

**LAMBERTSON LAKES METROPOLITAN DISTRICT**

**2020 ANNUAL REPORT**

**TO**

**THE CITY OF THORNTON**

Pursuant to the Service Plan of Lambertson Lakes Metropolitan District, the District is required to submit an annual report to the City of Thornton. The report for 2020 is submitted to the City of Thornton with regard to the following matters:

- 
1. Boundary changes made or proposed.

*There were no changes or proposed changes to the District's boundaries.*

2. Changes or proposed changes in the District's policies.

*There have been no changes in the District's policies.*

3. Changes or proposed changes in the District's operations.

*There have been no changes or proposed changes in the District's operations. The District, other than governmental administrative costs, does not have any physical operation obligations (ex. landscaping etc.) or responsibilities as those functions are performed by the community's homeowners' association and the City.*

4. Any changes in the financial status of the District including revenue projections, or operating costs.

*Budgeted revenues and operational expenditures have been relatively constant. The District is in bonded debt repayment mode.*

5. A summary of any litigation which involves the District.

*To the District's actual knowledge, based on review of the court records in Adams County, there is no litigation involving the District as of December 31, 2020.*

6. Proposed plans for the year immediately following the year summarized in the annual report.

*The District is in a debt repayment mode, and currently holds two regular board meetings annually. The District may, at its sole discretion, partner with the*

*homeowners' association from time-to-time by providing co-funding for public purpose common area landscaping and recreation construction and installation costs in an effort to enhance the aesthetics of the entire community served by the District when the District deems such co-funding as being in furtherance of a valid public purpose.*

7. Status or Public Improvement Construction Schedule.

*Public infrastructure was previously completed and accepted by the City of Thornton.*

8. Submission of current assessed valuation in the District.

*Taxable assessed valuation for Lambertson Lakes Metropolitan District in 2020: \$20,836,770.*

9. A certificate of compliance with the Thornton City Code.

*See compliance certificate (letter) attached hereto as **Exhibit A**.*

10. Annual financial statements as audited in compliance with GAAS, unless legally exempted from audits.

*See 2020 budget and year 2020 draft Audit Report attached hereto as **Exhibit B**.*

11. Copies of any filing made with the Security and Exchange Commission and or the N.M.R.S.R.S.

*Not applicable as the District's debt is in the form of the 2016 Loan Agreement with Guaranty Bank and Trust Company. Annual disclosures required under the Loan Agreement are submitted to the Bank.*

**EXHIBIT A**  
2020 Annual Report  
Letter of Compliance

City Clerk  
City of Thornton  
9500 Civic Center Drive  
Thornton, Colorado 80229

**Re: Lambertson Lakes Metropolitan District  
2020 Annual Report - Certificate of City Code Compliance**

Dear City Clerk:

Pursuant to Section VI (B) of the Service Plan for Lambertson Lakes Metropolitan District (the “**District**”), an annual report must be submitted to the Thornton City Clerk by June 30<sup>th</sup> of each year following the preceding reporting year. The annual report must include a “certificate of compliance” with the Thornton City Code. The City has informed the District that a letter from the District’s general legal counsel, which states the District’s compliance with the City Code, is acceptable.

This letter shall serve as the District’s Certificate of City Code Compliance for the above referenced Annual Report. Neither the District or its legal counsel has received any notice from the City that it is or has been in noncompliance with any provision of the City Code. Therefore, the District hereby states and affirms that it reasonably believes that it is in full compliance with the City Code.

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys for Lambertson Lakes Metropolitan District

*White Bear Ankele Tanaka & Waldron*



CliftonLarsonAllen

CliftonLarsonAllen LLP  
CLAconnect.com

## Accountant's Compilation Report

Board of Directors  
Lambertson Lakes Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Lambertson Lakes Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Lambertson Lakes Metropolitan District.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
January 16, 2020

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 280,343	\$ 569,578	\$ 856,152
REVENUES			
Property taxes	672,016	681,382	871,370
Specific ownership taxes	58,455	51,800	69,710
Net investment income	14,575	19,500	17,000
Total revenues	<u>745,046</u>	<u>752,682</u>	<u>958,080</u>
Total funds available	<u>1,025,389</u>	<u>1,322,260</u>	<u>1,814,232</u>
EXPENDITURES			
General Fund	38,097	45,106	54,000
Debt Service Fund	417,714	421,002	437,000
Total expenditures	<u>455,811</u>	<u>466,108</u>	<u>491,000</u>
Total expenditures and transfers out requiring appropriation	<u>455,811</u>	<u>466,108</u>	<u>491,000</u>
ENDING FUND BALANCES	<u>\$ 569,578</u>	<u>\$ 856,152</u>	<u>\$ 1,323,232</u>
EMERGENCY RESERVE	\$ 2,100	\$ 2,200	\$ 2,700
TOTAL RESERVE	<u>\$ 2,100</u>	<u>\$ 2,200</u>	<u>\$ 2,700</u>

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

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
<b>ASSESSED VALUATION</b>			
Residential	\$ 15,258,510	\$ 15,259,700	\$ 19,415,990
State assessed	2,300	2,110	2,200
Vacant land	156,990	399,870	685,950
Personal property	583,000	561,710	642,760
Certified Assessed Value	<b>\$ 16,000,800</b>	<b>\$ 16,223,390</b>	<b>\$ 20,746,900</b>
<b>MILL LEVY</b>			
General	3.850	3.850	3.850
Debt Service	38.150	38.150	38.150
Total mill levy	<b>42.000</b>	<b>42.000</b>	<b>42.000</b>
<b>PROPERTY TAXES</b>			
General	\$ 61,603	\$ 62,460	\$ 79,876
Debt Service	610,431	618,922	791,494
Levied property taxes	672,034	681,382	871,370
Adjustments to actual/rounding	(18)	-	-
Budgeted property taxes	<b>\$ 672,016</b>	<b>\$ 681,382</b>	<b>\$ 871,370</b>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 61,601</b>	<b>\$ 62,460</b>	<b>\$ 79,876</b>
Debt Service	<b>610,415</b>	<b>618,922</b>	<b>791,494</b>
	<b>\$ 672,016</b>	<b>\$ 681,382</b>	<b>\$ 871,370</b>

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

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
GENERAL FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 95,740	\$ 127,373	\$ 153,027
REVENUES			
Property taxes	61,601	62,460	79,876
Specific ownership taxes	5,379	4,800	6,390
Net investment income	2,750	3,500	3,000
Total revenues	<u>69,730</u>	<u>70,760</u>	<u>89,266</u>
Total funds available	<u>165,470</u>	<u>198,133</u>	<u>242,293</u>
EXPENDITURES			
General and administrative			
Accounting	15,020	18,000	18,000
Auditing	4,500	4,700	4,900
County Treasurer's fee	925	937	1,198
Directors' fees	400	400	600
Dues and membership	301	294	400
Insurance and bonds	2,848	2,725	3,000
Legal services	13,618	18,000	18,000
Miscellaneous	31	50	200
Election	454	-	2,000
Contingency	-	-	5,702
Total expenditures	<u>38,097</u>	<u>45,106</u>	<u>54,000</u>
Total expenditures and transfers out requiring appropriation	<u>38,097</u>	<u>45,106</u>	<u>54,000</u>
ENDING FUND BALANCES	<u>\$ 127,373</u>	<u>\$ 153,027</u>	<u>\$ 188,293</u>
EMERGENCY RESERVE	<u>\$ 2,100</u>	<u>\$ 2,200</u>	<u>\$ 2,700</u>
TOTAL RESERVE	<u><u>\$ 2,100</u></u>	<u><u>\$ 2,200</u></u>	<u><u>\$ 2,700</u></u>

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

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/16/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 184,603	\$ 442,205	\$ 703,125
REVENUES			
Property taxes	610,415	618,922	791,494
Specific ownership taxes	53,076	47,000	63,320
Net investment income	11,825	16,000	14,000
Total revenues	<u>675,316</u>	<u>681,922</u>	<u>868,814</u>
Total funds available	<u>859,919</u>	<u>1,124,127</u>	<u>1,571,939</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	9,164	9,284	11,872
Contingency	-	-	5,220
Loan interest - Series 2016	133,550	126,718	119,908
Loan principal - Series 2016	275,000	285,000	300,000
Total expenditures	<u>417,714</u>	<u>421,002</u>	<u>437,000</u>
Total expenditures and transfers out requiring appropriation	<u>417,714</u>	<u>421,002</u>	<u>437,000</u>
ENDING FUND BALANCES	<u>\$ 442,205</u>	<u>\$ 703,125</u>	<u>\$ 1,134,939</u>

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



**LAMBERTSON LAKES METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County on November 28, 2000, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Adams County, Colorado entirely within the City of Thornton.

The District was established to provide financing for the construction of streets, traffic and safety controls, storm drainage, sanitary sewer, water and parks and recreation facilities.

The budget is in accordance with the TABOR Amendment limitations that were modified by the voters in an election held on November 7, 2000. District voters approved authorization to increase property tax up to \$100,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the election allows the District to collect, spend and retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. Emergency reserves, required under TABOR, have been provided.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

The change in assessment ratio from 7.96% to 7.15% allows the District to adjust its mill levy to offset the decrease in revenues. However, the District has elected not to impose an adjusted mill levy for operations and debt service. Such adjusted mill levy would be 4.259 for operations and 42.205 for debt service.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 8% of the property taxes collected.

**Net Investment Income**

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

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking and meeting expenditures.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Debt Service**

The principal and interest payments in 2020 are provided based on the debt amortization schedule from the District's Limited Tax General Obligation Refunding Loan, Series 2016.

**Debt and Leases**

On September 15, 2016, the District refunded \$5,850,000 of General Obligation Refunding Bonds, Series 2006, by the issuance of \$5,835,000 Limited Tax General Obligation Refunding Loan, Series 2016 with an interest rate of 2.47%. The loan matures on December 1, 2032. Interest payments on the loan shall be due and payable semi-annually on June 1 and December 1 each year through maturity. Principal payments on the loan shall be due and payable on December 1 of each year through maturity. Principal payments shall be prepaid at the option of the District and with no prepayment fee on and after December 1, 2022. Prior to December 1, 2022, additional principal amounts may be prepaid with a redemption premium of (1) 3.00% from December 1, 2016 through November 30, 2018, (2) 2.00% from December 1, 2018 through November 30, 2020, or (3) 1.00% from December 1, 2020 through November 30, 2022.

The loan is secured by and payable from pledged revenues consisting of monies derived by the District from the following sources, net of any collection costs: (1) the required mill levy, (2) the portion of the specific ownership tax which is collected as a result of the imposition of the required mill levy, and (3) any other legally available monies which the District determines to apply to the payment of the loan. Required mill levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the bonds as the same become due and payable. If monies produced from the required mill levy, together with other pledged revenues, are

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debts and Leases - (continued)**

not sufficient to pay punctually the scheduled payments of principal and interest, the District shall include all such amounts as may be necessary for such purposes in its computation of the required mill levy in the subsequent year, and such required mill levy shall be imposed and continue to be levied until the loan is fully paid. The maximum required mill levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2019, the adjusted maximum mill levy is 55.314 mills.

The District has no operating or capital leases.

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2020, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**LAMBERTSON LAKES METROPOLITAN DISTRICT SCHEDULE  
OF DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2019**

**\$5,835,000 Limited Tax General Obligation Refunding Loan  
Series 2016**

**Dated September 15, 2016**

**Principal due December 1**

**Interest Rate 2.47% Payable**

**June 1 and December 1**

<b>Year Ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 300,000	\$ 119,908	\$ 419,908
2021	305,000	112,068	417,068
2022	320,000	104,430	424,430
2023	330,000	96,416	426,416
2024	345,000	88,393	433,393
2025	355,000	79,512	434,512
2026	370,000	70,621	440,621
2027	380,000	61,356	441,356
2028	400,000	51,981	451,981
2029	410,000	41,821	451,821
2030	425,000	31,554	456,554
2031	440,000	20,911	460,911
2032	395,000	9,919	404,919
	<u>\$ 4,775,000</u>	<u>\$ 888,890</u>	<u>\$ 5,663,890</u>

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

**EXHIBIT B**

2020 Budget and 2020 Draft Audit Report  
for  
Lambertson Lakes Metropolitan District

**LAMBERTSON LAKES  
METROPOLITAN DISTRICT  
Adams County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2020**

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
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**INSERT INDEPENDENT AUDITOR'S REPORT**

(1)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS



## **BASIC FINANCIAL STATEMENTS**

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 210,153
Cash and Investments - Restricted	400,644
Prepaid Expenses	2,874
Property Taxes Receivable	875,144
Total Assets	<u>1,488,815</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Cost of Loan Refunding	<u>215,099</u>
Total Deferred Outflows of Resources	215,099
<b>LIABILITIES</b>	
Accounts Payable	1,970
Due to Country Treasurer	171
Accrued Interest Payable - Loan	7,770
Long-Term Liabilities:	
Due Within One Year	305,000
Due in More Than One Year	<u>3,627,139</u>
Total Liabilities	<u>3,942,050</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>875,144</u>
Total Deferred Inflows of Resources	<u>875,144</u>
<b>NET POSITION</b>	
Restricted for:	
Emergency Reserves	2,600
Debt Service	390,119
Unrestricted	<u>(3,505,999)</u>
Total Net Position	<u>\$ (3,113,280)</u>

See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 33,591	\$ -	\$ -	\$ -	\$ (33,591)
Interest and Related Costs on Long-Term Debt	169,688	-	-	-	(169,688)
Total Governmental Activities	\$ 203,279	\$ -	\$ -	\$ -	(203,279)
 <b>GENERAL REVENUES</b>					
Property Taxes					841,154
Specific Ownership Taxes					63,948
Net Investment Income					6,873
Total General Revenues					911,975
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					(3,821,976)
 <b>NET POSITION - END OF YEAR</b>					
					\$ (3,113,280)

See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 210,153	\$ -	\$ 210,153
Cash and Investments - Restricted	2,600	398,044	400,644
Prepaid Expenses	2,874	-	2,874
Property Taxes Receivable	80,221	794,923	875,144
Total Assets	\$ 295,848	\$ 1,192,967	\$ 1,488,815
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 1,970	\$ -	\$ 1,970
Due to County Treasurer	16	155	171
Total Liabilities	1,986	155	2,141
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Tax Revenue	80,221	794,923	875,144
Total Deferred Inflows of Resources	80,221	794,923	875,144
 <b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Amounts	2,874	-	2,874
Restricted for:			
Emergency Reserves	2,600	-	2,600
Debt Service	-	397,889	397,889
Unassigned:			
General Government	208,167	-	208,167
Total Fund Balances	213,641	397,889	611,530
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 295,848	\$ 1,192,967	

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

Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Cost of Loan Refunding 215,099

Long-term liabilities including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Loan Interest Payable (7,770)  
Loan Payable (3,775,000)  
Developer Advance Interest Payable (157,139)

Net Position of Governmental Activities \$ (3,113,280)

See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 77,134	\$ 764,020	\$ 841,154
Specific Ownership Taxes	5,864	58,084	63,948
Net Investment Income	1,218	5,655	6,873
Total Revenues	<u>84,216</u>	<u>827,759</u>	<u>911,975</u>
<b>EXPENDITURES</b>			
Current:			
Accounting	15,309	-	15,309
Audit	4,800	-	4,800
County Treasurer's Fees	1,157	11,462	12,619
Directors' Fees	200	-	200
Dues and Membership	304	-	304
Elections	970	-	970
Insurance	2,775	-	2,775
Legal	8,060	-	8,060
Miscellaneous	16	-	16
Debt Service:			
Loan Principal - Series 2016	-	1,000,000	1,000,000
Loan Interest - Series 2016	-	119,908	119,908
Contingency	-	7,000	7,000
Total Expenditures	<u>33,591</u>	<u>1,138,370</u>	<u>1,171,961</u>
<b>NET CHANGE IN FUND BALANCES</b>	50,625	(310,611)	(259,986)
Fund Balances - Beginning of Year	<u>163,016</u>	<u>708,500</u>	<u>871,516</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 213,641</u></u>	<u><u>\$ 397,889</u></u>	<u><u>\$ 611,530</u></u>

See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balances - Governmental Funds \$ (259,986)

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

The issuance of 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. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Loan Principal Payment - Series 2016	1,000,000
Amortization on Cost of Loan Refunding - Series 2016	(33,540)

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 the governmental funds.

Accrued Interest Payable - Loan - Change in Liability	<u>2,222</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 708,696</u></u>
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See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 79,876	\$ 77,134	\$ (2,742)
Specific Ownership Taxes	6,390	5,864	(526)
Net Investment Income	3,000	1,218	(1,782)
Total Revenues	<u>89,266</u>	<u>84,216</u>	<u>(5,050)</u>
<b>EXPENDITURES</b>			
Current:			
Accounting	18,000	15,309	2,691
Audit	4,900	4,800	100
Contingency	5,702	-	5,702
County Treasurer's Fees	1,198	1,157	41
Directors' Fees	600	200	400
Dues and Membership	400	304	96
Elections	2,000	970	1,030
Insurance	3,000	2,775	225
Legal	18,000	8,060	9,940
Miscellaneous	200	16	184
Total Expenditures	<u>54,000</u>	<u>33,591</u>	<u>20,409</u>
<b>NET CHANGE IN FUND BALANCE</b>	35,266	50,625	15,359
Fund Balance - Beginning of Year	<u>153,027</u>	<u>163,016</u>	<u>9,989</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 188,293</u>	<u>\$ 213,641</u>	<u>\$ 25,348</u>

See accompanying Notes to Basic Financial Statements.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Lambertson Lakes Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 28, 2000, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado, entirely within the City of Thornton. The District was established to provide financing for the construction of streets, traffic and safety controls, storm drainage, sanitary sewer, water and parks and recreation facilities.

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.

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.



**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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

**Government-wide and Fund Financial Statements (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 collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District 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 debt of the governmental funds.

**Budgets**

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

The District has amended its annual budget for the year ended December 31, 2020.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize interest 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 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 sales of the tax liens on delinquent properties are normally 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.

**Cost of Loan Refunding**

In the government-wide financial statements, the deferred cost of loan refunding is being amortized using the interest method over the life of the refunding loan. The amortization amount is a component of interest expense, and the unamortized deferred cost is reflected as a deferred outflow of resources.

**Deferred Inflow/Outflow of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of loan refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

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, *property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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

**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.

*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 balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 210,153
Cash and Investments - Restricted	400,644
Total Cash and Investments	<u>\$ 610,797</u>

Cash and investments as of December 31, 2020, consist of the following:

Deposits with Financial Institutions	\$ 6,895
Investments	603,902
Total Cash and Investments	<u>\$ 610,797</u>

**Deposits with Financial Institutions**

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

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

At December 31, 2020, the District's cash deposits had a bank balance of \$16,087 and a carrying balance of \$6,895.

**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.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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

**Investments (Continued)**

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

As of December 31, 2020, the District had the following investments:

<u>Investments</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	\$ <u>603,902</u>

**COLOTRUST**

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

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Retirements	Balance December 31, 2020	Due Within One Year
<b>Loans from Direct Placements</b>					
2016 G.O. Refunding Loan	\$ 4,775,000	\$ -	\$ 1,000,000	\$ 3,775,000	\$ 305,000
<b>Subtotal of Loans from Direct Placements</b>	4,775,000	-	1,000,000	3,775,000	305,000
<b>Other Debt</b>					
Developer Advances	157,139	-	-	157,139	-
<b>Subtotal of Other Debt</b>	157,139	-	-	157,139	-
<b>Total Long-Term Obligations</b>	<u>\$ 4,932,139</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 3,932,139</u>	<u>\$ 305,000</u>

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

**\$5,835,000 Limited Tax General Obligation Refunding Loan, Series 2016, dated September 15, 2016** with an interest rate of 2.47%. The loan matures on December 1, 2032. Interest payments on the loan shall be due and payable semiannually on June 1 and December 1 each year through maturity. Principal payments on the loan shall be due and payable on December 1 of each year through maturity. Principal payments shall be prepaid at the option of the District and with no prepayment fee on and after December 1, 2022. Prior to December 1, 2022, additional principal amounts may be prepaid with a redemption premium of (1) 3.00% from December 1, 2016 through November 30, 2018, (2) 2.00% from December 1, 2018 through November 30, 2020, or (3) 1.00% from December 1, 2020 through November 30, 2022.

The loan is secured by and payable from pledged revenues consisting of monies derived by the District from the following sources, net of any collection costs: (1) the required mill levy, (2) the portion of the specific ownership tax which is collected as a result of the imposition of the required mill levy, and (3) any other legally available monies which the District determines to apply to the payment of the loan. Required mill levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the bonds as the same become due and payable. If monies produced from the required mill levy, together with other pledged revenues, are not sufficient to pay punctually the scheduled payments of principal and interest, the District shall include all such amounts as may be necessary for such purposes in its computation of the required mill levy in the subsequent year, and such required mill levy shall be imposed and continue to be levied until the loan is fully paid. The maximum required mill levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2020, the adjusted maximum mill levy is 63.541 mills.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

The District's Series 2016 Loan will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 305,000	\$ 93,243	\$ 398,243
2022	320,000	85,709	405,709
2023	330,000	77,805	407,805
2024	345,000	69,654	414,654
2025	355,000	61,133	416,133
2026-2030	1,985,000	167,219	2,152,219
2031	135,000	3,335	138,335
Total	<u>\$ 3,775,000</u>	<u>\$ 558,098</u>	<u>\$ 4,333,098</u>

Events of Default

The occurrence of any one or more of the following events or conditions shall constitute an Event of Default:

- (a) The District fails to pay or cause to be paid when due any principal of or interest on the loan;
- (b) The District fails or refuses to impose the Required Mill Levy pursuant to the agreement;
- (c) The District fails to observe or perform any of the covenants, agreements, duties or conditions on the part of the District in this agreement or other financing documents and such failure is not remedied to the satisfaction of the lender within 30 days.
- (d) Any representation or warranty made by the District in this agreement or in any other financing documents to which the District is a party or any certificate instrument, financial or other statement furnished by the District to the lender in connection with the loan proves to have been untrue or incomplete in any material respect when made or deemed made;
- (e) The District shall initiate, acquiesce or consent to any proceedings to dissolve or consolidate the District with other similar entities into a single entity or the District shall otherwise cease to exist;
- (f) A change occurs in the financial or operating conditions of the District, in the lender's reasonable judgement, will have a materially adverse effect on the ability of the District to generate pledged revenue sufficient to satisfy the District's obligations under this agreement and the District fails to cure such condition within 30 days.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Authorized Debt**

At December 31, 2020, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	November 7,	November 6,	Total Authorization	Used		Authorized but Unissued
	2000	2001		2002	2006	
Streets	\$ 2,750,000	\$ 750,000	\$ 3,500,000	\$ 3,015,000	\$ -	\$ 485,000
Water	500,000	500,000	1,000,000	775,000	-	225,000
Sewer and Storm Drainage	650,000	650,000	1,300,000	885,000	-	415,000
Parks and Recreation	2,500,000	500,000	3,000,000	1,000,000	-	2,000,000
Traffic and Safety	500,000	-	500,000	325,000	-	175,000
Operating and Maintenance	40,000	-	40,000	-	-	40,000
Refunding	6,900,000	2,400,000	9,300,000	-	7,150,000	2,150,000
Total	<u>\$ 13,840,000</u>	<u>\$ 4,800,000</u>	<u>\$ 18,640,000</u>	<u>\$ 6,000,000</u>	<u>\$ 7,150,000</u>	<u>\$ 5,490,000</u>

The issuance of the Series 2016 Loan refunded the Series 2006 Bonds and did not use any debt authorization.

Pursuant to the First Modification to the Original Service Plan for the District, dated December 18, 2006, the District is permitted to issue general obligation bonds of up to \$6,500,000.

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.

**Developer Advances**

In earlier years, the District received certain advances from the Developer of the District for capital infrastructure costs that were subject to a Funding and Loan Agreement (Agreement). The District has repaid all advances pursuant to the Agreement. As of December 31, 2020, a total of \$157,139 of accrued interest remained unpaid. Any future payment of said amount is subject to annual appropriation.



**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 5 NET POSITION**

The District has net position consisting of two components - restricted and unrestricted.

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, 2020, as follows:

Restricted Net Position:	
Emergency Reserves	\$ 2,600
Debt Service	390,119
Total Restricted Net Position	<u>\$ 392,719</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements conveyed to the City of Thornton in prior years.

**NOTE 6 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 was 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, 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 7 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.

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 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.

On November 7, 2000, the District voters passed an election question to increase property taxes \$100,000 annually, without limitation of rate, to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, retain and spend all revenue without regard to any limitations under TABOR.

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**

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 791,494	\$ 764,020	\$ 764,020	\$ -
Specific Ownership Taxes	63,320	58,084	58,084	-
Net Investment Income	14,000	5,655	5,655	-
Total Revenues	<u>868,814</u>	<u>827,759</u>	<u>827,759</u>	<u>-</u>
<b>EXPENDITURES</b>				
County Treasurer's Fees	11,872	11,872	11,462	410
Loan Principal - Series 2016	300,000	1,000,000	1,000,000	-
Loan Interest - Series 2016	119,908	119,908	119,908	-
Contingency	5,220	8,220	7,000	1,220
Total Expenditures	<u>437,000</u>	<u>1,140,000</u>	<u>1,138,370</u>	<u>1,630</u>
<b>NET CHANGE IN FUND BALANCE</b>	431,814	(312,241)	(310,611)	1,630
Fund Balance - Beginning of Year	<u>703,125</u>	<u>708,500</u>	<u>708,500</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,134,939</u>	<u>\$ 396,259</u>	<u>\$ 397,889</u>	<u>\$ 1,630</u>

## **OTHER INFORMATION**

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2020**

\$5,835,000 Limited Tax General Obligation Refunding Loan  
Series 2016

Dated September 15, 2016

Principal due December 1

Interest Rate 2.47% Payable

June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 305,000	\$ 93,243	\$ 398,243
2022	320,000	85,709	405,709
2023	330,000	77,805	407,805
2024	345,000	69,654	414,654
2025	355,000	61,133	416,133
2026	370,000	52,364	422,364
2027	380,000	43,225	423,225
2028	400,000	33,839	433,839
2029	410,000	23,959	433,959
2030	425,000	13,832	438,832
2031	135,000	3,335	138,335
	<u>\$ 3,775,000</u>	<u>\$ 558,098</u>	<u>\$ 4,333,098</u>

**LAMBERTSON LAKES METROPOLITAN DISTRICT  
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
 DECEMBER 31, 2020**

Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied for		Property Taxes		Percentage Collected to Levied
		General	Debt Service	Levied	Collected	
2016	\$ 12,617,070	3.850	38.150	\$ 529,917	\$ 529,917	100.00%
2017	12,609,350	3.850	38.150	529,593	529,593	100.00
2018	16,000,800	3.850	38.150	672,034	672,016	99.99
2019	16,223,390	3.850	38.150	681,382	681,400	100.01
2020	20,746,900	3.850	38.150	871,370	841,154	96.53
Estimated for year ending December 31, 2021	\$ 20,836,770	3.850	38.150	\$ 875,144		