

Loveland Midtown Metropolitan District

January 27, 2010

Via email: dlg-filing@state.co.us

Mr. Jarrod Biggs
Colorado Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

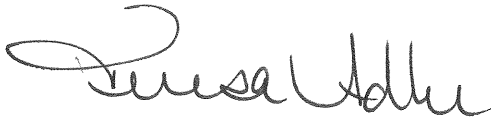
RE: Loveland Midtown Metropolitan District Budget for 2010

Dear Mr. Biggs:

Attached are true and accurate copies of the adopted 2010 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 November 11, 2009.

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

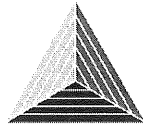
Sincerely,
LOVELAND MIDTOWN METROPOLITAN DISTRICT



Pinnacle Consulting Group Inc.
Accounting Manager

Enc.

Managed by Pinnacle Consulting Group, Inc.
5110 Granite Street, Suite C
Loveland, CO 80538
Phone: (970) 669-3611 * Fax: (970) 669-3612



PINNACLE
CONSULTING GROUP, INC.

Accountant's Report

BOARD OF DIRECTORS
LOVELAND MIDTOWN METROPOLITAN DISTRICT

I have compiled the accompanying forecasted budget of revenue, expenditures and funds available prepared on the modified accrual basis of the Loveland Midtown Metropolitan District for the year ending December 31, 2010 in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management of the District and does not include evaluation of the support for the assumptions underlying the forecast. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

The Governmental Accounting Standards Board requires the presentation of a balance sheet, a statement of operations and accumulated fund balance and a statement of cash flows and related full disclosure footnotes for the financial statements to be in compliance with generally accepted accounting principles. Management does not require complete financial statements to manage the affairs of the District on a monthly basis and has determined not to include the above statements and full disclosure footnotes. Consequently, as presented, the financial statements are not in conformity with generally accepted accounting principles.

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

Peggy Dowswell, CPA
January 6, 2010

5110 Granite St, Ste C
Loveland, CO 80538
(970) 669-3611
(970) 669-3612 fax

LOVELAND MIDTOWN METROPOLITAN DISTRICT

2010 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 following 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.

2010 BUDGET STRATEGY

The District's strategy in preparing the 2010 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. The District has budgeted to collect \$86,652 in property tax revenues and \$6,066 in specific ownership tax revenues in 2010, for total revenue of \$92,718. The expenditures for the District consist of administrative and operating costs of \$91,873.

LOVELAND MIDTOWN METROPOLITAN DISTRICT								6-Jan-10
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS								
December 31, 2008 Actual, 2009 Adopted Budget and Projected Actual,								
Year-to-date Actual, Budget and Variance through September 30, 2009								
2010 Adopted Budget								
Modified Accrual Budgetary Basis								
GENERAL FUND	2008	2009	2009	Actual	Budget	Variance	2010	
	Unaudited	Adopted	Projected	Through	Through	Through	Adopted	
Revenues	Actual	Budget	Budget	09/30/09	09/30/09	09/30/09	Budget	
Developer Advance	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	Developer Funds
Property taxes	102,214	110,796	110,796	108,162	108,580	(417)	86,652	\$2,166,310 AV x 40 mills
Specific Ownership taxes	9,535	8,864	7,022	5,459	5,909	(450)	6,066	7% of Prop Tax
Interest Income & Other	964	0	131	284	0	284	0	
Total Revenues	\$114,213	\$119,659	\$117,949	\$113,905	\$114,489	(\$584)	\$92,718	
Expenditures								
Accounting	\$5,909	\$7,050	\$6,490	\$4,148	\$5,288	(1,140)	6,490	Based on 2009
Audit	5,500	0	0	0	0	0	0	Not required
District Management & Administration	14,090	17,049	15,000	7,249	12,787	(5,538)	15,000	Based on 2009
Election expense	903	0	0	0	0	0	1,500	Attorney estimate
Insurance & Risk management	1,780	2,000	1,784	1,784	2,000	(216)	2,000	Based on 2009
Legal	6,589	10,000	7,500	1,439	7,500	(6,061)	7,000	Attorney estimate
Landscape Maint, Repairs & Maint	26,532	31,755	31,755	20,689	24,950	(4,261)	28,300	Pinnacle estimate
Utilities	11,506	11,520	11,000	7,219	9,174	(1,955)	11,000	Water & Electricity
Operating Improvements	0	0	5,845	5,845	0	5,845	0	
Office, Dues, Newsletters & Other	828	850	850	715	727	(12)	850	Based on detail budget
Treasurer's fees	2,054	2,216	2,216	2,164	2,172	(8)	1,733	2% of prop taxes
Repay Developer Operating Advances	0	20,000	30,000	20,000	20,000	0	10,000	
Contingency	0	10,000	0	0	0	0	8,000	
Total Operating Expenditures	\$75,691	\$112,440	\$112,440	\$71,251	\$84,597	(\$13,346)	\$91,873	
Revenues over/(under) Expend	\$38,523	\$7,219	\$5,509	\$42,653	\$29,892	\$12,761	\$845	
Beginning Fund Balance	2,200	19,811	40,722	40,722	19,811	20,911	46,231	
Ending Fund Balance	\$40,722	\$27,030	\$46,231	\$83,375	\$49,703	\$33,673	\$47,076	3% Tabor reserve
Components of Ending Fund Balance								
Restricted - Repair Reserve	\$3,000	\$6,000	\$6,000	\$6,000			\$9,000	
Unrestricted	\$37,722	\$21,030	\$40,231	\$77,375			\$38,076	
Total Fund Balance	\$40,722	\$21,030	\$46,231	\$83,375	\$49,703	\$33,673	\$47,076	
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