



**CliftonLarsonAllen**

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## **Accountant's Compilation Report**

Board of Directors  
Concord Metropolitan District

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

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
January 4, 2019

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

1/4/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
<b>ASSESSED VALUATION</b>			
Industrial	16,862,150	24,879,100	27,845,000
State assessed	100	290,200	100
Vacant land	560,080	240,980	240,980
Personal property	17,755,410	19,350,100	20,205,760
Certified Assessed Value	<u>\$ 35,177,740</u>	<u>\$ 44,760,380</u>	<u>\$ 48,291,840</u>
<b>MILL LEVY</b>			
General	4.000	2.000	2.000
Debt Service	10.500	9.000	9.000
Total mill levy	<u>14.500</u>	<u>11.000</u>	<u>11.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 140,711	\$ 89,521	\$ 96,584
Debt Service	369,366	402,843	434,627
Levied property taxes	<u>510,077</u>	<u>492,364</u>	<u>531,211</u>
Adjustments to actual/rounding	(68)	-	-
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ 510,009</u>	<u>\$ 492,364</u>	<u>\$ 531,211</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 140,692</b>	<b>\$ 89,521</b>	<b>\$ 96,584</b>
Debt Service	<b>369,317</b>	<b>402,843</b>	<b>434,627</b>
	<u><b>\$ 510,009</b></u>	<u><b>\$ 492,364</b></u>	<u><b>\$ 531,211</b></u>

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

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

1/4/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 260,819	\$ 329,225	\$ 339,696
REVENUE			
Property taxes	140,692	89,521	96,584
Specific ownership taxes	15,414	8,950	9,679
Interest income	3,732	6,000	6,500
Total revenue	<u>159,838</u>	<u>104,471</u>	<u>112,763</u>
Total funds available	<u>420,657</u>	<u>433,696</u>	<u>452,459</u>
EXPENDITURES			
General and administrative			
Accounting	28,033	27,000	27,000
Audit	4,000	4,200	4,500
Insurance	3,556	3,556	3,800
District management	28,593	27,000	27,000
Legal	16,321	16,000	25,000
Director's fees	1,800	1,900	2,000
Dues and subscriptions	353	368	500
Election expense	-	1,621	-
Miscellaneous expenses	829	2,000	2,000
Website	-	-	1,000
Contingency	-	1,112	5,751
Treasurer's fees	2,113	1,343	1,449
Operations and maintenance			
Landscape	4,094	4,000	9,300
Architectural - landscape review	-	1,400	-
Street maintenance	-	-	5,000
Snow removal	-	-	5,000
Water-irrigation	1,576	2,000	2,200
Utilities - irrigation	164	500	500
Total expenditures	<u>91,432</u>	<u>94,000</u>	<u>122,000</u>
Total expenditures and transfers out requiring appropriation	<u>91,432</u>	<u>94,000</u>	<u>122,000</u>
ENDING FUND BALANCE	<u>\$ 329,225</u>	<u>\$ 339,696</u>	<u>\$ 330,459</u>
EMERGENCY RESERVE	\$ 4,800	\$ 3,100	\$ 3,400
AVAILABLE FOR OPERATIONS	324,425	336,596	327,059
TOTAL RESERVE	<u>\$ 329,225</u>	<u>\$ 339,696</u>	<u>\$ 330,459</u>

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

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

1/4/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 888,327	\$ 938,504	\$ 1,023,627
REVENUE			
Property taxes	369,317	402,843	434,627
Specific ownership taxes	40,463	40,280	43,557
Interest income	12,218	18,000	20,000
Total revenue	<u>421,998</u>	<u>461,123</u>	<u>498,184</u>
Total funds available	<u>1,310,325</u>	<u>1,399,627</u>	<u>1,521,811</u>
EXPENDITURES			
Debt Service			
Bond interest	251,075	247,481	243,581
Bond principal	115,000	120,000	125,000
Contingency	-	1,976	2,400
Treasurer's fees	5,546	6,043	6,519
Paying agent fees	200	500	500
Total expenditures	<u>371,821</u>	<u>376,000</u>	<u>378,000</u>
Total expenditures and transfers out requiring appropriation	<u>371,821</u>	<u>376,000</u>	<u>378,000</u>
ENDING FUND BALANCE	<u>\$ 938,504</u>	<u>\$ 1,023,627</u>	<u>\$ 1,143,811</u>
DEBT SERVICE RESERVE	\$ 369,525	\$ 369,525	\$ 369,525
MILL LEVY STABILIZATION RESERVE	568,979	654,102	774,286
TOTAL RESERVE	<u>\$ 938,504</u>	<u>\$ 1,023,627</u>	<u>\$ 1,143,811</u>

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

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

1/4/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 567,212	\$ 481,286	\$ 601,286
REVENUE			
System development fees	21,000	14,000	-
SEMSWA reimbursements	96,457	100,000	-
Interest income	6,870	9,000	12,000
Total revenue	<u>124,327</u>	<u>123,000</u>	<u>12,000</u>
Total funds available	<u>691,539</u>	<u>604,286</u>	<u>613,286</u>
EXPENDITURES			
Capital Projects			
Accounting	-	-	4,000
Capital outlay	-	-	248,993
District management	2,898	3,000	5,000
Engineering	6,391	-	10,000
Legal	1,200	-	-
Traffic signal	-	-	250,057
Water line and street improvements	199,764	-	95,236
Total expenditures	<u>210,253</u>	<u>3,000</u>	<u>613,286</u>
Total expenditures and transfers out requiring appropriation	<u>210,253</u>	<u>3,000</u>	<u>613,286</u>
ENDING FUND BALANCE	<u>\$ 481,286</u>	<u>\$ 601,286</u>	<u>\$ -</u>

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

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

**Services Provided**

Concord Metropolitan District, a quasi-municipal corporation was organized on November 17, 1999, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado. The District was established to provide public streets, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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 information page.

**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 10% of the property taxes collected by both the General Fund and the Debt Service Fund.

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

**Revenues - (continued)**

**System Development Fees and SEMSWA Payments**

System Development Fees are collected at a rate of \$3,500 per Tap Equivalent. Also included as a System Development Fee are Impervious Acre Fees charged by SEMSWA at a rate of \$13,466 per acre, of which 100% for Phase II and 5% for Phase III improvements are reimbursed to the District per the Stormwater Facility Construction and Reimbursement Agreement entered into on June 28, 2000. Both types of System Development Fees are recorded in the capital projects fund when received, but are not pledged for any particular use.

SYSTEM DEVELOPMENT FEE (SDF) SCHEDULE		
METER SIZE	TAP EQUIVALENT	FEE
3/4	1	\$3,500
1	2	7,000
1 1/2	4	14,000
2	8	28,000
3	18	63,000
4	38	133,000
6	72	252,000

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

**SEMSWA Agreement**

The Developer assigned to the District its interest in a stormwater facility construction and reimbursement agreement that it entered into on June 28, 2000, with the Arapahoe County Water and Wastewater Authority (ACWWA), Phase I. Under the terms of this agreement, the Developer agreed to construct certain stormwater facilities and ACWWA agreed to reimburse the Developer 84.6% of the system development fees collected from upstream property. Obligations under this agreement are paid in full.

On August 23, 2001, the District entered into a stormwater facility construction and reimbursement agreement with ACWWA, Phase II. Pursuant to this agreement, ACWWA will reimburse the District 100% of the stormwater surcharge amount of \$669,689 to the extent that ACWWA collects it.

Additionally, the Developer assigned to the District its interest in a stormwater facility construction and reimbursement agreement that it entered into on January 10, 2007, with ACWWA, Phase III. Under the terms of this agreement, the Developer agreed to construct certain stormwater facilities and ACWWA agreed to reimburse the Developer an initial installment of \$24,900, with the balance of the obligation, \$96,000 to be paid semiannually on April 1 and October 1 in an amount equal to 5% of all stormwater system development fees collected by ACWWA within its entire stormwater service area during each such semiannual period.

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

**Revenues (continued)**

**SEMSWA Agreement - (continued)**

In 2011, the ACWWA reimbursement agreement, Phase II and Phase III, were transferred to Southeast Metro Stormwater Authority (SEMSWA).

In 2015 SEMSWA satisfied its obligation as it relates to payments to the District pursuant to the SEMSWA reimbursement agreement, Phase III.

Though the District anticipates receiving revenues related to Phase II of this agreement during 2019, nothing has been budgeted due to the uncertainty of timing of payments.

**Expenditures**

**Administrative and Operating Expenses**

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, management, insurance, banking, meeting expense and other administrative expenses.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2010 Bonds (discussed under Debt and Leases).

**Capital Outlay**

Anticipated expenditures for capital projects for 2019 are outlined in capital project fund of the Budget.

**Debt and Leases**

On September 29, 2010, the District refunded the Series 2004 Bonds and issued \$5,820,000 of General Obligation Fixed Rate Refunding Bonds (Series 2010 Bonds), with interest rates ranging from 2.000% to 5.375%, consisting of serial bonds issued in the amount of \$1,205,000 due annually through 2020, term bonds issued in the amount of \$720,000 due December 1, 2025, term bonds in the amount of \$900,000 due December 1, 2030, and term bonds in the amount of \$2,995,000 due December 1, 2040. Such term bonds are subject to mandatory sinking fund redemption beginning on December 1, 2021. In addition, the bonds maturing on and after December 1, 2025, 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, on December 1, 2020, and on any date thereafter, upon payment of par and accrued interest, without redemption premium.

The District has no operating or capital leases.



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

1/4/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 1,716,358	\$ 1,749,015	\$ 1,964,609
REVENUE			
Property taxes	510,009	492,364	531,211
Specific ownership taxes	55,877	49,230	53,236
Interest income	22,820	33,000	38,500
System development fees	21,000	14,000	-
SEMSWA reimbursements	96,457	100,000	-
Total revenue	<u>706,163</u>	<u>688,594</u>	<u>622,947</u>
Total funds available	<u>2,422,521</u>	<u>2,437,609</u>	<u>2,587,556</u>
EXPENDITURES			
General Fund	91,432	94,000	122,000
Debt Service Fund	371,821	376,000	378,000
Capital Projects Fund	210,253	3,000	613,286
Total expenditures	<u>673,506</u>	<u>473,000</u>	<u>1,113,286</u>
Total expenditures and transfers out requiring appropriation	<u>673,506</u>	<u>473,000</u>	<u>1,113,286</u>
ENDING FUND BALANCES	<u>\$ 1,749,015</u>	<u>\$ 1,964,609</u>	<u>\$ 1,474,270</u>
EMERGENCY RESERVE	\$ 4,800	\$ 3,100	\$ 3,400
DEBT SERVICE RESERVE	369,525	369,525	369,525
MILL LEVY STABILIZATION RESERVE	568,979	654,102	774,286
TOTAL RESERVE	<u>\$ 943,304</u>	<u>\$ 1,026,727</u>	<u>\$ 1,147,211</u>

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

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

**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.

**Debt Service Reserve**

The Series 2010 Bonds are secured by the Reserve Fund. The Required Reserve for the Series 2010 Refunding Bonds is \$369,525.

**Mill Levy Stabilization Reserve**

The Series 2010 Bonds are also secured by the Mill Levy Stabilization Fund. Moneys in this fund are pledged only for payment of the principal of or interest on the Bonds. The District is not required to maintain any particular balance in the fund, and any future deposits to the fund shall be in the absolute discretion of the District.

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

**CONCORD METROPOLITAN DISTRICT**  
**SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY**  
**December 31, 2018**

**\$5,820,000 General Obligation**  
**Fixed Rate Refunding Bonds**  
**Series 2010, Dated September 29, 2010**  
**Principal Due December 1**  
**Interest Rate Fixed from 2.000% to 5.375%**

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt</u> <u>Service</u>
2019	\$ 125,000	\$ 243,581	\$ 368,581
2020	130,000	239,206	369,206
2021	130,000	234,331	364,331
2022	140,000	228,806	368,806
2023	145,000	222,856	367,856
2024	150,000	216,694	366,694
2025	155,000	210,319	365,319
2026	165,000	203,731	368,731
2027	170,000	195,894	365,894
2028	180,000	187,819	367,819
2029	190,000	179,269	369,269
2030	195,000	170,244	365,244
2031	205,000	160,981	365,981
2032	215,000	149,963	364,963
2033	230,000	138,406	368,406
2034	240,000	126,044	366,044
2035	255,000	113,144	368,144
2036	265,000	99,438	364,438
2037	280,000	85,194	365,194
2038	295,000	70,144	365,144
2039	310,000	54,288	364,288
2040	700,000	37,625	737,625
	<u>\$ 4,870,000</u>	<u>\$ 3,567,977</u>	<u>\$ 8,437,977</u>

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