

# Loveland Midtown Metropolitan District

January 18, 2014

Via email: [dlg-filing@state.co.us](mailto:dlg-filing@state.co.us)

Colorado Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Loveland Midtown Metropolitan District Budget for 2014

To Whom It May Concern:

Attached are true and accurate copies of the adopted 2014 budget for the Loveland Midtown Metropolitan District in Larimer County, Colorado, submitted pursuant to C.R.S. Section 29-1-113. The budget was adopted on October 16, 2013.

If there are any questions on the budget, please contact our office at (970) 669-3611

Sincerely,  
LOVELAND MIDTOWN METROPOLITAN DISTRICT

*Amanda Kae Castle*

Pinnacle Consulting Group Inc.  
Accounting Manager

Enc.

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Managed by Pinnacle Consulting Group, Inc.  
1627 East 18<sup>th</sup> Street  
Loveland, CO 80538  
Phone: (970) 669-3611 \* Fax: (970) 669-3612



## Accountant's Report

### BOARD OF DIRECTORS LOVELAND MIDTOWN METROPOLITAN DISTRICT

I have compiled the statements of revenues and expenditures for the year ended December 31, 2012 and the seven months ended July 31, 2013 for Loveland Midtown Metropolitan District. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Loveland Midtown Metropolitan District for the year ending December 31, 2014 in accordance with standards established by the American Institute of Certified Public Accountants.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Loveland Midtown Metropolitan District.

A handwritten signature in dark ink, appearing to read "B. Campbell", is written over a horizontal line.

Brendan Campbell, CPA  
January 18, 2014

## LOVELAND MIDTOWN METROPOLITAN DISTRICT

### 2014 BUDGET MESSAGE

Loveland Midtown Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed in May 2004. The District was established for the North Boise Village area located in the City of Loveland, Colorado and organized to provide financing for the acquisition, construction and installation of water, sanitation, storm drainage, irrigation water distribution and parks and recreation improvements and to provide the operation and maintenance of the landscaping/recreation improvements and covenant enforcement services.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

### 2014 BUDGET STRATEGY

The District's strategy in preparing the 2014 budget is to strive to provide maintenance of parks and open space and covenant enforcement as desired by the property owners and residents of the District in the most economic manner possible.

#### *General Fund*

General and administrative expenditures budgeted in the amount of \$92,973 are to be paid by \$86,140 in property tax revenues, \$5,168 in specific ownership tax revenues and \$31 of interest income totaling to a budgeted amount of \$91,339 in revenue. The remaining expenditure balance will be paid with available fund balance.

#### *Debt Service Fund*

Expenditures for interest and other payments budgeted in the amount of \$55,221 are related to the Series 2011A, \$1,100,000 Limited Tax General Obligation Bonds and the Series 2011B, \$250,000 Subordinate Limited Tax General Obligation Bonds. Debt service will be paid by tax revenues totaling to a budget amount of \$54,785 and available Debt Service fund balance.

### *Debt*

On December 28, 2011, the District issued Limited Tax General Obligation Bonds, Series 2011A, in the amount of \$1,100,000 and Subordinate Limited Tax General Obligation Bonds, Series 2011B, in the amount of \$250,000. The Series 2011A bonds carry an interest rate of 3.4% to 6.5% due and payable semi-annually on June 1 and December 1. Principal payments are due semi-annually on June 1 and on December 1. The Series 2011B bonds are subordinate to the 2011A bonds and carry an interest rate of 9.0% due and payable semi-annually on June 1 and December 1 through 2051. The 2011A bonds mature in 2051. The 2011B bonds are not subject to mandatory redemption, therefore the principal is not expected to be repaid until it matures in 2051.

### *Reserves*

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2014, as defined under TABOR.

LOVELAND MIDTOWN METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					18-Jan-14
December 31, 2012 Actual, 2013 Adopted Budget and Projected Actual, Year-to-date Actual, 2014 Adopted Budget					
Modified Accrual Budgetary Basis					
GENERAL FUND	2012	2013	2013	Actual	2014
	Audited	Amended	Projected	Through	Adopted
Revenues	Actual	Budget	Budget	7/31/2013	Budget
Property Taxes	\$68,644	\$77,961	\$79,899	\$79,899	\$86,140
Specific Ownership Taxes	4,755	4,678	4,794	2,859	5,168
Interest Income & Other	29	68	22	11	31
<b>Total Revenues</b>	<b>\$73,427</b>	<b>\$82,707</b>	<b>\$84,715</b>	<b>\$82,769</b>	<b>\$91,339</b>
<b>Expenditures</b>					
Accounting	\$9,811	\$7,500	\$7,500	\$3,510	\$7,500
Audit	5,000	0	0	0	0
District Management & Administration	16,873	15,500	15,500	12,012	16,000
Election	1,484	0	0	0	2,000
Insurance & Risk management	2,420	2,550	2,550	2,521	2,550
Legal	8,593	6,500	6,500	2,594	6,500
Landscape Maint, Repairs & Maint	26,118	30,500	30,500	23,123	34,750
Utilities	13,316	16,000	16,000	7,478	15,000
Website Maintenance	0	300	300	0	300
Office, Dues, Newsletters & Other	1,185	1,150	1,150	824	1,150
Fence Stain	0	7,500	7,500	0	5,500
Treasurer's Fees	1,373	1,559	1,602	1,602	1,723
Transfer to Debt Service	0	0	0	0	0
<b>Total Operating Expenditures</b>	<b>\$86,171</b>	<b>\$89,059</b>	<b>\$89,102</b>	<b>\$53,663</b>	<b>\$92,973</b>
<b>Revenues over/(under) Expend</b>	<b>(\$12,745)</b>	<b>(\$6,352)</b>	<b>(\$4,387)</b>	<b>\$29,105</b>	<b>(\$1,634)</b>
<b>Beginning Fund Balance</b>	<b>29,362</b>	<b>27,353</b>	<b>16,617</b>	<b>16,617</b>	<b>12,230</b>
<b>Ending Fund Balance</b>	<b>\$16,617</b>	<b>\$21,001</b>	<b>\$12,230</b>	<b>\$45,723</b>	<b>\$10,597</b>
<b>DEBT SERVICE FUND</b>					
	2012	2013	2013	Actual	2014
	Audited	Amended	Projected	Through	Adopted
Revenues	Actual	Budget	Budget	7/31/2013	Budget
Property Taxes	\$33,051	\$41,979	\$41,979	\$38,470	\$51,684
Specific Ownership Tax	2,289	2,519	2,519	1,377	3,101
<b>Total Revenues</b>	<b>\$35,340</b>	<b>\$44,498</b>	<b>\$44,498</b>	<b>\$39,847</b>	<b>\$54,785</b>
<b>Expenditures</b>					
Bond Interest - 2011A	\$34,491	\$43,994	\$43,994	\$21,719	\$54,187
Treasurer's Fees	661	840	840	771	1,034
<b>Total Debt Service Expenditures</b>	<b>\$35,152</b>	<b>\$44,833</b>	<b>\$44,834</b>	<b>\$22,490</b>	<b>\$55,221</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$188</b>	<b>(\$336)</b>	<b>(\$336)</b>	<b>\$17,356</b>	<b>(\$436)</b>
<b>Beginning Fund Balance</b>	<b>3,000</b>	<b>3,197</b>	<b>3,188</b>	<b>3,188</b>	<b>2,852</b>
<b>Ending Fund Balance</b>	<b>\$3,188</b>	<b>\$2,861</b>	<b>\$2,852</b>	<b>\$20,544</b>	<b>\$2,417</b>
See Accompanying Accountant's Report					