

**PARKER AUTOMOTIVE METROPOLITAN DISTRICT**

**2018 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 (the “Town”).

To the best of our actual knowledge, for the year ending December 31, 2018, 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. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year, including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year:**

The District has filed a request for extension for filing of its 2018 audit. A copy of the District’s 2018 audit will be provided upon completion.

**C. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public improvements in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year:**

Summaries of the District’s capital expenditures and proposed capital improvements are contained in the 2018 audit, which will be provided upon completion. The 2019 Budget is attached hereto as **Exhibit A**. The District does not intend to undertake any capital improvements or projects in the five (5) years following the report year.

- D. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year**

A summary of the District's financial obligations will be included in the 2018 audit, which will be provided upon completion. The District's current mill levy pledged to general operating expenses is 3.000 mills and to debt is 47.000 mills. The assessed valuation of all taxable properties within the District is \$8,861,540.

- E. The District's budget for the calendar year in which the annual report is being submitted:**

The 2019 Budget is attached hereto as **Exhibit A**.

- F. A summary of residential and commercial development in the District for the report year:**

The District does not have any residential development. Please see the 2018 audit, which will be provided upon completion, for a summary of commercial development.

- G. A summary of all fees, charges, and assessments imposed by the District as of January 1 of the report year:**

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 2018:

- (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, Inc.  
4100 E. Mississippi Ave., Suite 500  
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ATTORNEY:  
Jennifer Gruber Tanaka, Esq.  
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2154 E. Commons Avenue, Suite 2000  
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(303) 858-1800

Regular Meetings: July 11, 2019 and November 14, 2019 at 10:00 a.m. at 4100 E. Mississippi Avenue, Suite 500, Denver, Colorado.

**EXHIBIT A**  
**2019 Budget**

**PARKER AUTOMOTIVE METROPOLITAN DISTRICT  
2019  
BUDGET MESSAGE**

Attached please find a copy of the adopted 2019 budget for the Parker Automotive Metropolitan District.

The Parker Automotive Metropolitan District has adopted two 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 2019 will be property and specific ownership taxes. The District intends to impose a 50.000 mill levy on property within the District for 2019, of which 3.000 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, 2019**

	Actual <u>2017</u>	Amended Budget <u>2018</u>	Actual <u>9/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 2,336	\$ 798,637	\$ 798,637	\$ 798,637	\$ 101,216
Revenues:					
Property taxes	55,041	62,667	62,667	62,667	26,585
Specific ownership taxes	7,036	4,387	4,899	6,500	1,861
Settlement income	700,000	-	-	-	-
Extension fee income	64,160	105,780	105,780	105,780	-
Interest income	3,380	500	8,349	9,000	2,000
Other income	-	-	-	-	-
Total revenues	<u>829,617</u>	<u>173,334</u>	<u>181,695</u>	<u>183,947</u>	<u>30,446</u>
Total funds available	<u>831,953</u>	<u>971,971</u>	<u>980,332</u>	<u>982,584</u>	<u>131,662</u>
Expenditures:					
Accounting	7,479	8,000	5,897	8,000	8,000
Audit	4,600	5,000	4,750	4,750	5,000
Election expense	-	1,500	1,054	1,054	-
Insurance	2,890	3,500	3,472	3,472	4,000
Legal	17,460	25,000	9,313	15,000	25,000
Water/Sewer Impact Fee	-	13,820	13,820	13,820	-
Directors Fees	-	-	-	200	600
Miscellaneous	61	500	33	100	500
Treasurer's fees	826	940	940	940	399
Emergency reserve (3%)	-	1,333	-	-	1,305
Transfer to debt service	-	826,120	834,032	834,032	-
Contingency	-	86,258	-	-	86,858
Total expenditures	<u>33,316</u>	<u>971,971</u>	<u>873,311</u>	<u>881,368</u>	<u>131,662</u>
Ending fund balance	<u>\$ 798,637</u>	<u>\$ -</u>	<u>\$ 107,021</u>	<u>\$ 101,216</u>	<u>\$ -</u>
Assessed Valuation	<u>\$ 9,175,080</u>	<u>\$ 8,952,410</u>			<u>\$ 8,861,540</u>
Mill levy	<u>7.000</u>	<u>7.000</u>			<u>3.000</u>

**Parker Automotive Metropolitan District**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2019**

	Actual <u>2017</u>	Amended Budget <u>2018</u>	Actual <u>9/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 392,566	\$ 286,413	\$ 286,413	\$ 286,413	\$ 278,500
Revenues:					
Property taxes	369,561	420,763	420,763	420,763	416,492
Specific ownership taxes	47,239	33,820	32,893	43,500	30,000
Interest income	2,670	1,000	5,213	6,000	5,000
Extension fee income	40,000	-	-	-	-
Bond proceeds	-	7,571,000	7,571,000	7,571,000	-
Debt forgiveness - Series 2010	-	5,183,847	5,196,847	5,196,847	-
Miscellaneous income	-	-	-	-	-
Transfer from General Fund	-	826,120	834,032	834,032	-
<b>Total revenues</b>	<u>459,470</u>	<u>14,036,550</u>	<u>14,060,748</u>	<u>14,072,142</u>	<u>451,492</u>
<b>Total funds available</b>	<u>852,036</u>	<u>14,322,963</u>	<u>14,347,161</u>	<u>14,358,555</u>	<u>729,992</u>
Expenditures:					
Bond principal - Series 2016	65,000	65,000	-	65,000	70,000
Bond interest - Series 2016	212,250	209,000	104,500	209,000	205,750
Bond principal - Series 2018	-	-	-	-	-
Bond interest - Series 2018	-	167,773	-	185,364	164,495
Bond principal - Series 2010 Sub Bonds	-	6,705,000	6,705,000	6,705,000	-
Bond interest - Series 2010 Sub Bonds	250,000	1,197,902	1,184,902	1,184,902	-
Bond interest - Series 2010 forgiven	-	5,183,847	5,196,847	5,196,847	-
Cost of Issuance	-	502,130	446,726	515,130	-
Paying agent/trustee fees	3,300	7,500	3,150	7,500	5,000
Water/sewer impact fees	21,643	-	-	-	-
Legal expense	7,886	-	-	5,000	-
Treasurer fees	5,544	6,311	6,312	6,312	6,247
<b>Total expenditures</b>	<u>565,623</u>	<u>14,044,463</u>	<u>13,647,437</u>	<u>14,080,055</u>	<u>451,492</u>
Ending fund balance	<u>\$ 286,413</u>	<u>\$ 278,500</u>	<u>\$ 699,724</u>	<u>\$ 278,500</u>	<u>\$ 278,500</u>
Reserve Fund required	<u>\$ 278,500</u>	<u>\$ 278,500</u>		<u>\$ 278,500</u>	<u>\$ 278,500</u>
Assessed Valuation	<u>\$ 9,175,080</u>	<u>\$ 8,952,410</u>			<u>\$ 8,861,540</u>
Mill Levy	<u>47.000</u>	<u>47.000</u>			<u>47.000</u>
<b>Total Mill Levy</b>	<u>54.000</u>	<u>54.000</u>			<u>50.000</u>