



CliftonLarsonAllen LLP
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Accountant's Compilation Report

Board of Directors
Belford South Metropolitan District

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

A handwritten signature in black ink that reads 'CliftonLarsonAllen LLP'.

Greenwood Village, Colorado
January 9, 2020



An independent member of Nexia International

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

1/9/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ (19,617)	\$ 63	\$ 1,474
REVENUES			
Property taxes	4,450	4,450	5,634
Specific ownership tax	471	400	507
Interest income	33	50	70,010
Developer advance	98,500	25,000	70,000
Bond proceeds	-	-	31,000,000
Total revenues	<u>103,454</u>	<u>29,900</u>	<u>31,146,151</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>4,692,332</u>
Total funds available	<u>83,837</u>	<u>29,963</u>	<u>35,839,957</u>
EXPENDITURES			
General Fund	46,399	25,489	70,000
Debt Service Fund	-	-	1,297,583
Capital Projects Fund	37,375	3,000	15,755,000
Total expenditures	<u>83,774</u>	<u>28,489</u>	<u>17,122,583</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>4,692,332</u>
Total expenditures and transfers out requiring appropriation	<u>83,774</u>	<u>28,489</u>	<u>21,814,915</u>
ENDING FUND BALANCES	<u>\$ 63</u>	<u>\$ 1,474</u>	<u>\$ 14,025,042</u>
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 20
DEBT SERVICE RESERVE	-	-	976,605
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 976,625</u>

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

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

1/9/20

ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
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ASSESSED VALUATION - Douglas #4580

Residential	\$ 93,000	\$ 93,000	\$ 113,820
Agricultural	1,100	1,100	1,150
Certified Assessed Value	\$ 94,100	\$ 94,100	\$ 114,970

MILL LEVY

General	47.295	47.295	4.000
Debt Service	0.000	0.000	45.000
Total mill levy	47.295	47.295	49.000

PROPERTY TAXES

General	\$ 4,450	\$ 4,450	\$ 460
Debt Service	-	-	5,174
Levied property taxes	4,450	4,450	5,634
Budgeted property taxes	\$ 4,450	\$ 4,450	\$ 5,634

BUDGETED PROPERTY TAXES

General	\$ 4,450	\$ 4,450	\$ 460
Debt Service	-	-	5,174
	\$ 4,450	\$ 4,450	\$ 5,634

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

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

1/9/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (6,194)	\$ 861	\$ 272
REVENUES			
Property taxes	4,450	4,450	460
Specific ownership tax	471	400	41
Interest income	33	50	10
Developer advance	48,500	20,000	70,000
Total revenues	53,454	24,900	70,511
Total funds available	47,260	25,761	70,783
EXPENDITURES			
General and administrative			
Accounting	9,510	8,000	12,000
County Treasurer's fee	67	67	7
Dues and licenses	405	314	450
Insurance and bonds	2,731	3,108	2,950
District management	12,177	8,000	15,000
Legal services	16,325	5,000	22,000
Miscellaneous	541	1,000	5,000
Election expense	4,643	-	5,000
Contingency	-	-	7,593
Total expenditures	46,399	25,489	70,000
Total expenditures and transfers out requiring appropriation	46,399	25,489	70,000
ENDING FUND BALANCE	\$ 861	\$ 272	\$ 783
EMERGENCY RESERVE	\$ 100	\$ 100	\$ 20
TOTAL RESERVE	\$ 100	\$ 100	\$ 20

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

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

7/18/18

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Property taxes	-	-	5,174
Specific ownership tax	-	-	466
Interest income	-	-	20,000
Total revenue	<u>-</u>	<u>-</u>	<u>25,640</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>4,692,332</u>
Total funds available	<u>-</u>	<u>-</u>	<u>4,717,972</u>
EXPENDITURES			
Debt Service			
Paying agent fees	-	-	5,000
Bond interest Senior Bonds	-	-	1,292,427
County Treasurer's fee	-	-	78
Total expenditures	<u>-</u>	<u>-</u>	<u>1,297,583</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>1,297,583</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,420,389</u>
DEBT SERVICE RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 976,605</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 976,605</u>

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

**BELFORD SOUTH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (13,423)	\$ (798)	\$ 1,202
REVENUES			
Interest income	-	-	50,000
Developer advance	50,000	5,000	-
Bond proceeds	-	-	31,000,000
Total revenues	<u>50,000</u>	<u>5,000</u>	<u>31,050,000</u>
Total funds available	<u>36,577</u>	<u>4,202</u>	<u>31,051,202</u>
EXPENDITURES			
General and Administrative			
Accounting	2,263	1,000	20,000
District management	6,392	-	20,000
Legal services	17,433	-	40,000
Bond issue costs	-	-	615,000
Contingency	-	-	100,000
Capital Projects			
Demolition	-	-	90,000
Construction management	-	-	250,000
Engineering	11,287	2,000	20,000
Capital outlay	-	-	14,600,000
Total expenditures	<u>37,375</u>	<u>3,000</u>	<u>15,755,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>4,692,332</u>
Total expenditures and transfers out requiring appropriation	<u>37,375</u>	<u>3,000</u>	<u>20,447,332</u>
ENDING FUND BALANCE	<u>\$ (798)</u>	<u>\$ 1,202</u>	<u>\$ 10,603,870</u>

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

**BELFORD SOUTH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on June 24, 2016 in Douglas County, Colorado, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town Council of the Town of Parker, Colorado. The District's service area is located in the Town of Parker, Douglas County, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water and sanitation service, street construction, installation of safety control devices, construction and maintenance of parks and recreation facilities, public transportation, fire protection, television relay and translation system, security services and mosquito control. All public infrastructure is to be owned and maintained by the Town of Parker or adjacent governmental entities.

On May 3, 2016, the District's voters authorized total indebtedness of \$162,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$16,200,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$16,200,000 without limitation of rate, to pay the District's operation and maintenance costs.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$16,200,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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 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.

**BELFORD SOUTH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget.

The change in assessment ratio from 7.20% to 7.15% allows the District to adjust its mill levy to offset the decrease in revenues. The District has elected not to impose an adjusted mill levy for operations.

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 9% of the property taxes collected by the General Fund and Debt Service Fund.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. The capital expenditures for the year are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Bond proceeds

The District anticipates issuing \$31,000,000 in bonds during 2020.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

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, insurance, and meeting expense.

County Treasurer's Fees

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

Debt Service

Interest and principal payments are provided based on the anticipated issuance of bonds in 2020.

**BELFORD SOUTH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Capital Outlay

The District anticipates infrastructure improvements as noted on the Capital Projects fund page of the budget.

Debt and Leases

During the first quarter of 2020, the District anticipates issuing \$31,000,000 in Bonds.

The District has no capital or operating leases.

Reserves

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 budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Belford South Metropolitan District,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Belford South Metropolitan District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 114,970 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 114,970 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/03/2019 for budget/fiscal year 2020.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	4.000 mills	\$ 460
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	4.000 mills	\$ 460
3. General Obligation Bonds and Interest ^J	45.000 mills	\$ 5,174
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify): _____	mills	\$
	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	49.000 mills	\$ 5,634

Contact person: (print) Christine Harwell Daytime phone: (303) 779-5710
Signed: Christine Harwell Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: The District expects to issue bonds in 2020
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: 45.000
Revenue: \$5,174

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.