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Accountant's Compilation Report

Board of Directors
Parker Jordan Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Parker Jordan 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 ending 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 Parker Jordan Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 14, 2020



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

1/14/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 1,926,816	\$ 2,788,375	\$ 3,400,869
REVENUES			
Property taxes	325,060	328,761	384,288
Property taxes - contractual obligations	216,787	217,691	250,244
Property taxes - Series 2012 bonds	895,770	899,446	1,033,950
Property taxes - Series 2015 bonds	837,515	840,953	966,710
Specific ownership tax	166,912	136,965	158,112
Lottery proceeds	35,074	33,000	35,000
Net investment income	58,382	87,900	43,100
Dove Valley MD - Shared median reimbursement	4,403	5,601	9,000
Total revenues	<u>2,539,903</u>	<u>2,550,317</u>	<u>2,880,404</u>
Total funds available	<u>4,466,719</u>	<u>5,338,692</u>	<u>6,281,273</u>
EXPENDITURES			
General Fund	232,475	386,113	465,000
Debt Service Fund	1,445,869	1,470,710	3,400,000
Lottery Proceeds	-	81,000	154,106
Total expenditures	<u>1,678,344</u>	<u>1,937,823</u>	<u>4,019,106</u>
Total expenditures and transfers out requiring appropriation	<u>1,678,344</u>	<u>1,937,823</u>	<u>4,019,106</u>
ENDING FUND BALANCES	<u>\$ 2,788,375</u>	<u>\$ 3,400,869</u>	<u>\$ 2,262,167</u>
EMERGENCY RESERVE	\$ 16,000	\$ 15,100	\$ 17,400
AVAILABLE FOR OPERATIONS	1,316,647	1,434,761	1,537,761
DEBT SERVICE SINKING FUND	1,000,000	1,500,000	458,352
2 MILL IGA - ARAPAHOE COUNTY	213,533	214,432	246,490
DEBT SERVICE	79,189	118,670	2,164
FUTURE CAPITAL PROJECTS	163,006	117,906	-
TOTAL RESERVE	<u>\$ 2,788,375</u>	<u>\$ 3,400,869</u>	<u>\$ 2,262,167</u>

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

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

1/14/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION - ARAPAHOE (4507)			
Residential	\$ 45,409,282	\$ 46,448,890	\$ 57,537,355
Commercial	32,895,815	32,524,124	35,432,555
Industrial	1,069,699	1,016,836	1,198,038
Agricultural	297,678	292,436	290,277
State assessed	661,940	637,040	359,260
Vacant land	1,771,754	1,270,968	1,254,478
Other	5	5	5
	<u>82,106,173</u>	<u>82,190,299</u>	<u>96,071,968</u>
Adjustments - Arapahoe (4504)	43,807,749	43,063,344	47,912,197
Certified Assessed Value	<u>\$ 125,913,922</u>	<u>\$ 125,253,643</u>	<u>\$ 143,984,165</u>
MILL LEVY			
GENERAL	4.000	4.000	4.000
CONTRACTUAL OBLIGATION	1.738	1.738	1.738
2012 LOAN	7.181	7.181	7.181
2015 LOAN - REFUNDING	6.714	6.714	6.714
Total mill levy	<u>19.633</u>	<u>19.633</u>	<u>19.633</u>
PROPERTY TAXES			
GENERAL	\$ 328,425	\$ 328,761	\$ 384,288
CONTRACTUAL OBLIGATION	218,838	217,691	250,244
2012 LOAN	904,188	899,446	1,033,950
2015 LOAN - REFUNDING	845,386	840,953	966,710
Levied property taxes	<u>2,296,837</u>	<u>2,286,851</u>	<u>2,635,192</u>
Adjustments to actual/rounding	(14,385)	-	-
Refunds and abatements	(7,320)	-	-
Budgeted property taxes	<u>\$ 2,275,132</u>	<u>\$ 2,286,851</u>	<u>\$ 2,635,192</u>
BUDGETED PROPERTY TAXES			
General	\$ 328,425	\$ 328,761	\$ 384,288
DEBT SERVICE FUND - CONTRACT	218,838	217,691	250,244
DEBT SERVICE FUND - DEBT	1,749,574	1,740,399	2,000,660
	<u>\$ 2,296,837</u>	<u>\$ 2,286,851</u>	<u>\$ 2,635,192</u>

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

1/14/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 1,044,785	\$ 1,332,647	\$ 1,449,861
REVENUES			
Property taxes	325,060	328,761	384,288
Specific ownership tax	166,912	136,965	158,112
Net investment income	23,962	32,000	18,900
Dove Valley MD - Shared median reimbursement	4,403	5,601	9,000
Total revenues	<u>520,337</u>	<u>503,327</u>	<u>570,300</u>
Total funds available	<u>1,565,122</u>	<u>1,835,974</u>	<u>2,020,161</u>
EXPENDITURES			
General and administrative			
Accounting	61,615	60,000	63,000
Audit	3,900	3,900	4,000
County Treasurer's fee	4,878	4,923	5,764
Directors' fees	4,332	3,800	8,000
Director's expense	2,713	1,000	10,000
District management	69,664	70,000	73,500
Dues and licenses	612	435	500
Election expense	1,192	-	2,000
Insurance and bonds	7,433	6,417	7,800
Legal services	23,795	27,000	38,000
Miscellaneous	4,784	4,000	5,000
Payroll taxes	943	1,638	1,638
Website	1,275	3,000	3,000
Contingency	-	-	7,998
Operations and maintenance			
Engineering	7,361	8,700	10,000
Events	1,000	1,000	1,000
Landscape maintenance contract	1,582	-	-
Landscape maint/contract-Broncos Pkwy	1,360	11,400	12,800
Landscape maint/contract-Hinsdale/Fremont	-	-	1,000
Landscape maint/contract-Jordan Rd	1,803	16,900	17,000
Landscape maintenance/repairs	2,650	500	3,000
Landscape maint/repairs-Broncos Pkwy	8,415	2,000	14,000
Landscape maint/repairs-Hinsdale/Fremont	-	1,000	2,000
Landscape maint/repairs-Jordan Rd	11,563	500	4,000
Median repairs	-	100,000	150,000
Vegetation and tree removal/replacement	-	50,000	10,000
Utilities	9,569	8,000	10,000
Refinancing	36	-	-
Total expenditures	<u>232,475</u>	<u>386,113</u>	<u>465,000</u>
Total expenditures and transfers out requiring appropriation	<u>232,475</u>	<u>386,113</u>	<u>465,000</u>
ENDING FUND BALANCE	<u>\$ 1,332,647</u>	<u>\$ 1,449,861</u>	<u>\$ 1,555,161</u>
EMERGENCY RESERVE	\$ 16,000	\$ 15,100	\$ 17,400
AVAILABLE FOR OPERATIONS	<u>1,316,647</u>	<u>1,434,761</u>	<u>1,537,761</u>
TOTAL RESERVE	<u>\$ 1,332,647</u>	<u>\$ 1,449,861</u>	<u>\$ 1,555,161</u>

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

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

1/14/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 756,917	\$ 1,292,722	\$ 1,833,102
REVENUES			
Property taxes - contractual obligations	216,787	217,691	250,244
Property taxes - Series 2012 bonds	895,770	899,446	1,033,950
Property taxes - Series 2015 bonds	837,515	840,953	966,710
Net investment income	31,602	53,000	23,000
Total revenues	1,981,674	2,011,090	2,273,904
Total funds available	2,738,591	3,303,812	4,107,006
EXPENDITURES			
Debt Service			
Banking fees	371	1,000	1,000
Bond interest - Series 2012A	54,621	49,980	45,220
Bond interest - Series 2012B	137,564	125,783	113,764
Bond interest - Series 2015 refunding	62,615	56,249	49,746
Bond principal - Series 2012A	195,000	200,000	205,000
Bond principal - Series 2012B	495,000	505,000	520,000
Bond principal - Series 2015 refunding	282,900	289,050	295,200
Bond principal - Series 2015 prepayment	-	-	1,915,725
County Treasurer's fee - contractual obligation	3,254	3,259	3,754
County Treasurer's fee - bond debt	26,014	26,059	30,010
IGA - Arapahoe County	187,730	213,530	211,108
Paying agent fees	800	800	800
Contingency	-	-	8,673
Total expenditures	1,445,869	1,470,710	3,400,000
Total expenditures and transfers out requiring appropriation	1,445,869	1,470,710	3,400,000
ENDING FUND BALANCE	\$ 1,292,722	\$ 1,833,102	\$ 707,006
DEBT SERVICE SINKING FUND	\$ 1,000,000	\$ 1,500,000	\$ 458,352
2 MILL IGA - ARAPAHOE COUNTY	213,533	214,432	246,490
DEBT SERVICE	79,189	118,670	2,164
TOTAL RESERVE	\$ 1,292,722	\$ 1,833,102	\$ 707,006

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

**PARKER JORDAN METROPOLITAN DISTRICT
 LOTTERY PROCEEDS
 2020 BUDGET
 WITH 2018 ACTUAL AND 2019 ESTIMATED
 For the Years Ended and Ending December 31,**

1/14/2020

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 125,114	\$ 163,006	\$ 117,906
REVENUES			
Lottery proceeds	35,074	33,000	35,000
Net investment income	2,818	2,900	1,200
Total revenues	<u>37,892</u>	<u>35,900</u>	<u>36,200</u>
Total funds available	<u>163,006</u>	<u>198,906</u>	<u>154,106</u>
EXPENDITURES			
Lottery Proceeds			
Parks and recreation	-	81,000	154,106
Total expenditures	<u>-</u>	<u>81,000</u>	<u>154,106</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>81,000</u>	<u>154,106</u>
ENDING FUND BALANCE	<u>\$ 163,006</u>	<u>\$ 117,906</u>	<u>\$ -</u>
FUTURE CAPITAL PROJECTS	\$ 163,006	\$ 117,906	\$ -
TOTAL RESERVE	<u>\$ 163,006</u>	<u>\$ 117,906</u>	<u>\$ -</u>

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

**PARKER JORDAN METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on February 26, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to provide for the acquisition, construction, installation, completion and operation and maintenance of certain major streets, drainage improvements, transportation facilities, traffic and safety devices and parks and recreation facilities.

On May 7, 1996, the majority of the District's electors authorized the District to increase its authorized but unissued debt from \$55,000,000 (as previously authorized at an election held June 25, 1985) to \$66,000,000.

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 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 primary source of revenue is property taxes. The calculation of the taxes levied is displayed on the Property Tax Summary pages 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 budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by the District.

Conservation Trust Funds

The District receives revenue from the State Lottery on a per capita basis ratio. The revenue is restricted for recreation purposes under State statutes.

**PARKER JORDAN METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.25%.

Maintenance Reimbursement

On November 23, 2004, the District entered into an IGA with Dove Valley Metropolitan District, whereby the District is to perform certain landscape maintenance functions on a Jordan Road median. In exchange for the District providing these services, Dove Valley Metropolitan District is reimbursing the District 50% of the cost.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, directors, election, website, insurance and meeting expenses. Maintenance expenditures related to the upkeep of median landscaping and associated utilities have been considered.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements during 2020 as displayed on the Lottery Proceeds Fund page of the budget.

Debt Service

Principal and interest payments in 2020 are provided based on the debt amortization schedule from the Series 2012 Bonds and 2015 Bonds (discussed under Debt and Leases).

Debt and Leases

On June 15, 2012, the District entered into a loan agreement with Colorado State Bank and Trust in the aggregate principal amount of \$11,645,000. The proceeds of the Series 2012 Notes were used to fund the Refunding Escrow Account for purposes of fully refunding the outstanding 2003 Bonds. The Notes bear interest at 2.38%. Interest is payable semi-annually on June 1, and December 1, and principal due

**PARKER JORDAN METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures - (continued)

annually on December 1. The Notes mature on December 1, 2027. The notes are subject to redemption prior to maturity with the payment of a yield maintenance fee as defined and calculated in accordance with the 2012 Notes Sales Certificate.

On June 25, 2015, the District issued \$5,165,000 of General Obligation Refunding and Improvement Tax-Free Bonds. \$3,175,000 of the proceeds were used in part as to refund a portion of the District's outstanding General Obligation Bonds, Series 2006 and the remainder \$1,990,000 will be used for a future capital project. The bonds have fixed interest rates of 2.25%. Interest is payable semi-annually on June 1 and December 1, and principal is payable annually on December 1. The bonds consist of term bonds with maturities beginning on December 1, 2016 through December 1, 2026. The term bonds that mature on December 1, 2026, are subject to mandatory sinking fund redemption commencing on December 1, 2016. The bonds maturing after December 1, 2020, are callable at the option of the District beginning on December 1, 2020, and on any date thereafter, without a call premium. The project for which the \$1,990,000 Bonds were issued was not undertaken. On December 8, 2017 this portion of the bonds was defeased.

The District has an intergovernmental agreement with Arapahoe County, Colorado, which established a General Obligation Contractual Indebtedness in the principal amount of \$2,000,000 payable to Arapahoe County by means of a maximum mill levy of two mills, beginning in 1989 for collection in 1990 and to continue for a term of twenty years, at an interest rate of seven percent per annum. If revenue from the maximum two mill levy is insufficient to meet the annual principal and interest on the debt, unpaid interest carried forward to subsequent years without accruing additional interest. Payments are to be applied first to the accumulated interest, second to current interest and then to principal.

The agreement allows the District to reduce its mill levy below the two mills by an amount equal to the percentage decrease in Arapahoe County Recreation District's one mill levy. Beginning in 1996, the Arapahoe County Recreation District began reducing its mill below one mill. The District will levy 1.738 mills for collection in 2020 and has budgeted payment to the County in the amount of \$211,108.

In the event the entire principal amount of the indebtedness shall not have been fully paid within the first nineteen years, then the District may, at its sole option, either:

1. Pay the entire remaining principal balance, plus accrued interest in the twentieth year, notwithstanding the maximum two mill levy limitation, or
2. To the extent it is legally able to do so, extend the maximum two mill levy for an additional sixteen years, which would extend the term to 2026.

The District has no capital or operating leases.

Emergency Reserve

The District has provided an Emergency Reserve equal to at least 3% of fiscal year spending as defined under TABOR, which is included in the fund balance of the General Fund.

This information is an integral part of the accompanying budget.

**PARKER JORDAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019**

Bonds and Interest Maturing in the Year Ending December 31,	\$3,315,000			\$8,330,000		
	General Obligation Refunding Notes Series 2012 A Dated June 15, 2012 Interest Rate 2.380% Interest Payable June 1, December 1 Principal Due December 1			General Obligation Refunding Notes Series 2012 B Dated June 15, 2012 Interest Rate 3.660% through Sept. 3, 2013 Then 2.380% Interest Payable June 1, December 1 Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 205,000	\$ 45,220	\$ 250,220	\$ 520,000	\$ 113,764	\$ 633,764
2021	215,000	40,341	255,341	530,000	101,388	631,388
2022	215,000	35,224	250,224	545,000	88,774	633,774
2023	220,000	30,107	250,107	555,000	75,803	630,803
2024	225,000	24,871	249,871	570,000	62,594	632,594
2025	230,000	19,516	249,516	580,000	49,028	629,028
2026	235,000	14,042	249,042	595,000	35,224	630,224
2027	355,000	8,449	363,449	885,000	21,063	906,063
	<u>\$ 1,900,000</u>	<u>\$ 217,770</u>	<u>\$ 2,117,770</u>	<u>\$ 4,780,000</u>	<u>\$ 547,638</u>	<u>\$ 5,327,638</u>

Bonds and Interest Maturing in the Year Ending December 31,	\$3,175,000					
	General Obligation Refunding Tax-Free Bonds Series 2015 - 12/08/2017 Unrefunded portion Dated June 25, 2015 Interest Rate 2.25% Interest Payable June 1, December 1 Principal Due December 1			Totals		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 295,200	\$ 49,746	\$ 344,946	\$ 1,020,200	\$ 208,730	\$ 1,228,930
2021	301,350	43,104	344,454	1,046,350	184,833	1,231,183
2022	310,575	36,323	346,898	1,070,575	160,321	1,230,896
2023	316,725	29,336	346,061	1,091,725	135,246	1,226,971
2024	322,875	22,209	345,084	1,117,875	109,674	1,227,549
2025	329,025	14,945	343,970	1,139,025	83,489	1,222,514
2026	335,175	7,541	342,716	1,165,175	56,807	1,221,982
2027	-	-	-	1,240,000	29,512	1,269,512
	<u>\$ 2,210,925</u>	<u>\$ 203,204</u>	<u>\$ 2,414,129</u>	<u>\$ 8,890,925</u>	<u>\$ 968,612</u>	<u>\$ 9,859,537</u>

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