



CliftonLarsonAllen LLP  
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## Accountant's Compilation Report

Board of Directors  
Park 70 Metropolitan District

Management is responsible for the accompanying budget of revenues expenditures and fund balances of Park 70 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 Park 70 Metropolitan District.

Greenwood Village, Colorado  
December 12, 2019

**PARK 70 METROPOLITAN DISTRICT  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 10,188,320	\$ 2,210,586	\$ 4,465,373
REVENUES			
Property taxes	1,530,865	2,479,886	2,654,291
Specific ownership taxes	136,592	186,438	218,241
Net investment income	110,503	181,518	87,290
Property taxes - ARTA	42,524	68,886	73,730
Developer advance	21,184,865	1,468,399	1,594,974
Bond Issuance	-	19,300,000	-
Original Issue Premium	-	392,904	-
Total revenues	23,005,349	24,078,031	4,628,526
TRANSFERS IN			
Transfers from other funds	46,049	78,753	-
Total funds available	33,239,718	26,367,370	9,093,899
EXPENDITURES			
General Fund	106,571	172,608	240,000
Debt Service Fund	1,016,303	1,884,266	2,072,768
Capital Projects Fund	29,860,209	19,766,370	3,189,948
Total expenditures	30,983,083	21,823,244	5,502,716
TRANSFERS OUT	46,049	78,753	-
Total expenditures and transfers out requiring appropriation	31,029,132	21,901,997	5,502,716
ENDING FUND BALANCES	\$ 2,210,586	\$ 4,465,373	\$ 3,591,183
EMERGENCY RESERVE	\$ 10,900	\$ 17,300	\$ 25,700
TOTAL RESERVE	\$ 10,900	\$ 17,300	\$ 25,700

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

**PARK 70 METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/19

ACTUAL	ESTIMATED	BUDGET
2018	2019	2020

**ASSESSED VALUATION**

Commercial	\$ 26,367,500	\$ 48,531,060	\$ 46,111,240
Industrial	-	-	8,922,620
Agricultural	1,950	1,950	1,810
State assessed	360	380	310
Vacant land	3,444,700	2,404,670	2,951,950
Personal property	12,709,510	19,893,590	15,742,370
Certified Assessed Value	<u>\$ 42,524,020</u>	<u>\$ 70,831,650</u>	<u>\$ 73,730,300</u>

**MILL LEVY**

General	7.500	7.500	10.500
Debt Service	28.500	28.500	25.500
ARI	1.000	1.000	1.000
Total mill levy	<u>37.000</u>	<u>37.000</u>	<u>37.000</u>

**PROPERTY TAXES**

General	\$ 318,929	\$ 531,237	\$ 774,168
Debt Service	1,211,935	2,018,702	1,880,123
ARI	42,524	70,832	73,730
Levied property taxes	<u>1,573,388</u>	<u>2,620,771</u>	<u>2,728,021</u>
Refunds and abatements	-	(71,999)	-
Budgeted property taxes	<u>\$ 1,573,388</u>	<u>\$ 2,548,772</u>	<u>\$ 2,728,021</u>

**BUDGETED PROPERTY TAXES**

General	\$ 318,930	\$ 516,643	\$ 774,168
Debt Service	1,211,934	1,963,243	1,880,123
ARI	42,524	68,886	73,730
	<u>\$ 1,573,388</u>	<u>\$ 2,548,772</u>	<u>\$ 2,728,021</u>

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

**PARK 70 METROPOLITAN DISTRICT  
GENERAL FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 444,973	\$ 653,244	\$ 990,315
REVENUES			
Property taxes	318,930	516,643	774,168
Specific ownership taxes	28,470	37,792	61,933
Net investment income	13,491	20,616	19,325
Total revenues	360,891	575,051	855,426
Total funds available	805,864	1,228,295	1,845,741
EXPENDITURES			
General and administrative			
Accounting	27,438	30,000	25,000
Audit	4,000	4,500	4,725
County Treasurer's fee	4,784	7,750	11,613
Director fees	400	200	200
Dues and Membership	3,129	1,150	1,210
Insurance and bonds	750	3,677	3,860
District management	16,940	20,000	20,000
Legal services	13,008	24,000	30,000
Miscellaneous	625	2,300	2,500
Banking fees	188	216	250
Payroll taxes	31	15	15
Election expense	929	-	5,000
Contingency	-	-	627
Operations and maintenance			
Landscaping	16,082	54,000	75,000
Pest control	4,000	4,800	5,000
Utilities	7,526	5,000	10,000
Detention pond maintenance	-	-	15,000
Landscaping maintenance - floral	-	-	15,000
Snowplowing and sweeping	6,741	15,000	15,000
Total expenditures	106,571	172,608	240,000
TRANSFERS OUT			
Transfers to other funds	46,049	65,372	-
Total expenditures and transfers out requiring appropriation	152,620	237,980	240,000
ENDING FUND BALANCE	\$ 653,244	\$ 990,315	\$ 1,605,741
EMERGENCY RESERVE	\$ 10,900	\$ 17,300	\$ 25,700
TOTAL RESERVE	\$ 10,900	\$ 17,300	\$ 25,700

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

**PARK 70 METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 1,176,815	\$ 1,557,342	\$ 1,918,984
REVENUES			
Property taxes	1,211,935	1,963,243	1,880,123
Specific ownership taxes	108,122	148,646	156,308
Property taxes - ARTA	42,524	68,886	73,730
Net investment income	34,249	51,752	29,065
Total revenues	1,396,830	2,232,527	2,139,226
TRANSFERS IN			
Transfers from other funds	-	13,381	-
Total funds available	2,573,645	3,803,250	4,058,210
EXPENDITURES			
County Treasurer's fee	18,179	29,449	28,202
Paying agent fees	3,000	3,000	3,000
ARTA reimbursement	41,886	67,853	72,624
County Treasurer's fees - ARTA	638	1,033	1,106
Contingency	-	-	12,573
Debt Service			
Bond interest - Series 2016	792,600	784,600	776,350
Bond interest - Series 2019	-	673,331	798,913
Bond principal - Series 2016	160,000	165,000	195,000
Bond principal - Series 2019	-	160,000	185,000
Total expenditures	1,016,303	1,884,266	2,072,768
Total expenditures and transfers out requiring appropriation	1,016,303	1,884,266	2,072,768
ENDING FUND BALANCE	\$ 1,557,342	\$ 1,918,984	\$ 1,985,442

This financial information should be read only in connection with the accompanying accountant's  
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**PARK 70 METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/12/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 8,566,532	\$ -	\$ 1,556,074
REVENUES			
Net investment income	62,763	109,150	38,900
Developer advance	21,184,865	1,468,399	1,594,974
Bond Issuance	-	19,300,000	-
Original Issue Premium	-	392,904	-
Total revenues	21,247,628	21,270,453	1,633,874
TRANSFERS IN			
Transfers from other funds	46,049	65,372	-
Total funds available	29,860,209	21,335,825	3,189,948
EXPENDITURES			
General and Administrative			
Capital Projects			
Repay Developer Advance - Interest	2,920,068	702,977	66,000
Repay Developer Advance - Principal	5,709,227	16,944,037	1,528,974
Bond issue costs	-	585,585	-
Street Lights	-	65,372	-
Engineering	9,849	-	-
Capital outlay	21,221,065	1,468,399	1,594,974
Total expenditures	29,860,209	19,766,370	3,189,948
TRANSFERS OUT			
Transfers to other funds	-	13,381	-
Total expenditures and transfers out requiring appropriation	29,860,209	19,779,751	3,189,948
ENDING FUND BALANCE	\$ -	\$ 1,556,074	\$ -

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

**PARK 70 METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized on November 4, 2003 by election to provide financing for the planning, design, acquisition, construction, installation, relocation, and redevelopment of all powers of a metropolitan district as described in Colorado statutes and the Colorado Constitution except for certain limitations which have been placed upon fire protection, television relay and translation and golf course construction within the District's Amended Service Plan dated February 17, 2006. The District's service area is located entirely within the City of Aurora in Adams County, Colorado.

The District operates under the Amended and Restated Service Plan as approved by the City of Aurora on February 17, 2006.

District voters approved authorization for property taxes to be increased up to \$1,100,000 annually and taxes be increased up to \$90,000,000 annually by the imposition of a fee or fees to pay for the operations and maintenance expenditures of the District. In addition, voters approved taxes to be increased up to \$1,000,000 annually for regional improvements. Total debt authorization was approved in the amount of \$853,712,500 for the above listed facilities and operations and maintenance, \$90,000,000 for intergovernmental agreements and \$123,337,500 for refunding debt. The election provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado Constitution or any other law. However, the District's Amended Service Plan stipulates that the total debt that the District will be permitted to issue will not exceed \$90,000,000, not including refunding of debt.

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 at the total adopted mill levy of 37.000 mills; 7.500 for general operations, 28.500 for debt service and 1.000 for the Aurora Regional Improvement (ARI) mill levy. The ARI mill levy is required pursuant to the Amended and Restated Service Plan (Service Plan). The ARI mill levy began in 2007, and pursuant to the Service Plan, will remain 1.000 mill for 20 years, through 2026, and shall be increased to 5.000 mills for the 21<sup>st</sup> through 40<sup>th</sup> year, or the date of the repayment of the debt incurred for Public Improvements, other than Regional Improvements, which ever first occurs, and for an additional 10 years, the mill levy shall be

**PARK 70 METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (Continued)**

equal to the average debt service mill levy imposed by the District in the 10 years prior to the date of repayment of the debt incurred for Public Improvements other than Regional Improvements.

**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 8.0% of the property taxes collected by the General Fund and Debt Service fund.

**Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.50%.

**Expenditures**

**Administrative and Operation Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as accounting and audit, insurance, legal and management costs. Operation expenditures include the street, sidewalk and landscaping maintenance. These expenditures are based on estimates of the District's Board of Directors and consultants.

**Debt Service**

Principal and interest payments are provided based upon the debt amortization schedule for the Series 2016 and 2019 General Obligation Refunding and Improvement Bonds.

**Debt and Leases**

**Series 2016 Bonds**

On September 28, 2016, the District issued General Obligation Refunding and Improvement Bonds. The proceeds of the Series 2016 Bonds were used in part to redeem the Series 2013 Note in the amount of \$10,244,950.42. Bond proceeds of \$8,477,462.20 will be used for a future capital improvement project. The Series 2016 Bond bears an interest rate of 5.00% and matures on December 1, 2046. Interest is payable semi-annually on June 1 and December 1, and the principal is payable annually on December 1. The Bonds maturing on and after December 1, 2036 are subject to redemption prior to maturity, at the option of the District on December 1, 2026, and on any date thereafter, upon payment of par plus accrued interest, without redemption premium. The Bonds maturing on December 1, 2036, are also subject to mandatory sinking fund redemption on December 1, 2027, and on each December 1 thereafter prior to the maturity date, upon payment of par and accrued interest, without redemption premium.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) all Property Tax Revenues, 2) all Specific Ownership Tax Revenues, and 3) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.



**PARK 70 METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

**Series 2019 Bonds**

On January 30, 2019, the District issued its \$19,300,000 Series 2019 General Obligation Bonds (the "Series 2019 Bonds"). The Bonds were issued on a parity with the Series 2016 Bonds, with final maturity on December 1, 2048. The proceeds from the Series 2019 Bonds were used for a. paying the Project costs, and b. paying other costs in connection with the issuance of the Series 2019 Bonds.

The Series 2019 Bonds bear interest at a rate of 3.5%-5% per annum, with interest payable semi-annually from Pledged Revenue on June 1 and December 1, beginning on June 1, 2019, and principle payable annually from Pledged Revenue on December 1, beginning December 1, 2019. Pledged revenue consists of the following, net of costs of collection: a) all Property Tax Revenues; b) all Specific Ownership Tax Revenues; and c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The Bonds maturing on and after December 1, 2029 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity, and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on December 1, 2028, and on any date thereafter, upon payment of par plus accrued interest, without redemption premium.

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 as defined under TABOR.

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

**PARK 70 METROPOLITAN DISTRICT**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$16,260,000.00**

**General Obligation Refunding and Improvement Bonds, Series 2016**

**Dated September 28, 2016**

**Principal Due December 1**

**Interest Due June 1 and December 1**

**Interest at 5.00%**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 195,000	\$ 776,350	\$ 971,350
2021	205,000	766,600	971,600
2022	225,000	762,500	987,500
2023	235,000	751,250	986,250
2024	270,000	739,500	1,009,500
2025	280,000	726,000	1,006,000
2026	315,000	712,000	1,027,000
2027	330,000	696,250	1,026,250
2028	370,000	679,750	1,049,750
2029	385,000	661,250	1,046,250
2030	425,000	642,000	1,067,000
2031	450,000	620,750	1,070,750
2032	490,000	598,250	1,088,250
2033	515,000	573,750	1,088,750
2034	565,000	548,000	1,113,000
2035	590,000	519,750	1,109,750
2036	645,000	490,250	1,135,250
2037	675,000	458,000	1,133,000
2038	730,000	424,250	1,154,250
2039	770,000	387,750	1,157,750
2040	830,000	349,250	1,179,250
2041	870,000	307,750	1,177,750
2042	940,000	264,250	1,204,250
2043	985,000	217,250	1,202,250
2044	1,060,000	168,000	1,228,000
2045	1,110,000	115,000	1,225,000
2046	1,190,000	59,500	1,249,500
	<u>\$ 15,650,000</u>	<u>\$ 14,015,200</u>	<u>\$ 29,665,200</u>

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**PARK 70 METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$19,300,000.00**

**General Obligation Refunding and Improvement Bonds, Series 2019**

**Dated January 23, 2019**

**Principal Due December 1**

**Interest Due June 1 and December 1**

**Interest at 4.00%**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 185,000	\$ 798,913	\$ 983,913
2021	190,000	791,513	981,513
2022	220,000	783,913	1,003,913
2023	230,000	775,113	1,005,113
2024	255,000	765,913	1,020,913
2025	270,000	753,163	1,023,163
2026	300,000	742,363	1,042,363
2027	315,000	727,363	1,042,363
2028	350,000	711,613	1,061,613
2029	370,000	694,113	1,064,113
2030	410,000	675,613	1,085,613
2031	425,000	655,113	1,080,113
2032	470,000	633,863	1,103,863
2033	495,000	610,363	1,105,363
2034	535,000	585,613	1,120,613
2035	570,000	558,863	1,128,863
2036	605,000	538,913	1,143,913
2037	630,000	516,225	1,146,225
2038	675,000	492,600	1,167,600
2039	700,000	465,600	1,165,600
2040	750,000	437,600	1,187,600
2041	785,000	407,600	1,192,600
2042	835,000	376,200	1,211,200
2043	870,000	342,800	1,212,800
2044	925,000	308,000	1,233,000
2045	965,000	271,000	1,236,000
2046	1,030,000	232,400	1,262,400
2047	2,320,000	191,200	2,511,200
2048	2,460,000	98,400	2,558,400
	<u>\$ 19,140,000</u>	<u>\$ 15,941,938</u>	<u>\$ 35,081,938</u>

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