferred Inflows of Resources	<u>80,176</u>	<u>147,793</u>	<u>-</u>	<u>227,969</u>
FUND BALANCES				
Nonspendable for:				
Prepaid Expense	400	-	-	400
Restricted for:				
Emergency Reserves	4,400	-	-	4,400
Debt Service	-	300,884	-	300,884
Unassigned	<u>(13,586)</u>	<u>-</u>	<u>-</u>	<u>(13,586)</u>
Total Fund Balances	<u>(8,786)</u>	<u>300,884</u>	<u>-</u>	<u>292,098</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 104,382</u>	<u>\$ 448,677</u>	<u>\$ -</u>	
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.				852,418
Long-term liabilities, including bonds payable and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(3,154,000)
Unpaid Interest on Bonds				(47,245)
Developer Advances				(1,256,968)
Accrued Interest on Developer Advances				(128,115)
Accrued Bond Interest				<u>(11,313)</u>
Net Position of Governmental Activities				<u>\$ (3,453,125)</u>

See accompanying Notes to Basic Financial Statements.

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

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 79,384	\$ 68,492	\$ -	\$ 147,876
Specific Ownership Taxes	9,611	8,292	-	17,903
Late Fees/Penalties	469	-	-	469
Net Investment Income	40	6,957	48	7,045
Other Revenue	100	-	-	100
Homeowner fees	56,509	-	-	56,509
Total Revenues	146,113	83,741	48	229,902
EXPENDITURES				
Current:				
Accounting	27,510	-	-	27,510
Auditing	3,850	-	-	3,850
Billing	14,458	-	-	14,458
County Treasurer's Fees	1,192	1,028	-	2,220
Covenant Enforcement	4,940	-	-	4,940
District Management	38,958	-	-	38,958
Dues and Membership	257	-	-	257
Insurance	3,109	-	-	3,109
Landscaping	19,500	-	-	19,500
Landscaping - Contingency	9,177	-	-	9,177
Legal	20,046	-	-	20,046
Miscellaneous	2,377	-	-	2,377
Snow Removal	13,123	-	-	13,123
Trash Collection	20,639	-	-	20,639
Utilities	1,674	-	-	1,674
Water Usage	6,251	-	-	6,251
Website	212	-	-	212
Debt Service:				
Bond Interest - Series 2018A	-	135,750	-	135,750
Paying Agent Fees	-	6,002	-	6,002
Total Expenditures	187,273	142,780	-	330,053
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(41,160)	(59,039)	48	(100,151)
OTHER FINANCING SOURCES (USES)				
Developer Advance	35,000	-	-	35,000
Transfers (to) from Other Funds	(1,808)	11,479	(9,671)	-
Total Other Financing Sources (Uses)	33,192	11,479	(9,671)	35,000
NET CHANGE IN FUND BALANCES	(7,968)	(47,560)	(9,623)	(65,151)
Fund Balances - Beginning of year	(818)	348,444	9,623	357,249
FUND BALANCES - END OF YEAR	<u>\$ (8,786)</u>	<u>\$ 300,884</u>	<u>\$ -</u>	<u>\$ 292,098</u>

See accompanying Notes to Basic Financial Statements.

**LAKE OF THE ROCKIES 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, 2019**

Net Change in Fund Balances - Total Governmental Funds	\$	(65,151)
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Amounts reported for governmental activities in the statement of activities are different because:

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.

Depreciation		(50,683)
Dedication of Capital Assets to Other Governments		(2,236,027)

Long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Developer Advance		(35,000)
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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.

Developer Advance - Accrued Interest Change in Liability		(82,868)
Bond Interest - Change in Liability on Unpaid Series 2018B Bond Interest		(33,343)

Changes in Net Position of Governmental Activities	\$	<u>(2,503,072)</u>
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**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Budgets		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
REVENUES				
Property Taxes	\$ 79,384	\$ 79,384	\$ 79,384	\$ -
Specific Ownership Taxes	9,526	9,200	9,611	411
Late Fees/Penalties	-	400	469	69
Net Investment Income	-	40	40	-
Other Revenue	200	100	100	-
Homeowner fees	53,040	55,320	56,509	1,189
Total Revenues	142,150	144,444	146,113	1,669
EXPENDITURES				
Current:				
Accounting	25,000	30,000	27,510	2,490
Auditing	5,000	4,000	3,850	150
Billing	10,000	16,000	14,458	1,542
County Treasurer's Fees	1,191	1,192	1,192	-
Covenant Enforcement	-	16,200	4,940	11,260
District Management	25,000	32,500	38,958	(6,458)
Dues and Membership	400	256	257	(1)
Insurance	3,000	2,858	3,109	(251)
Landscaping	19,500	19,500	19,500	-
Landscaping - Contingency	-	6,525	9,177	(2,652)
Legal	25,000	20,000	20,046	(46)
Miscellaneous	400	2,355	2,377	(22)
Repairs and Maintenance	7,000	7,000	-	7,000
Snow Removal	5,000	11,000	13,123	(2,123)
Trash Collection	17,000	20,300	20,639	(339)
Utilities	5,000	1,720	1,674	46
Water Usage	7,500	-	6,251	(6,251)
Website	-	120	212	(92)
Contingency	5,009	-	-	-
Total Expenditures	161,000	191,526	187,273	4,253
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(18,850)	(47,082)	(41,160)	5,922
OTHER FINANCING SOURCES (USES)				
Developer Advance	18,000	58,000	35,000	(23,000)
Transfers to Other Funds	-	(1,808)	(1,808)	-
Total Other Financing Sources (Uses)	18,000	56,192	33,192	(23,000)
NET CHANGE IN FUND BALANCE	(850)	9,110	(7,968)	(17,078)
Fund Balance - Beginning of Year	5,948	(818)	(818)	-
FUND BALANCE - END OF YEAR	\$ 5,098	\$ 8,292	\$ (8,786)	\$ (17,078)

See accompanying Notes to Basic Financial Statements.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Lake of the Rockies Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by Order and Decree of the District Court for El Paso County recorded on January 3, 2011, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Service Plan for the District was approved by the Town of Monument, Colorado (the Town) on May 3, 2010 and amended on January 20, 2015. The District's service area is located entirely in the Town. The District was established to acquire, install, and/or operate public infrastructure related to streets, water, sanitary sewer, parks and recreation, and provide covenant enforcement and design review services.

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 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.

**LAKE OF THE ROCKIES 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 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and homeowner fees. 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 interest on 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 Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation 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.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 has 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.

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 and infrastructure assets (e.g., detention ponds and similar items), are reported in the applicable governmental columns 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.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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 component of the District's net position.

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 following estimated economic useful lives:

Storm Drainage	30 Years
Landscaping Improvements	10 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 government'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.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

Deficits

The General Fund reported a deficit in the fund financial statements as of December 31, 2019. The deficit will be eliminated with the receipt of funds advanced by the Developer in 2020.

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	\$ 14,059
Cash and Investments - Restricted	304,536
Total Cash and Investments	<u><u>\$ 318,595</u></u>

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

Deposits with Financial Institutions	\$ 34,167
Investments	284,428
Total Cash and Investments	<u><u>\$ 318,595</u></u>

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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.

At December 31, 2019, the District's cash deposits had a bank and book balance of \$34,167.

Investments

The District has adopted a formal investment policy that 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 disclosure requirements or investment custodial credit 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

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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	<u>\$ 284,428</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 stated at net value as determined using the fair value method, and the District records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

LAKE OF THE ROCKIES 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
Capital assets, not being depreciated:				
Construction in Progress	\$ 3,139,128	\$ -	\$ 3,139,128	\$ -
Total capital assets, not being depreciated	<u>3,139,128</u>	<u>-</u>	<u>3,139,128</u>	<u>-</u>
Capital assets, being depreciated:				
Storm Drainage Infrastructure	-	594,402	-	594,402
Landscaping Improvements	-	308,699	-	308,699
Total capital assets being depreciated	<u>-</u>	<u>903,101</u>	<u>-</u>	<u>903,101</u>
Less accumulated depreciation for:				
Storm Drainage Infrastructure	-	19,813	-	19,813
Landscaping Improvements	-	30,870	-	30,870
Total accumulated depreciation	<u>-</u>	<u>50,683</u>	<u>-</u>	<u>50,683</u>
Total capital assets being depreciated, net	<u>-</u>	<u>852,418</u>	<u>-</u>	<u>852,418</u>
Total Capital Assets	<u>\$ 3,139,128</u>	<u>\$ 852,418</u>	<u>\$ 3,139,128</u>	<u>\$ 852,418</u>

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2018	New Issues	Refundings/ Retirements	Balance at December 31, 2019	Due Within One Year
Limited Tax General Obligation Bonds - Series 2018A	\$ 2,715,000	\$ -	\$ -	\$ 2,715,000	\$ -
Limited Tax General Obligation Subordinate Bonds - Series 2018B	439,000	-	-	439,000	-
Unpaid Interest on Series 2018B Bonds	13,902	33,343	-	47,245	-
Developer Advances - Capital	1,129,527	-	-	1,129,527	-
Developer Advance Interest - Capital	31,395	76,599	-	107,994	-
Developer Advances - O&M	92,441	35,000	-	127,441	-
Developer Advances Interest - O&M	13,852	6,269	-	20,121	-
Total	<u>\$ 4,435,117</u>	<u>\$ 151,211</u>	<u>\$ -</u>	<u>\$ 4,586,328</u>	<u>\$ -</u>

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

General Obligation Bonds

\$2,715,000 Series 2018A General Obligation Limited Tax Bonds (the "2018A Senior Bonds")

\$439,000 Series 2018B Subordinate General Obligation Limited Tax Bonds (the "2018B Subordinate Bonds," and together with the 2018A Senior Bonds, the "Bonds")

On August 1, 2018, the District issued the 2018A Senior Bonds and 2018B Subordinate Bonds, in the amounts of \$2,715,000 and \$439,000, respectively. Proceeds from the sale of the 2018A Senior Bonds were used to: (i) pay project costs; (ii) pay the costs of issuance of the Bonds; (iii) fund the Senior Reserve Fund; and (iv) fund capitalized interest. The proceeds of the 2018B Subordinate Bonds were used to pay project costs.

The 2018A Senior Bonds bear interest at 5.00%, payable semi-annually on June 1 and December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021 through December 1, 2047, with a final sinking fund principal payment due on August 1, 2048. The 2018A Senior Bonds mature on August 1, 2048.

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023 to November 30, 2024	3.00 %
December 1, 2024 to November 30, 2025	2.00
December 1, 2025 to November 30, 2026	1.00
December 1, 2026 and Thereafter	-

The 2018B Subordinate Bonds were issued at the rate of 7.50% per annum and payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on August 1, 2048. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the 2018B Subordinate Bonds compounds annually on each December 15. In the event any amount due and owing on the 2018B Subordinate Bonds remains outstanding on December 16, 2058, such amount shall be deemed discharged and no longer be due and outstanding.

LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023 to December 14, 2024	3.00 %
December 15, 2024 to December 14, 2025	2.00
December 15, 2025 to December 14, 2026	1.00
December 15, 2026 and Thereafter	-

The 2018A Senior Bonds are secured by and payable solely from Senior Pledged Revenue, net of any costs of collection, which includes:

- (a) property taxes generated by the imposition of the Senior Required Mill Levy;
- (b) the Capital Fees (if any);
- (c) the portion of Specific Ownership Taxes attributable to the Senior Required Mill Levy; and
- (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

The 2018B Subordinate Bonds are secured by and payable from Subordinate Pledged Revenue, net of any costs of collection, which includes:

- (a) property taxes generated by the imposition of the Subordinate Required Mill Levy;
- (b) the Subordinate Capital Fee Revenue (if any) (meaning any revenue from the Capital Fees remaining after deduction of any amounts applied to the payment of the 2018A Senior Bonds);
- (c) the portion of Specific Ownership Taxes attributable to the Subordinate Required Mill Levy; and
- (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

“Capital Fees” generally means all fees, rates, tolls, penalties and charges of a capital nature (excluding periodic, recurring service charges imposed by the District). The operations and maintenance fees currently imposed by the District are not considered to be Capital Fees and are not included as pledged revenue.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The District has covenanted to impose a Senior Required Mill Levy each year in an amount sufficient to pay the 2018A Senior Bonds as they come due, and if necessary, an amount sufficient to replenish the Senior Reserve Fund to the amount of the Senior Required Reserve, but (i) not in excess of 50 mills less the amount of the Operations Mill Levy, and (ii) for so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills less the amount of the Operations Mill Levy, or such lesser mill levy which will fund the Senior Bond Fund and pay the 2018A Senior Bonds as they come due, will replenish the Senior Reserve Fund to the amount of the Senior Required Reserve, and will fund the Senior Surplus Fund up to the Maximum Surplus Amount. In the event the method of calculating assessed valuation is changed after January 1, 2010, the minimum and maximum mill levies shall be increased or decreased to reflect such changes, such increase or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation. The adjusted mill levy certified in 2019 for collection in 2020 is 54.624 mills.

The Operations Mill Levy is defined as the number of mills necessary to produce the dollar amount of the Operations Deduction. The Operations Deduction is defined as the amount reasonably determined by the District as being necessary to pay the District's operations and maintenance expenses, but not in excess of the following: (i) for levy year 2018 (for collection in 2019), the amount of \$79,384, and (ii) for each levy year thereafter, an additional 1%.

The District has covenanted to impose a Subordinate Required Mill Levy in the amount of 50 mills (subject to adjustment) less the amount of the Senior Bond and the Operations Mill Levy, or such lesser mill levy which, after the deduction of the Senior Bond Mill Levy and the Operations Mill Levy, will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the 2018B Subordinate Bonds in full. As a result, the Subordinate Required Mill Levy until such time as the Senior Bond Mill Levy with the Operations Mill Levy equals less than 50 mills (subject to adjustment). The Senior Bond Mill Levy means the mill levy required to pay any Senior Bonds.

The 2018A Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund, which was funded from 2018A Senior Bond proceeds in the amount of the Senior Required Reserve of \$209,000, and by amounts on deposit in the Senior Surplus Fund. The Senior Surplus Fund is anticipated to be funded from Senior Pledged Revenue that is not needed to pay debt service on the 2018A Senior Bonds in any year, up to the Maximum Surplus Amount of \$271,500. Pursuant to the Senior Indenture, the Senior Surplus Fund is to be maintained for so long as any 2018A Senior Bond is outstanding. The balance in the Surplus Fund as of December 31, 2019, was \$74,112.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (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	\$ -	\$ 135,750	\$ 135,750
2021	10,000	135,750	145,750
2022	30,000	135,250	165,250
2023	30,000	133,750	163,750
2024	35,000	132,250	167,250
2025-2029	220,000	632,500	852,500
2030-2034	340,000	566,000	906,000
2035-2039	475,000	468,250	943,250
2040-2044	665,000	331,500	996,500
2045-2048	910,000	125,333	1,035,333
Total	<u>\$ 2,715,000</u>	<u>\$ 2,796,333</u>	<u>\$ 5,511,333</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 \$14,000,000 at an interest rate not to exceed 16% per annum. At December 31, 2019, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Authorized November 2, 2010 Election</u>	<u>Authorization Used for Series 2018A Bonds</u>	<u>Authorization Used for Series 2018B Bonds</u>	<u>Authorized But Unissued</u>
Water	\$ 2,000,000	\$ 371,412	\$ 60,055	\$ 1,568,533
Street	2,000,000	1,454,154	235,129	310,717
Sanitation	2,000,000	889,434	143,816	966,750
Refunding	6,000,000	-	-	6,000,000
Total	<u>\$ 12,000,000</u>	<u>\$ 2,715,000</u>	<u>\$ 439,000</u>	<u>\$ 8,846,000</u>

Pursuant to the Service Plan, the Town has limited the amount of debt to be issued by the District to a total of \$5,000,000, without further approval by the Town.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

The District has entered into Funding and Reimbursement Agreements with the Developer as follows:

Operation Funding Agreements

On November, 13, 2015, the District and the Century at LOR, LLC (the Developer), entered into that certain First Amended and Restated 2015 Operation Funding Agreement (having an effective date of August 28, 2014), which amended and restated in its entirety a prior 2015 Operation Funding Agreement dated February 4, 2015 (as so restated, the "Restated OFA"). The Restated OFA was amended pursuant to the First Amendment to the First Amended and Restated 2015 Operation Funding Agreement dated November 17, 2016 (and having an effective date of November 17, 2016), and was further amended pursuant to the Second Amendment to First Amended and Restated 2015 Operation Funding Agreement, dated July 17, 2018 with an effective date of March 15, 2018 (as so amended, the "OFA").

Under the OFA, the Developer agreed to advance funds to the District in the amounts necessary for the District to fund its operations and maintenance expenses for fiscal years 2015 through 2022, or alternatively, the Developer may elect to pay such expenses directly. Under the OFA, Advances bear simple interest at the rate of the prime interest rate plus one and one-half points thereon per annum. As of December 31, 2019, under the OFA, the District owes \$127,441 and \$20,121 of outstanding principal and accrued interest, respectively.

Facilities Funding and Acquisition Agreements

On July 17, 2018 The District and the Developer entered into a Facilities Funding and Acquisition Agreement (FFAA) effective November 17, 2016, setting forth the rights, obligations, and procedures for the District's acquisition of Public Improvements constructed by the Developer and reimbursement by the District to the Developer for advances made to the District for construction related expenses. Advances bear simple interest at the rate of the prime interest rate plus one and one-half points thereon per annum

The FFAA supersedes in its entirety a prior reimbursement agreement between the District and BK-LOR, LLC (BK-LOR), being the entity that sold certain property in the District to the Developer. Such prior reimbursement agreement was terminated concurrently with the execution and delivery of the FFAA pursuant to a Termination of Reimbursement Agreement between the District and BK-LOR. All prior rights of reimbursement of BK-LOR from the District have been fully waived.

As of December 31, 2019, the District owes \$1,129,527 and \$107,994 of outstanding principal and accrued interest, respectively.

**LAKE OF THE ROCKIES 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 balances 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	\$ 852,418
Noncurrent portion of outstanding long-term obligations	<u>(3,154,000)</u>
Net Investment in Capital Assets	<u><u>\$ (2,301,582)</u></u>

Restricted assets include net position 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, 2019, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 4,400
Debt Service	<u>80,571</u>
Total	<u><u>\$ 84,971</u></u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 RELATED PARTY

The majority of the members on the Board of Directors are employees, owners, or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 8 INTERFUND TRANSFERS

The transfer from the General Fund to the Capital Projects Fund was to cover prior year administration expenditures.

The transfer from the Capital Projects Fund to the Debt Service Fund was to close the Cost of Issuance Fund.

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) as of December 31, 2019. 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, public officials' liability, and workers' compensation 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 that 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, a majority of the District's electors authorized the District to collect and spend or retain in a reserve the full amount of all currently levied taxes and fees of the District annually, without regard to any limitations under TABOR.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

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

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. As of December 31, 2019, the District had provided but did not fund an Emergency Reserve, which may be a violation of the Constitutional Amendment.

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

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

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 68,492	\$ 68,492	\$ 68,492	\$ -
Specific Ownership Taxes	8,219	7,940	8,292	352
Net Investment Income	-	8,200	6,957	(1,243)
Total Revenues	76,711	84,632	83,741	(891)
EXPENDITURES				
Debt Service:				
County Treasurer's Fees	1,027	1,028	1,028	-
Bond Interest - Series 2018A	135,750	135,750	135,750	-
Paying Agent Fees	-	6,002	6,002	-
Contingency	3,223	-	-	-
Total Expenditures	140,000	142,780	142,780	-
EXCESS OF REVENUES UNDER EXPENDITURES	(63,289)	(58,148)	(59,039)	(891)
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	11,479	11,479	-
Total Other Financing Sources	-	11,479	11,479	-
NET CHANGE IN FUND BALANCE	(63,289)	(46,669)	(47,560)	(891)
Fund Balance - Beginning of Year	344,750	348,444	348,444	-
FUND BALANCE - END OF YEAR	<u>\$ 281,461</u>	<u>\$ 301,775</u>	<u>\$ 300,884</u>	<u>\$ (891)</u>

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

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ -	\$ 48	\$ 48	\$ -
Total Revenues	-	48	48	-
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	48	48	-
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	1,808	1,808	-
Transfers to Other Funds	-	(11,479)	(11,479)	-
Total Other Financing Uses	-	(9,671)	(9,671)	-
NET CHANGE IN FUND BALANCE	-	(9,623)	(9,623)	-
Fund Balance - Beginning of Year	-	9,623	9,623	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST
REQUIREMENTS TO MATURITY
LONG-TERM DEBT
DECEMBER 31, 2019**

	\$2,715,000 General Obligation Limited Tax Bonds Series 2018A Interest 5% Dated August 1, 2018 Interest Payable June 1 and December 1 Principal Payable December 1		
Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2020	\$ -	\$ 135,750	\$ 135,750
2021	10,000	135,750	145,750
2022	30,000	135,250	165,250
2023	30,000	133,750	163,750
2024	35,000	132,250	167,250
2025	35,000	130,500	165,500
2026	40,000	128,750	168,750
2027	45,000	126,750	171,750
2028	50,000	124,500	174,500
2029	50,000	122,000	172,000
2030	60,000	119,500	179,500
2031	60,000	116,500	176,500
2032	70,000	113,500	183,500
2033	70,000	110,000	180,000
2034	80,000	106,500	186,500
2035	80,000	102,500	182,500
2036	90,000	98,500	188,500
2037	95,000	94,000	189,000
2038	105,000	89,250	194,250
2039	105,000	84,000	189,000
2040	115,000	78,750	193,750
2041	125,000	73,000	198,000
2042	135,000	66,750	201,750
2043	140,000	60,000	200,000
2044	150,000	53,000	203,000
2045	160,000	45,500	205,500
2046	170,000	37,500	207,500
2047	180,000	29,000	209,000
2048	400,000	13,333	413,333
Total	\$ 2,715,000	\$ 2,796,333	\$ 5,511,333

**LAKE OF THE ROCKIES 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
			Levied	Collected	
2015	\$ 55,100	50.000	\$ 2,755	\$ 2,687	97.53 %
2016	127,970	50.000	6,399	6,399	100.00
2017	873,000	50.000	43,650	43,650	100.00
2018	1,796,600	52.648	94,587	94,587	100.00
2019	2,738,140	54.006	147,876	147,876	100.00
Estimated for Year Ending December 31, 2020	4,173,430	54.624	227,969		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.