

Parker Automotive Metropolitan District

2016 Annual Report

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

2016 ANNUAL REPORT

TO

THE TOWN OF PARKER

Pursuant to the Service Plan for Parker Automotive Metropolitan District dated April 5, 2004, First Amendment to the Service Plan dated September 16, 2013 (collectively the “Service Plan”), and Section 10.11.040 of the Town of Parker’s Municipal Code, the District is required to provide an annual report to the Town of Parker.

For the year ending December 31, 2016, the District makes the following report:

A. A summary of the progress of the District in implementing the Service Plan:

The District continues to implement its development schedule as contemplated in the Service Plan. All infrastructure to be completed by the District has been installed and the District remains in existence in order to discharge outstanding debt.

B. The audited financial statements including a statement of financial condition as of December 31 and a statement of operations:

A copy of the District’s 2016 audit will be provided upon completion.

C. A summary of the capital expenditures incurred by the District in development of public facilities, as well as any capital improvements or projects proposed to be undertaken in the next five (5) years:

Summaries of the District’s capital expenditures and proposed capital improvements are contained in the 2016 audit to be provided upon completion and the 2017 Budget attached hereto as **Exhibit A**. No further significant capital expenditures or improvements are contemplated.

D. A summary of the financial obligations of the District including the total assessed valuation of all taxable properties within the District and the current mill levy pledged to debt retirement:

A summary of the District’s financial obligations is included in the 2016 audit to be provided upon completion, and the District’s current mill levy pledged to debt is 47.000 mills. The assessed valuation of all taxable properties within the District is \$9,175,080.

E. The District’s budget:

The 2017 Budget is attached as **Exhibit A**.

F. A summary of residential and commercial development in the District:

The District does not have any residential development. Please see the 2016 Audit, to be provided upon completion, for a summary of commercial development.

G. A summary of all fees, charges and assessments imposed by the District:

There are currently no fees, charges or assessments imposed by the District.

H. Certification of the Board that no action, event or condition enumerated in Section 10.11.060 has occurred:

During 2016:

- (1) There were no defaults in the payment of principal or interest of any of the District's bonds, notes, certificates, debentures, contracts or other evidences of indebtedness or borrowing issued or incurred by the District which: (i) persisted for a period of One Hundred Twenty (120) days or more; (ii) included an aggregate amount of either Fifty Thousand Dollars (\$50,000) or 10% of the outstanding principal balance of the indebtedness; or (iii) creditors have not agreed in writing with the District to forbear from pursuit of legal remedies in connection with such indebtedness.
- (2) The District has not failed to develop, cause to be developed or consented to the development by others of any capital facility proposed in the Service Plan when necessary to service approved development within the District.
- (3) The District has not failed to realize at least Seventy-Five Percent (75%) of the development revenues projected in the financial portion of the Service Plan with a disparity between projected and realized revenue exceeding Fifty Thousand Dollars (\$50,000.00), where development revenue is defined as fees, exactions and charges imposed by the District on residential and commercial development, excluding taxes.
- (4) The District has not developed any capital facility in excess of \$100,000 in cost, which is not either identified in the Service Plan or authorized by the Town in the course of a separate development approval, excluding bona fide cost projection miscalculations; and state or federally mandated improvements, particularly water or sanitation facilities.
- (5) No event or condition has occurred which is defined under the Service Plan or intergovernmental agreement as necessitating a Service Plan amendment. It should be noted that on September 16, 2013, the First Amendment to the Service Plan was approved by the Town Council and remains in effect.

(6) There has been no material default by the District under any intergovernmental agreement with the Town.

(7) No events or conditions enumerated in Section 32-1-207(2), C.R.S., as amended, have occurred.

I. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board:

Andrew Klein
Westside Investment Partners
4100 E. Mississippi Ave., Suite 500
Denver, CO 80246
(303) 984-9800

Kevin Smith
Westside Investment Partners, Inc.
4100 East Mississippi Avenue, Suite 500
Denver, CO 80246
(303) 984-9800

ATTORNEY:
Clint C. Waldron, Esq.
White Bear Ankele Tanaka & Waldron, Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
(303) 858-1800

Regular Meetings: The second and fourth Thursday of each month at 2:00 p.m. at 2154 E. Commons Ave., Suite 2000, Centennial, CO 80122.

EXHIBIT A
2017 Budget

PARKER AUTOMOTIVE METROPOLITAN DISTRICT
2017
BUDGET MESSAGE

Attached please find a copy of the adopted 2017 budget for the Parker Automotive Metropolitan District.

The Parker Automotive Metropolitan District has adopted two separate funds, a General Fund to provide for the payment of general operating expenditures; and a Debt Service Fund to provide for payments on the outstanding general obligation debt.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2017 will be property and specific ownership taxes. The District intends to impose a 54.000 mill levy on property within the District for 2017, of which 7.000 mills will be dedicated to the General Fund and the balance of 47.000 mills will be allocated to the Debt Service Fund.

Parker Automotive Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2017

	Actual <u>2015</u>	Adopted Budget <u>2016</u>	Actual <u>9/30/2016</u>	Estimate <u>2016</u>	Adopted Budget <u>2017</u>
Beginning fund balance	\$ 4,729	\$ 2,760	\$ 3,279	\$ 3,279	\$ 172
Revenues:					
Property taxes	29,918	32,473	30,075	32,473	64,225
Specific ownership taxes	2,876	2,273	2,228	3,400	4,497
Other income	<u>537</u>	<u>-</u>	<u>32</u>	<u>20</u>	<u>-</u>
Total revenues	<u>33,331</u>	<u>34,746</u>	<u>32,335</u>	<u>35,893</u>	<u>68,722</u>
Total funds available	<u>38,060</u>	<u>37,506</u>	<u>35,614</u>	<u>39,172</u>	<u>68,894</u>
Expenditures:					
Accounting	7,143	8,000	5,572	8,000	8,000
Audit	4,616	5,000	-	-	5,000
Election expense	-	-	860	860	-
Insurance	2,592	3,000	3,089	3,089	3,000
Legal	14,675	10,000	20,500	23,000	10,000
Miscellaneous	298	500	202	300	500
Treasurer's fees	457	487	452	487	963
Engineering	-	-	-	-	-
Emergency reserve (3%)	-	810	-	-	824
Transfer to debt service	5,000	5,000	-	-	-
Contingency	<u>-</u>	<u>4,709</u>	<u>-</u>	<u>3,264</u>	<u>40,607</u>
Total expenditures	<u>34,781</u>	<u>37,506</u>	<u>30,675</u>	<u>39,000</u>	<u>68,894</u>
Ending fund balance	<u>\$ 3,279</u>	<u>\$ -</u>	<u>\$ 4,939</u>	<u>\$ 172</u>	<u>\$ -</u>
Assessed Valuation	<u>\$ 4,273,980</u>	<u>\$ 4,639,000</u>			<u>\$ 9,175,080</u>
Mill levy	<u>7.000</u>	<u>7.000</u>			<u>7.000</u>

Parker Automotive Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2017

	Actual <u>2015</u>	Adopted Budget <u>2016</u>	Actual <u>9/30/2016</u>	AMENDED Estimate <u>2016</u>	Adopted Budget <u>2017</u>
Beginning fund balance	\$ 96,829	\$ 65,667	\$ 83,497	\$ 83,497	\$ 365,258
Revenues:					
Property taxes	247,891	269,062	249,190	269,062	431,229
Property taxes (new growth)	-	-	-	-	-
Specific ownership taxes	23,834	20,000	18,459	25,000	20,000
Abatements	-	-	-	-	-
Developer contribution	-	-	-	-	-
Interest income	4,661	1,000	984	11,799	1,000
Bond proceeds	-	-	4,275,000	4,275,000	-
Transfer from General Fund	5,000	5,000	-	-	-
Total revenues	<u>281,386</u>	<u>295,062</u>	<u>4,543,633</u>	<u>4,580,861</u>	<u>452,229</u>
Total funds available	<u>378,215</u>	<u>360,729</u>	<u>4,627,130</u>	<u>4,664,358</u>	<u>817,487</u>
Expenditures:					
Bond principal - Series 2005	70,000	75,000	3,785,000	3,785,000	-
Bond interest - Series 2005	1,739	6,000	3,292	8,197	-
Bond principal - Series 2016	-	-	-	30,000	65,000
Bond interest - Series 2016	-	-	-	106,875	212,250
Bond principal - Series 2010 Sub Bonds	-	-	-	-	-
Bond interest - Series 2010 Sub Bonds	-	-	-	-	18,075
Cost of Issuance	-	-	220,000	275,000	-
Restructuring costs	7,509	14,000	-	-	-
LOC Fees	139,847	136,000	57,245	57,245	-
Extension fee	49,250	40,000	-	-	-
Remarketing fees	9,638	10,000	4,757	-	-
Paying agent/trustee fees	5,450	5,000	5,650	7,500	7,500
Accounting	-	-	144	9,045	-
Audit	-	-	5,303	5,303	-
Legal expense	7,500	-	16,112	10,899	-
Treasurer fees	3,785	4,036	3,742	4,036	6,468
Total expenditures	<u>294,718</u>	<u>290,036</u>	<u>4,101,245</u>	<u>4,299,100</u>	<u>309,293</u>
Ending fund balance	<u>\$ 83,497</u>	<u>\$ 70,693</u>	<u>\$ 525,885</u>	<u>\$ 365,258</u>	<u>\$ 508,194</u>
Reserve Fund remaining				<u>\$ -</u>	<u>\$ -</u>
Reserve Fund required				<u>\$ 279,000</u>	<u>\$ 279,000</u>
Assessed Valuation	<u>\$ 4,273,980</u>	<u>\$ 4,639,000</u>			<u>\$ 9,175,080</u>
Mill Levy	<u>58.000</u>	<u>58.000</u>			<u>47.000</u>
Total Mill Levy	<u>65.000</u>	<u>65.000</u>			<u>54.000</u>