

LEWIS POINTE METROPOLITAN DISTRICT
Adams County, Colorado

FINANCIAL STATEMENTS
December 31, 2016



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Independent Auditor's Report

To the Board of Directors
Lewis Pointe Metropolitan District

We have audited the accompanying financial statements of the governmental activities and the major funds of Lewis Pointe Metropolitan District as of and for the year ended December 31, 2016 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 the major funds of Lewis Pointe Metropolitan District, as of December 31, 2016 and the respective changes in financial position, and the 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 the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Lewis Pointe Metropolitan District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information as listed in the table of contents 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado
May 31, 2017

BASIC FINANCIAL STATEMENTS

LEWIS POINTE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2016

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 32,046
Cash and investments - Restricted	1,917,456
Accounts receivable	20,124
Prepaid Expense	16,199
Property taxes receivable	155,509
Receivable from county treasurer	288
Construction in progress	5,655,291
Total assets	<u>7,796,913</u>
LIABILITIES	
Accounts payable	14,360
Deferred assessments	13,337
Accrued interest payable	38,875
Noncurrent liabilities	
Due in more than one year	<u>8,308,809</u>
Total liabilities	<u>8,375,381</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax revenue	<u>155,509</u>
Total deferred inflows of resources	<u>155,509</u>
NET POSITION	
Restricted for:	
Emergency reserves	8,000
Debt service	1,725,058
Unrestricted	<u>(2,467,035)</u>
Total net position	<u><u>\$ (733,977)</u></u>

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

**LEWIS POINTE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2016**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Government activities:					
General government	\$ 168,876	\$ 128,504	\$ -	\$ -	\$ (40,372)
Interest and related costs on long-term debt	510,962	-	-	290,658	(220,304)
	<u>\$ 679,838</u>	<u>\$ 128,504</u>	<u>\$ -</u>	<u>\$ 290,658</u>	<u>(260,676)</u>
General revenues:					
Property taxes					48,950
Specific ownership taxes					4,035
Other income					4,075
Net investment income					11,046
Total general revenues					<u>68,106</u>
Change in net position					(192,570)
Net position - Beginning					(541,407)
Net position - Ending					<u>\$ (733,977)</u>

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

**LEWIS POINTE METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments	\$ 32,046	\$ -	\$ -	\$ 32,046
Cash and investments - Restricted	8,000	1,763,692	145,764	1,917,456
Accounts receivable	20,124	-	-	20,124
Prepaid expense	16,199	-	-	16,199
Property taxes receivable	25,918	129,591	-	155,509
Receivable from county treasurer	47	241	-	288
Total assets	\$ 102,334	\$ 1,893,524	\$ 145,764	\$ 2,141,622
LIABILITIES				
Accounts payable	\$ 14,360	\$ -	\$ -	\$ 14,360
Prepaid Assessments	13,337	-	-	13,337
Total liabilities	27,697	-	-	27,697
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	25,918	129,591	-	155,509
Total deferred inflows of resources	25,918	129,591	-	155,509
FUND BALANCES				
Nonspendable:				
Prepaid expenses	16,199			16,199
Restricted for:				
Emergency reserves	8,000	-	-	8,000
Debt service	-	1,763,933	-	1,763,933
Assigned for:				
Capital projects	-	-	145,764	145,764
Unassigned	24,520	-	-	24,520
Total fund balances	48,719	1,763,933	145,764	1,958,416
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	\$ 102,334	\$ 1,893,524	\$ 145,764	

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

Capital assets are recorded as assets on the statement of net position, but are recorded as expenditures in the funds.

Capital outlay 5,655,291

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

Bonds payable (7,775,000)

Accrued interest on bonds payable (38,875)

Developer advance payable (533,809)

Net position of governmental activities \$ (733,977)

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

LEWIS POINTE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 8,160	\$ 40,790	\$ -	\$ 48,950
Specific ownership tax	673	3,362	-	4,035
Interest Income	101	10,185	760	11,046
Refund of escrow	118,658	-	-	118,658
Other income	4,075	-	-	4,075
Association Assessments	30,844	-	-	30,844
Builder Assessments	97,660	-	-	97,660
Facility fees	-	172,000	-	172,000
Total revenues	<u>260,171</u>	<u>226,337</u>	<u>760</u>	<u>487,268</u>
EXPENDITURES				
General				
Accounting	30,521	-	-	30,521
Audit	4,400	-	-	4,400
County Treasurer's fee	124	-	-	124
District management	30,582	-	-	30,582
Dues and membership	509	-	-	509
Engineering	1,050	-	-	1,050
Election	1,072	-	-	1,072
Insurance and bonds	2,488	-	-	2,488
Legal services	22,607	-	-	22,607
Meeting expenses	210	-	-	210
Landscape maintenance	22,650	-	-	22,650
Repay developer advance	93,324	-	-	93,324
Repay developer advance interest	25,334	-	-	25,334
Utilities	52,663	-	-	52,663
Debt Service				
County treasurer's fee	-	619	-	619
Interest expense	-	466,500	-	466,500
Paying agent/trust fees	-	3,000	-	3,000
Total expenditures	<u>287,534</u>	<u>470,119</u>	<u>-</u>	<u>757,653</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(27,363)</u>	<u>(243,782)</u>	<u>760</u>	<u>(270,385)</u>
OTHER FINANCING SOURCES (USES)				
Developer Advance	66,500	-	-	66,500
Total other financing sources (uses)	<u>66,500</u>	<u>-</u>	<u>-</u>	<u>66,500</u>
NET CHANGE IN FUND BALANCES	39,137	(243,782)	760	(203,885)
FUND BALANCES - BEGINNING OF YEAR	<u>9,582</u>	<u>2,007,715</u>	<u>145,004</u>	<u>2,162,301</u>
FUND BALANCES - END OF YEAR	<u>\$ 48,719</u>	<u>\$ 1,763,933</u>	<u>\$ 145,764</u>	<u>\$ 1,958,416</u>

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

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

Net changes in fund balances - Total governmental funds \$ (203,885)

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

Long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. 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. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Developer advances	(66,500)
Repayment of Developer advances	93,324

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest on Developer advances - Change in liability	(15,509)
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Change in net position of governmental activities	\$ (192,570)
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These financial statements should be read only in connection with
the accompanying notes to financial statements.

**LEWIS POINTE METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
December 31, 2016**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ 8,158	\$ 8,160	\$ 8,160	\$ -
Specific ownership tax	650	673	673	-
Interest Income	-	101	101	-
Refund of escrow		118,658	118,658	-
Other income		4,075	4,075	-
Association Assessments	-	30,844	30,844	-
Builder Assessments	34,650	97,660	97,660	-
Total revenues	<u>43,458</u>	<u>260,171</u>	<u>260,171</u>	<u>-</u>
EXPENDITURES				
Accounting	17,500	30,521	30,521	-
Audit	-	4,400	4,400	-
County Treasurer's fees	122	124	124	-
Decorations	250	-	-	-
District management	27,150	30,582	30,582	-
Dues and membership	500	509	509	-
Election	-	1,072	1,072	-
Engineering	15,000	1,050	1,050	-
Insurance and bonds	2,000	2,488	2,488	-
Legal services	20,000	22,607	22,607	-
Meeting expenses	60	-	-	-
Miscellaneous	-	210	210	-
Landscape maintenance	20,700	22,650	22,650	-
Postage	270	-	-	-
Repairs and maintenance	885	-	-	-
Repay developer advance	-	93,324	93,324	-
Repay developer advance interest	-	25,334	25,334	-
Reserve study	1,500	-	-	-
Supplies	820	-	-	-
Utilities	20,054	52,663	52,663	-
Web hosting	600	-	-	-
Contingency	10,079	12,466	-	12,466
Total expenditures	<u>137,490</u>	<u>300,000</u>	<u>287,534</u>	<u>12,466</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(94,032)</u>	<u>(39,829)</u>	<u>(27,363)</u>	<u>12,466</u>
OTHER FINANCING SOURCES				
Developer advance	100,000	66,500	66,500	-
Total other financing sources	<u>100,000</u>	<u>66,500</u>	<u>66,500</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	5,968	26,671	39,137	12,466
FUND BALANCES - BEGINNING OF YEAR	<u>4,993</u>	<u>1,993</u>	<u>9,582</u>	<u>7,589</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,961</u>	<u>\$ 28,664</u>	<u>\$ 48,719</u>	<u>\$ 20,055</u>

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

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 - DEFINITION OF REPORTING ENTITY

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County on January 3, 2009, 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 entirely within the City of Thornton, Adams County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including streets, water, storm, regional sanitary sewer facilities, safety protection, 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 is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

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.

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct 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 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 District property taxes and interest. 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.

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

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of 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, 2016.

Pooled Cash and Investments

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

Investments are carried at fair value.

Property Taxes

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

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

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operations Fee Agreement

The District imposes an administrative fee of \$25 per month for Undeveloped Lots and \$55 per month for Developed Lots to fund operating expenses including landscaping maintenance, repairs, utilities, and some administrative costs. These fees commenced July 1, 2015, and are to be collected in quarterly payments due on the 20th day of each March, June, October, and December. Operations fees are due on the 20th day of the month stated for that month and the prior two months (example October, November, and December fees are due December 20th). Operations fees, until paid, constitute a lien against the property and the District may foreclose on the lien in the manner provided by the laws of the State of Colorado.

Facility Fee

The District imposes a Facilities Fee in the amount of \$2,000 for each single-family detached or attached residential unit within the District. The Facilities Fees are payable at the time a building permit is issued by the City for a residential unit.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities 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 estimated fair value at the date of donation.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

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

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 3 - CASH AND INVESTMENTS

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

Statement of net position:

Cash and investments	\$ 32,046
Cash and investments - Restricted	<u>1,917,456</u>
Total cash and investments	<u><u>\$ 1,949,502</u></u>

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

Deposits with financial institutions	\$ 98,835
Investments	<u>1,850,667</u>
Total cash and investments	<u><u>\$ 1,949,502</u></u>

Deposits with Financial Institutions

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

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

At December 31, 2016, the District's cash deposits had a bank balance of \$226,092 and a carrying balance of \$98,835.

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.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 3 - CASH AND 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, 2016, the District had the following investments:

Fair Value Measurement and Application

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series); money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee); and CSAFE which record their investments at amortized cost.

Investment	Maturity	Fair Value
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	<u>\$ 1,850,667</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 4 - CAPITAL ASSETS

The following is an analysis of the changes in capital assets for the year ended December 31, 2016:

	<u>Balance at December 31, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2016</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 5,655,291	\$ -	\$ -	\$ 5,655,291
Governmental activities capital assets	<u>\$ 5,655,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,655,291</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, 2016.

	<u>Balance at December 31, 2015</u>	<u>Additions</u>	<u>Retirement of Long-Term Obligations</u>	<u>Balance at December 31, 2016</u>	<u>Due Within One Year</u>
G. O. Bonds - Series 2015	\$ 7,775,000	\$ -	\$ -	\$ 7,775,000	\$ -
Developer advance - Capital Fund	328,913	-	-	328,913	-
Developer advance - O&M Fund	27,566	66,500	-	94,066	-
Note payable - Developer	136,911	-	93,324	43,587	-
Interest on Developer advance Capital Fund	36,382	26,313	-	62,695	-
Interest on Developer advances O&M	208	4,091	-	4,299	-
Interest on Developer note	15,144	10,439	25,334	249	-
	<u>\$ 8,320,124</u>	<u>\$ 107,343</u>	<u>\$ 118,658</u>	<u>\$ 8,308,809</u>	<u>\$ -</u>

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

General Obligation Bonds

\$7,775,000 Limited tax (Convertible to Unlimited Tax) General Obligation bonds, Series 2015A Bonds, dated June 1, 2015 with interest at 6.0%, payable semi-annually on each June 1 and December 1, beginning on December 31, 2015. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021. The Bonds mature on December 1, 2044.

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

The Bonds are subject to redemption prior to maturity at the option of the District on December 1, 2020, and any date thereafter upon payment of par and accrued interest thereon, without redemption premium

\$1,775,000 Subordinate Limited Tax General Obligation Bonds, Series 2015B, in the Aggregate Principal Amount of up to \$1,775,000, dated June 1, 2015, with interest at 7.0%. Payments on the Subordinate Bonds are payable annually to the extent surplus revenues are available after paying the Bonds, meeting the Reserve Requirement, and filling up the Surplus Fund on December 15. The bonds mature December 15, 2044. No Series 2015B bonds were issued in 2015. The Subordinate bonds are to be issued under a permitted draw amount arrangement, up to the face value of the bonds. The funds available for permitted draw under the indenture are to be paid to the developer for constructed improvements, upon receipt of an engineer's certification. No funds have been drawn under these bonds at December 31, 2016.

The 2015A Bonds and the 2015B Subordinate Bonds are secured by and payable solely from Pledged Revenue, which includes property taxes derived from the Required Mill Levy net of the cost of collection, Facilities Fees, Specific Ownership Taxes attributable to the Required Mill Levy, and any other legally available moneys of the District credited to the Bond Fund. Under certain circumstances, monies on deposit in the Reserve Fund and in the Surplus Fund, if any, will be used to pay only the 2015A Bonds in the event amounts credited to the Bond Fund are insufficient to pay the principal of, premium if any, or interest when due. The 2015B Subordinate Bonds are secured on a subordinate basis by the Pledged Revenue. The 2015B Subordinate Bonds are authorized to be issued from time to time in accordance with the Subordinate Indenture.

Prior to the date the Senior Debt to Assessed Ratio is equal to 50% or less, Pledged Revenue that is not needed to pay debt service on the 2015A Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of 10% of par value of the 2015A Bonds or \$777,550. Under the Indenture, the Surplus Fund is terminated once the Senior Debt to Assessed Ratio is equal to or less than 50%. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levy. The amount in the surplus fund is \$355,569 at December 31, 2016.

The Bonds are further secured by the Reserve Fund which was funded upon issuance of the Bonds in the amount of the Required Reserve equal to \$694,300. The balance in the Reserve Fund at December 31, 2016, is \$694,300.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

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

	Governmental Activities		
	Principal	Interest	Total
2017	\$ -	\$ 466,500	\$ 466,500
2018	-	466,500	466,500
2019	-	466,500	466,500
2020	-	466,500	466,500
2021	5,000	466,500	471,500
2022-2026	615,000	2,266,500	2,881,500
2027-2031	990,000	2,038,200	3,028,200
2032-2036	1,515,000	1,681,800	3,196,800
2037-2041	2,200,000	1,150,500	3,350,500
2042-2044	2,450,000	340,800	2,790,800
	<u>\$ 7,775,000</u>	<u>\$ 9,810,300</u>	<u>\$ 17,585,300</u>

Authorized Debt

On November 4, 2008, a majority of the qualified electors of the District who voted in the election authorized the issuance of District indebtedness in an amount not to exceed \$11,700,000. At December 31, 2016, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Debt Authorized June 1, 2015	Authorization Used for Series 2015A Bonds	Authorized But Unissued
Streets	\$ 11,700,000	\$ 5,413,203	\$ 6,286,797
Sanitation	11,700,000	834,367	10,865,633
Water	11,700,000	1,527,430	10,172,570
Transportation	11,700,000	-	11,700,000
Mosquito Control	11,700,000	-	11,700,000
Traffic/Safety Controls	11,700,000	-	11,700,000
Parks/Recreation	11,700,000	-	11,700,000
Refundings	11,700,000	-	11,700,000
	<u>\$ 93,600,000</u>	<u>\$ 7,775,000</u>	<u>\$ 85,825,000</u>

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$11,700,000, at an interest rate not to exceed 18.0%.

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.

NOTE 6 - NET POSITION

The District's net position consists of two components – restricted and unrestricted.

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2016, as follows:

	Governmental Activities
Restricted net assets:	
Emergency reserves	\$ 8,000
Debt service	1,725,058
Total restricted net assets	\$ 1,733,058

The District has a deficit in unrestricted net position. This deficit amount is the result of the District being responsible for the repayment of bonds issued for public improvement.

NOTE 7 - RELATED PARTY

The Developer of the property which constitutes the District is Lennar Colorado, LLC. The majority of the members of the Board of Directors are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

Operation Funding and Reimbursement Agreement

On April 29, 2015, the District entered into an Operation Funding and Reimbursement Agreement to repay advances made by the Developer for operations and maintenance (O&M) costs. The District agreed to repay the Developer for such O&M advances plus accrued interest at the rate of 8.0%. As of December 31, 2016, outstanding advances under the agreement totaled \$98,365, including principal of \$94,066 and accrued interest \$4,299.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 7 - RELATED PARTY (CONTINUED)

Facility Fee Guaranty Agreement

The District imposes a Facilities Fee in the amount of \$2,000 for each single-family detached or attached residential unit within the District. The Facilities Fees are payable at the time a building permit is issued by the City for a residential unit. The District has entered into a Facility Fee Guaranty Agreement with the Developer. If the collected facility fees are less than the total amount of facility fees due, the Developer shall pay the resulting shortfall amount to the District. The District will be responsible for providing the Developer written notice of the shortfall amount. Any shortfall amounts which are not paid shall be subject to interest and penalties. These amounts are considered to be a personal unsecured obligation of the Developer and not subject to lien against the property.

The schedule of payment due dates and amounts is as follows:

<u>Due Date</u>	<u>Number of Fees Due</u>	<u>Amount Due at \$2,000 per Unit</u>	<u>Fees Received</u>
2015	27	\$ 54,000	\$ 134,000
2016	66	132,000	172,000
2017	66	132,000	
2018	68	136,000	
2019	68	136,000	
2020	64	128,000	
2021	14	28,000	
	<u>373</u>	<u>\$ 746,000</u>	<u>\$ 306,000</u>

The District generated revenues of \$172,000 in facilities fees for 2016 and there is no shortfall due at December 31, 2016.

Infrastructure Acquisition Agreement

The District and the Developer entered into an agreement dated April 29, 2015, whereby the District has requested the Developer to design and construct certain improvements, for which the District issues general obligation bonds and the District will acquire the Improvements from the Developer. The specific acquisition, purchase price, and conveyance of the Improvements from the Developer to the District are outlined in the Infrastructure Acquisition Agreement. Improvement acquisition procedures include (a) Improvement Notice (b) Application for Acquisition (c) Engineer Certification: District Costs and (d) District Acceptance of Improvements (including the "Acceptance Letter"). Interest begins to accrue on the stated and accepted amount of District costs at 8.0% per annum (non-compounding), upon the date of the issuance of the Acceptance Letter from the District.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

NOTE 8 - AGREEMENTS

INTERGOVERNMENTAL AGREEMENTS

Service Plan

The District entered into an intergovernmental agreement with the City of Thornton effective August 12, 2008. The agreement authorizes the District to provide the services set forth in the Service Plan approved by the City. It authorizes the District to issue debt not in excess of \$11,700,000.

The agreement provides a Required Maximum Debt Mill Levy, but not in excess of 50 mills (as adjusted) and for so long as the Surplus Fund is less than the Maximum Surplus Amount of 10% of the par value of the Bonds, not less than 50 mills (as adjusted). Such maximum and minimum mill levies are subject to adjustment per the Gallagher Amendment (defined below) and are currently 50 and 50, respectively. Once the ratio derived by dividing the District's currently outstanding general obligation debt by the assessed valuation of all taxable property of the District (the "Debt to Assessed Ratio") is equal to or less than 50%, the Required Mill Levy is no longer subject to such limitations and is required to be imposed at a level sufficient to pay the Bonds and replenish the Reserve Fund, without limitation of rate.

Construction Intergovernmental Agreement

The District entered into a Construction Intergovernmental Agreement (North Holly Sewer Interceptor Project) on September 3, 2014 (the "North Holly IGA") with Parterre Metropolitan District No. 1 and North Holly Metropolitan District for the purposes of constructing sanitary sewer main lines (the "Sewer Lines Project") benefitting the properties of the parties to the North Holly IGA and certain other properties described therein. Pursuant to the North Holly IGA, the parties to such agreement agree to share the costs of the Sewer Lines Project, including certain design, engineering, construction, administrative, and related costs. The District is responsible for approximately 18% of the costs of the Sewer Line Project, which had an estimated cost of approximately \$2.5 million as of the date of such agreement. Pursuant to the terms of the North Holly IGA and a related escrow agreement, the District deposited an initial funding amount of \$465,824 into an escrow account held by Fidelity National Title Insurance Company. Parterre Metropolitan District No. 1 is to provide monthly reports to the parties to the North Holly IGA, including an accounting of all expenditures to date. The obligations of the District and the other parties to the North Holly IGA are subject to annual appropriation and budgeting and do not create a lien on any funds of the District. The escrowed amount of \$465,824 is comprised of \$136,911, the Capital Advance discussed below, and \$328,913.

Advance and reimbursement Agreement for Capital Advances

In order to pay the initial funding amount due under the North Holly IGA, the District entered into an Advance and reimbursement Agreement for Capital Advances dated August 13, 2014 (the North Holly Advance Agreement), with Clark Carlson, Clay Carlson, Kent Carlson, Steve Young, Scott Carlson, Craig Thornton, Lee Carlson, and Ryan Carlson (collectively, Former Developers). Pursuant to such agreement, the Former Developers agreed to provide an advance of \$136,911 to the District. Such advance is evidenced by a promissory note that bears

LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 8 – AGREEMENTS (CONTINUED)

interest at a non-compounding rate of 8.0% per annum and matures on August 13, 2054. The North Holly Advance Agreement is a multiple fiscal year obligation of the District. Amounts owed on the Note are payable from all moneys reimbursed to the District pursuant to the North Holly IGA or any other legally available moneys which the District determines, in its absolute discretion, to apply to the principal of and interest due on the Note. The Pledged Revenue for the Bonds is not pledged to pay amounts due under the North Holly Advance Agreement. The outstanding balance under this agreement at December 31, 2016, is \$43,836 representing advances of \$43,587 and \$249 in interest on the advances.

NOTE 9 - RISK MANAGEMENT

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

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

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

NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS

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

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

At the Election, voters of the District approved an election question allowing the District to collect and expend each year all revenues without regard to the revenue and spending limitations of TABOR.

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.

**LEWIS POINTE METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016**

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

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

NOTE 11 – SUBSEQUENT EVENT

Bond Offering

On March 21, 2017, the District issued \$3,252,000 Subordinate Limited Tax General Obligation Bonds, with interest at 7.75%, maturing December 15, 2047. The 2017B Bonds are structured as "cash flow" bonds, as there are no scheduled payments of principal prior to final maturity. These 2017B Bonds are subordinate to the 2015A Bonds, issued June 1, 2015.

On March 21, 2017, the District issued \$536,000 Junior Lien Limited Tax General Obligation Bonds, Series 2017C, with interest at 9.0% maturing December 15, 2047. The 2017C Bonds are structured as "cash flow" bonds, as there are no scheduled payments of principal prior to final maturity. These 2017C Bonds are subordinate to the 2015A Bonds, issued June 1, 2015, and the 2017B Bonds, issued March 21, 2017.

In conjunction with the offering of the Series 2017B and 2017C Bonds, the District has elected to terminate the 2015B Subordinate Indenture, and has not nor will not issue any bonds pursuant to the 2015B agreements.

Infrastructure Acquisition Agreement

The District, the Developer, and Meritage Homes of Colorado, Inc. (Meritage) have entered into an agreement dated February 14, 2017. This agreement acknowledges that Meritage owns property in the District, and intends to design and construct improvements on behalf of the District. The District agrees to acquire some or all of the improvements constructed by Meritage subject to annual appropriate and budget approval by the Board, for a purchase price equal to defined direct costs as certified by an engineer plus accrued interest. The parties acknowledge that acceptance of improvements and purchase price does not guaranty the District's ability to pay.

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

SUPPLEMENTAL INFORMATION

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ 40,791	\$ 40,791	\$ 40,790	\$ (1)
Specific ownership taxes	3,260	3,260	3,362	102
Interest income	1,500	1,500	10,185	8,685
Facility fees	132,000	132,000	172,000	40,000
Total revenues	<u>177,551</u>	<u>177,551</u>	<u>226,337</u>	<u>48,786</u>
EXPENDITURES				
County treasurer's fee	612	612	619	(7)
Interest expense - Bonds	466,500	466,500	466,500	-
Paying agent/trust fees	-	-	3,000	(3,000)
Contingency	1,000	22,888	-	22,888
Total expenditures	<u>468,112</u>	<u>490,000</u>	<u>470,119</u>	<u>19,881</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(290,561)</u>	<u>(312,449)</u>	<u>(243,782)</u>	<u>68,667</u>
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	<u>(290,561)</u>	<u>(312,449)</u>	<u>(243,782)</u>	<u>68,667</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,927,763</u>	<u>1,927,763</u>	<u>2,007,715</u>	<u>79,952</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,637,202</u>	<u>\$ 1,615,314</u>	<u>\$ 1,763,933</u>	<u>\$ 148,619</u>

**LEWIS POINTE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2016**

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Interest income	\$ -	\$ 760	\$ 760
Total revenues	<u>-</u>	<u>760</u>	<u>760</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	<u>-</u>	<u>760</u>	<u>760</u>
OTHER FINANCING SOURCES (USES)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)			
	-	760	760
FUND BALANCES - BEGINNING OF YEAR			
	<u>-</u>	<u>145,004</u>	<u>145,004</u>
FUND BALANCES - END OF YEAR			
	<u>\$ -</u>	<u>\$ 145,764</u>	<u>\$ 145,764</u>

**LEWIS POINTE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2016**

**\$7,775,000 General Obligation Bonds, Series 2015
Dated June 1, 2015
Principal Due Annually December 1
Interest at 6.00%, Due June and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 466,500	\$ 466,500
2018	-	466,500	466,500
2019	-	466,500	466,500
2020	-	466,500	466,500
2021	5,000	466,500	471,500
2022	90,000	466,200	556,200
2023	110,000	460,800	570,800
2024	125,000	454,200	579,200
2025	135,000	446,700	581,700
2026	155,000	438,600	593,600
2027	160,000	429,300	589,300
2028	185,000	419,700	604,700
2029	195,000	408,600	603,600
2030	220,000	396,900	616,900
2031	230,000	383,700	613,700
2032	260,000	369,900	629,900
2033	275,000	354,300	629,300
2034	305,000	337,800	642,800
2035	320,000	319,500	639,500
2036	355,000	300,300	655,300
2037	375,000	279,000	654,000
2038	410,000	256,500	666,500
2039	435,000	231,900	666,900
2040	475,000	205,800	680,800
2041	505,000	177,300	682,300
2042	545,000	147,000	692,000
2043	580,000	114,300	694,300
2044	1,325,000	79,500	1,404,500
	<u>\$ 7,775,000</u>	<u>\$ 9,810,300</u>	<u>\$ 17,585,300</u>

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

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Total Mills Levied</u>			<u>Refunds & Abatements</u>	<u>Total Property Taxes</u>		<u>Percent Collected to Levied</u>
		<u>General Oper- ations</u>	<u>Debt Service</u>			<u>Levied</u>	<u>Collected</u>	
2015	\$ 3,900	50.000	0.000	0.000	\$ 195	\$ 195	100.00%	
2016	815,820	10.000	50.000	0.000	48,949	48,949	100.00%	
Estimated for year ending December 31, 2017	\$ 2,591,810	10.000	50.000	0.000	\$ 155,509			