



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Liverpool Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances/funds available of Liverpool Metropolitan District for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ended December 31, 2017, 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 Liverpool Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 30, 2019

**LIVERPOOL METROPOLITAN DISTRICT
SUMMARY
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 549,898	\$ 662,644	\$ 291,382
REVENUES			
Property taxes	648,268	728,680	747,273
Specific ownership tax	55,528	57,000	44,837
Interest income	8,496	13,000	4,800
Other revenue	142	82	-
Total revenues	<u>712,434</u>	<u>798,762</u>	<u>796,910</u>
TRANSFERS IN	<u>17,208</u>	<u>26,516</u>	<u>8,834</u>
Total funds available	<u>1,279,540</u>	<u>1,487,922</u>	<u>1,097,126</u>
EXPENDITURES			
General Fund	284,585	847,947	608,000
Debt Service Fund	315,103	322,077	325,000
Total expenditures	<u>599,688</u>	<u>1,170,024</u>	<u>933,000</u>
TRANSFERS OUT	<u>17,208</u>	<u>26,516</u>	<u>8,834</u>
Total expenditures and transfers out requiring appropriation	<u>616,896</u>	<u>1,196,540</u>	<u>941,834</u>
ENDING FUND BALANCES	<u>\$ 662,644</u>	<u>\$ 291,382</u>	<u>\$ 155,292</u>
EMERGENCY RESERVE	\$ 12,000	\$ 14,800	\$ 14,600
AVAILABLE FOR OPERATIONS	602,960	219,016	90,376
TOTAL RESERVE	<u>\$ 614,960</u>	<u>\$ 233,816</u>	<u>\$ 104,976</u>

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

**LIVERPOOL METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
ASSESSED VALUATION			
Residential	\$ 22,264,636	\$ 25,211,209	\$ 26,036,427
Commercial	246,548	225,902	199,380
State assessed	191,410	201,740	188,170
Vacant land	228,322	128,673	1,035
Certified Assessed Value	<u>\$ 22,930,916</u>	<u>\$ 25,767,524</u>	<u>\$ 26,425,012</u>
MILL LEVY			
General	15.779	17.279	17.279
Debt Service	12.500	11.000	11.000
Total mill levy	<u>28.279</u>	<u>28.279</u>	<u>28.279</u>
PROPERTY TAXES			
General	\$ 361,827	\$ 445,237	\$ 456,598
Debt Service	286,636	283,443	290,675
Budgeted property taxes	<u>\$ 648,463</u>	<u>\$ 728,680</u>	<u>\$ 747,273</u>
BUDGETED PROPERTY TAXES			
General	\$ 361,827	\$ 445,237	\$ 456,598
Debt Service	286,636	283,443	290,675
	<u>\$ 648,463</u>	<u>\$ 728,680</u>	<u>\$ 747,273</u>

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

**LIVERPOOL METROPOLITAN DISTRICT
GENERAL FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 517,021	\$ 614,960	\$ 233,816
REVENUES			
Property taxes	361,718	445,237	456,598
Specific ownership tax	30,985	36,000	27,396
Interest income	6,887	12,000	4,000
Other revenue	142	82	-
Total revenues	<u>399,732</u>	<u>493,319</u>	<u>487,994</u>
Total funds available	<u>916,753</u>	<u>1,108,279</u>	<u>721,810</u>
EXPENDITURES			
General and administrative			
Accounting	17,540	22,000	22,000
Auditing	3,700	3,800	4,000
County Treasurer's fee	6,259	7,501	6,849
Directors' fees	2,000	2,000	3,000
Dues and licenses	589	803	1,000
Insurance and bonds	6,533	6,414	8,000
District management	29,086	40,000	50,000
Legal services	7,271	8,000	8,000
Miscellaneous	1,278	4,000	4,000
Payroll taxes	153	38	100
Election expense	-	1,141	-
Website	-	500	500
Contingency	-	-	6,551
Operations and maintenance			
Repairs and maintenance	2,438	5,000	5,000
Engineering	37,185	35,000	35,000
Landscape maintenance - main contract	45,540	53,000	53,000
Pond renovation	-	450,000	70,000
Holiday lighting	-	18,000	21,000
Lighting	-	40,000	40,000
Utilities	1,654	2,000	2,000
Pond maintenance	16,816	18,000	18,000
Irrigation water	37,273	40,000	50,000
Dumpster Day	3,470	5,000	6,000
Snow removal	769	6,000	7,000
Bridge Maintenance	-	1,750	2,000
Tree replacement	36,177	13,000	35,000
Landscaping improvements	23,008	45,000	130,000
Landscape - Irrigation repair	5,846	20,000	20,000
Total expenditures	<u>284,585</u>	<u>847,947</u>	<u>608,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>17,208</u>	<u>26,516</u>	<u>8,834</u>
Total expenditures and transfers out requiring appropriation	<u>301,793</u>	<u>874,463</u>	<u>616,834</u>
ENDING FUND BALANCE	<u>\$ 614,960</u>	<u>\$ 233,816</u>	<u>\$ 104,976</u>
EMERGENCY RESERVE	\$ 12,000	\$ 14,800	\$ 14,600
AVAILABLE FOR OPERATIONS	602,960	219,016	90,376
TOTAL RESERVE	<u>\$ 614,960</u>	<u>\$ 233,816</u>	<u>\$ 104,976</u>

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

**LIVERPOOL METROPOLITAN DISTRICT
DEBT SERVICE FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 32,877	\$ 47,684	\$ 57,566
REVENUES			
Property taxes	286,550	283,443	290,675
Specific ownership tax	24,543	21,000	17,441
Interest income	1,609	1,000	800
Total revenues	<u>312,702</u>	<u>305,443</u>	<u>308,916</u>
TRANSFERS IN			
Transfers from other funds	<u>17,208</u>	<u>26,516</u>	<u>8,834</u>
Total funds available	<u>362,787</u>	<u>379,643</u>	<u>375,316</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,468	3,342	4,360
Paying agent fees	150	450	-
Contingency	-	-	1,155
Debt Service			
Bond interest	106,485	98,285	89,485
Bond principal	205,000	220,000	230,000
Total expenditures	<u>315,103</u>	<u>322,077</u>	<u>325,000</u>
Total expenditures and transfers out requiring appropriation	<u>315,103</u>	<u>322,077</u>	<u>325,000</u>
ENDING FUND BALANCE	<u>\$ 47,684</u>	<u>\$ 57,566</u>	<u>\$ 50,316</u>

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

**LIVERPOOL METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Liverpool Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by order and decree of the District Court on November 22, 1994, and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article 1, Colorado Revised Statutes. The District operates under a Service Plan approved by Arapahoe County on June 28, 1994. The District's service area is located in Arapahoe County, Colorado. The District was established to provide for improvements of collector and arterial roads, related drainage, landscaping, signage, signalization and landscape maintenance.

The District has no employees and all 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.

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 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.

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 forecast assumes that the District's share will be equal to approximately 6% of the property taxes collected by both the General Fund and the Debt Service Fund. The budget assumes that specific ownership taxes allocable to property taxes collected by the Debt Service Fund will be pledged to debt service on the bonds during the term bonds are outstanding.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

**LIVERPOOL METROPOLITAN DISTRICT
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General, Administrative and Operating Expenditures

Expenditures have been provided based on estimates of the District's Board of Directors and consultants, and include the services necessary to maintain the District's viability including operational expenditures such as landscaping, irrigation, open space maintenance, etc., as well as legal, accounting, managerial, insurance, and other administrative expenses.

County Treasurer's Fees

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

Debt and Leases

On February 1, 2007, the District advance refunded and defeased (debt legally satisfied) \$1,665,000 of General Obligation Limited Tax Bonds dated October 15, 1998, with an interest rate of 7.5% and \$2,095,000 General Obligation Refunding Bonds dated February 1, 2001, with an interest rates of 5.00% to 6.00% by the issuance of \$3,760,000 in General Obligation

Refunding Bonds and \$495,000 in Supplemental "B" Interest Registered Coupons. The defeased bonds are not considered a liability of the District since sufficient funds (\$4,005,934) were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased bonds until the call date, at which point the bonds will be repaid in its entirety from the remaining funds in the escrow account.

The 2007 Bonds bear interest from 4.000% to 4.100% per annum, due June 1 and December 1. Principal is due on December 1. The coupons were issued to yield from 3.820% to 3.980% per annum. Principal is due on December 1. The bonds maturing on or before December 1, 2016, are not subject to redemption prior to their respective maturity dates. The bonds maturing on and after December 1, 2017, are subject to redemption prior to maturity at the option of the District. Payment of the principal and interest on the 2007 Bonds when due is insured by Ambac Assurance Corporation. The 2007 Bonds mature on December 1, 2026.

The Registered Coupons are not subject to redemption prior to maturity.

The District's current debt service schedule is attached. The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2019, as defined under TABOR.

This information is an integral part of the accompanying budget.

**LIVERPOOL METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST
REQUIREMENTS TO MATURITY
LONG TERM DEBT
December 31, 2019**

Bonds and Interest Maturing in the Year Ending December 31,	\$3,760,000 General Obligation Refunding Bonds Series 2007 Interest 4.0% - 4.1% Dated February 1, 2007 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2019	\$ 230,000	\$ 89,485	\$ 319,485
2020	245,000	80,285	325,285
2021	255,000	70,485	325,485
2022	270,000	60,285	330,285
2023	285,000	49,485	334,485
2024	300,000	38,085	338,085
2025	310,000	26,085	336,085
2026	330,000	13,530	343,530
	\$ 2,225,000	\$ 427,725	\$ 2,652,725

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