

**CONCORD METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**CONCORD METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2019**

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Board of Directors
Concord Metropolitan District
Douglas County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Concord Metropolitan District, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Concord Metropolitan District as of December 31, 2019, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

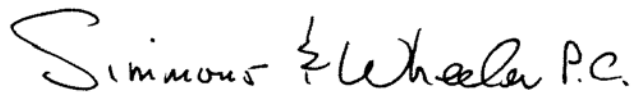
Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Concord Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

 Simmons & Wheeler P.C.

Englewood, CO
July 1, 2020

BASIC FINANCIAL STATEMENTS

**CONCORD METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

| | Governmental Activities |
|---------------------------------------|----------------------------|
| ASSETS | |
| Cash and Investments | \$ 184,070 |
| Cash and Investments - Restricted | 516,694 |
| Receivable from County Treasurer | 4,829 |
| Property Taxes Receivable | 384,037 |
| Prepaid Expense | 4,139 |
| Accounts Receivable | 1,125 |
| Capital Assets, Net | 285,499 |
| Total Assets | 1,380,393 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Cost of Debt Refunding | 105,880 |
| Total Deferred Outflows of Resources | 105,880 |
| LIABILITIES | |
| Accounts Payable | 21,985 |
| Accrued Interest on Bonds Payable | 8,519 |
| Noncurrent Liabilities: | |
| Due Within One Year | 170,000 |
| Due in More Than One Year | 3,195,000 |
| Total Liabilities | 3,395,504 |
| DEFERRED INFLOWS OF RESOURCES | |
| Property Tax Revenue | 384,037 |
| Total Deferred Inflows of Resources | 384,037 |
| NET POSITION | |
| Net Investment in Capital Assets | 285,499 |
| Restricted for: | |
| Emergencies (TABOR) | 3,500 |
| Debt Service | 11,569 |
| Unrestricted | (2,593,836) |
| Total Net Position | \$ (2,293,268) |

See accompanying Notes to Basic Financial Statements.

**CONCORD METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

| | | Program Revenues | | | Net Revenues (Expenses) and Change in Net Position |
|---|----------------------------|--|--|----------------------------|---|
| Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | |
| FUNCTIONS/PROGRAMS | | | | | |
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| General Government | \$ 106,851 | \$ - | \$ - | \$ 149,009 | \$ 42,158 |
| Interest and Related Costs on Long-Term Debt | 529,835 | - | - | - | (529,835) |
| Total Governmental Activities | \$ 636,686 | \$ - | \$ - | \$ 149,009 | (487,677) |
| GENERAL REVENUES | | | | | |
| Property Taxes | | | | 529,948 | |
| Specific Ownership Taxes | | | | 53,280 | |
| Net Investment Income | | | | 48,255 | |
| Total General Revenues | | | | 631,483 | |
| CHANGE IN NET POSITION | | | | 143,806 | |
| Net Position - Beginning of Year | | | | (2,437,074) | |
| NET POSITION - END OF YEAR | | | | \$ (2,293,268) | |

See accompanying Notes to Basic Financial Statements.

**CONCORD METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

| | General | Debt Service | Capital Projects | Total Governmental Funds |
|---|-------------------|-------------------|---------------------|--------------------------------|
| ASSETS | | | | |
| Cash and Investments | \$ 184,070 | \$ - | \$ - | \$ 184,070 |
| Cash and Investments - Restricted | 3,500 | 22,339 | 490,855 | 516,694 |
| Receivable from County Treasurer | 878 | 3,951 | - | 4,829 |
| Accounts Receivable | 1,125 | - | - | 1,125 |
| Prepaid Expenses | 4,139 | - | - | 4,139 |
| Property Taxes Receivable | 109,725 | 274,312 | - | 384,037 |
| | <u>\$ 303,437</u> | <u>\$ 300,602</u> | <u>\$ 490,855</u> | <u>\$ 1,094,894</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 15,783 | \$ 6,202 | \$ - | \$ 21,985 |
| Total Liabilities | 15,783 | 6,202 | - | 21,985 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property Tax Revenue | 109,725 | 274,312 | - | 384,037 |
| Total Deferred Inflows of Resources | 109,725 | 274,312 | - | 384,037 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid Expenses | 4,139 | - | - | 4,139 |
| Restricted for: | | | | |
| Emergencies (TABOR) | 3,500 | - | - | 3,500 |
| Debt Service | - | 20,088 | - | 20,088 |
| Assigned to: | | | | |
| Subsequent Year's Expenditures | 2,642 | - | - | 2,642 |
| Capital Projects | - | - | 490,855 | 490,855 |
| Unassigned: | | | | |
| General Government | 167,648 | - | - | 167,648 |
| Total Fund Balances | <u>177,929</u> | <u>20,088</u> | <u>490,855</u> | <u>688,872</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 303,437</u> | <u>\$ 300,602</u> | <u>\$ 490,855</u> | |
| Amounts reported for governmental activities in the statement of net position are different because: | | | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds | | | | |
| Capital Assets | | | | 285,499 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds. | | | | |
| Loans Payable | | | | (3,365,000) |
| Unamortized Cost of Debt Refunding | | | | 105,880 |
| Accrued Bond Interest Payable | | | | (8,519) |
| Net Position of Governmental Activities | | | | <u>\$ (2,293,268)</u> |

See accompanying Notes to Basic Financial Statements.

**CONCORD METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

| | General | Debt Service | Capital Projects | Total Governmental Funds |
|---|-------------------|--------------------|---------------------|--------------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 96,354 | \$ 433,594 | \$ - | \$ 529,948 |
| Specific Ownership Taxes | 9,687 | 43,593 | - | 53,280 |
| Net Investment Income | 8,452 | 24,700 | 15,103 | 48,255 |
| SEMSWA Payments | - | - | 149,009 | 149,009 |
| Total Revenues | <u>114,493</u> | <u>501,887</u> | <u>164,112</u> | <u>780,492</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Accounting | 24,931 | - | - | 24,931 |
| Audit | 4,200 | - | - | 4,200 |
| Legal | 21,441 | - | - | 21,441 |
| Architectural - Landscape Review | 563 | - | - | 563 |
| Landscape Maintenance | 4,813 | - | - | 4,813 |
| District Management | 26,311 | - | 290 | 26,601 |
| Insurance and Bonds | 3,131 | - | - | 3,131 |
| Directors' Fees | 2,000 | - | - | 2,000 |
| Website Development | 510 | - | - | 510 |
| County Treasurer's Fees | 1,447 | 6,513 | - | 7,960 |
| Dues and Subscriptions | 376 | - | - | 376 |
| Water - Irrigation | 2,827 | - | - | 2,827 |
| Utilities - Irrigation | 68 | - | - | 68 |
| Miscellaneous | 993 | - | - | 993 |
| Debt Service: | | | | |
| Interest - Bonds | - | 121,791 | - | 121,791 |
| Bond Issue Costs | - | 106,171 | - | 106,171 |
| Paying Agent Fees | - | 200 | - | 200 |
| Total Expenditures | <u>93,611</u> | <u>234,675</u> | <u>290</u> | <u>328,576</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 20,882 | 267,212 | 163,822 | 451,916 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Loan Issuance - Refunding | - | 3,365,000 | - | 3,365,000 |
| Refunded Bond Escrow | - | (5,146,135) | - | (5,146,135) |
| Transfer to (from) Other Funds | (198,926) | 503,926 | (305,000) | - |
| Total Other Financing Sources (Uses) | <u>(198,926)</u> | <u>(1,277,209)</u> | <u>(305,000)</u> | <u>(1,781,135)</u> |
| NET CHANGE IN FUND BALANCES | (178,044) | (1,009,997) | (141,178) | (1,329,219) |
| Fund Balances - Beginning of Year | <u>355,973</u> | <u>1,030,085</u> | <u>632,033</u> | <u>2,018,091</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 177,929</u> | <u>\$ 20,088</u> | <u>\$ 490,855</u> | <u>\$ 688,872</u> |

See accompanying Notes to Basic Financial Statements.

**CONCORD METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Governmental Funds \$ (1,329,219)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Capital outlay and depreciation expense in the current period are as follows:

Depreciation Expense (12,950)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long term debt and related items is as follows:

| | |
|--|-------------|
| Loan Issuance | (3,365,000) |
| Payment to Refunding Escrow | 5,146,135 |
| Amortization of Bond Discount | (4,659) |
| Amortization of Cost on Bond Refunding | (26,145) |
| Interest Expense | (276,135) |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

| | |
|---|--------|
| Accrued Interest on Bonds/Loans - Change in Liability | 11,779 |
|---|--------|

| | |
|--|------------|
| Changes in Net Position of Governmental Activities | \$ 143,806 |
|--|------------|

**CONCORD METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|----------------|------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Property Taxes | \$ 96,584 | \$ 96,584 | \$ 96,354 | \$ (230) |
| Specific Ownership Taxes | 9,679 | 9,679 | 9,687 | 8 |
| Net Investment Income | 6,500 | 6,500 | 8,452 | 1,952 |
| Total Revenues | 112,763 | 112,763 | 114,493 | 1,730 |
| EXPENDITURES | | | | |
| Accounting | 27,000 | 27,000 | 24,931 | 2,069 |
| Audit | 4,500 | 4,500 | 4,200 | 300 |
| Legal | 25,000 | 25,000 | 21,441 | 3,559 |
| Management | 27,000 | 27,000 | 26,311 | 689 |
| Insurance and Bonds | 3,800 | 3,800 | 3,131 | 669 |
| Directors' Fees | 2,000 | 2,000 | 2,000 | - |
| Website Development | 1,000 | 1,000 | 510 | 490 |
| County Treasurer's Fees | 1,449 | 1,449 | 1,447 | 2 |
| Dues and Subscriptions | 500 | 500 | 376 | 124 |
| Architectural - Landscape Review | - | - | 563 | (563) |
| Landscape Maintenance | 9,300 | 9,300 | 4,813 | 4,487 |
| Water - Irrigation | 2,200 | 2,200 | 2,827 | (627) |
| Utilities - Irrigation | 500 | 500 | 68 | 432 |
| Street Maintenance | 5,000 | 5,000 | - | 5,000 |
| Snow Removal | 5,000 | 5,000 | - | 5,000 |
| Miscellaneous | 2,000 | 2,000 | 993 | 1,007 |
| Contingency | 5,751 | 5,751 | - | 5,751 |
| Total Expenditures | 122,000 | 122,000 | 93,611 | 28,389 |
| EXCESS OF REVENUE OVER (UNDER) EXPENDITURES | (9,237) | (9,237) | 20,882 | 30,119 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer In (Out) | - | (198,926) | (198,926) | - |
| Total Other Financing Sources (Uses) | - | (198,926) | (198,926) | - |
| NET CHANGE IN FUND BALANCE | (9,237) | (208,163) | (178,044) | 30,119 |
| Fund Balance - Beginning of Year | 339,696 | 355,973 | 355,973 | - |
| FUND BALANCE - END OF YEAR | \$ 330,459 | \$ 147,810 | \$ 177,929 | \$ 30,119 |

See accompanying Notes to Basic Financial Statements.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Concord Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for Douglas County in 1999, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado. The District was established to provide public street, 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 follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Both statements present governmental activities, which are supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are shown as increases in assets, and redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and system development fees. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2019.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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 assess the property tax obligation of 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 at the taxpayer's election, in equal installments in February and June. Delinquent taxpayers are notified in August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as a deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of the net investment in capital assets component of the District's net position.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

| | |
|---------------|----------|
| Monumentation | 25 Years |
| Streets | 30 Years |

System Development Fees

System development fees are recorded as capital contributions.

Amortization

Cost of Debt Refunding

In the government-wide financial statements, the deferred cost of bond refunding is being amortized using the interest method over the life of the deceased bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *cost of debt refunding*, is deferred and recognized as an outflow of resources in the period that the amount is incurred.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2019, are classified in the accompanying financial statements as follows:

Statement of Net Position:

| | |
|-----------------------------------|------------|
| Cash and Investments | \$ 184,070 |
| Cash and Investments - Restricted | 516,694 |
| Total Cash and Investments | \$ 700,764 |

Cash and investments as of December 31, 2019, consist of the following:

| | |
|--------------------------------------|------------|
| Deposits with Financial Institutions | \$ 26,464 |
| Investments | 674,300 |
| Total Cash and Investments | \$ 700,764 |

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the District's cash deposits had a bank balance and a carrying balance of \$26,464.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2019, the District had the following investments:

| <u>Investment</u> | <u>Maturity</u> | <u>Amount</u> |
|---|-----------------------------------|-------------------|
| Colorado Liquid Asset Trust (COLOTRUST) | Weighted Average Under 60 Days | <u>\$ 674,300</u> |

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 4 CAPITAL ASSETS

An analysis of changes in capital assets for the year ended December 31, 2019, follows:

| | Balance at December 31, 2018 | Increases | Decreases | Balance at December 31, 2019 |
|--|------------------------------------|--------------------|-------------|------------------------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital Assets, Being Depreciated: | | | | |
| Streets | \$ 206,155 | \$ - | \$ - | \$ 206,155 |
| Monumentation | 151,952 | - | - | 151,952 |
| Total Capital Assets, Being Depreciated | 358,107 | - | - | 358,107 |
| Less: Accumulated Depreciation for: | | | | |
| Streets | (3,436) | (6,872) | - | (10,308) |
| Monumentation | (56,222) | (6,078) | - | (62,300) |
| Total Accumulated Depreciation | (59,658) | (12,950) | - | (72,608) |
| Total Capital Assets, Being Depreciated, Net | 298,449 | (12,950) | - | 285,499 |
| Governmental Activities Capital Assets, Net | <u>\$ 298,449</u> | <u>\$ (12,950)</u> | <u>\$ -</u> | <u>\$ 285,499</u> |

Depreciation expense was charged to general government function/program of the District as follows:

| | |
|--|------------------|
| Governmental Activities: | |
| General Government | <u>\$ 12,950</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 12,950</u> |

A portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's outstanding long-term obligations for the year ended December 31, 2019:

| | Balance December 31, 2018 | Additions | Deletions | Balance December 31, 2019 | Due Within One Year |
|---------------------------|---------------------------------|---------------------|---------------------|---------------------------------|---------------------------|
| General Obligation Bonds: | | | | | |
| 2010 Bonds | \$ 4,870,000 | \$ - | \$ 4,870,000 | \$ - | \$ - |
| 2010 Bond Discount | (81,881) | - | 81,881 | - | - |
| Refunding Loan 2019 | - | 3,365,000 | - | 3,365,000 | 170,000 |
| Total | <u>\$ 4,788,119</u> | <u>\$ 3,365,000</u> | <u>\$ 4,951,881</u> | <u>\$ 3,365,000</u> | <u>\$ 170,000</u> |

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The detail of the District's long-term obligations is as follows:

\$3,365,000 General Obligation Refunding Notes, Series 2019

On October 24, 2019, the District issued its General Obligation Refunding Notes (Refunding Notes), Series 2019 in the total amount of \$3,365,000, bearing interest at rate of 2.89%. The Refunding Notes shall mature on December 1, 2034 with principal payments due December 1st. The proceeds from the Refunding Notes were used to refund all of the District's Series 2010 Bonds. The notes are secured by and payable from revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and 3) any other legally available monies which the District determines to be treated as Pledged Revenue. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the notes as they become due and payable. For collection year 2019, the District levied 9.000 mills for debt service.

The Refunding Notes shall be initially issued bearing Taxable Interest, which interest is included in the gross income of the recipient for federal income tax purposes. On and after the Tax-Exempt Reissuance Date, September 3, 2020, the Series 2019 Notes will be reissued as Tax-Exempt Notes bearing Tax-Exempt Interest. The issuance of a Tax-Exempt Reissuance Opinion is a condition precedent to the occurrence of the Tax-Exempt Reissuance Date.

\$5,820,000 General Obligation Refunding Bonds, Series 2010, dated September 29, 2010, with interest of 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 Series 2010 Bonds were issued at a discount of \$130,380, which is being amortized over the life of the bonds.

In 2016, Standard & Poor's assigned a rating of "BBB+/Stable" to the above-referenced obligations.

The bonds are secured by and payable from revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and 3) any other legally available monies which the District determines to be treated as Pledged Revenue. The bonds are also secured by amounts

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$5,820,000 General Obligation Refunding Bonds, Series 2010, dated September 29, 2010 (Continued)

held in the Reserve Fund and Mill Levy Stabilization Fund. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the bonds as they become due and payable and to make up any deficiencies in the Reserve Fund. The Series 2010 Bonds were refunded on October 24, 2019.

The Series 2019 Refunding Notes principal and interest will mature as follows assuming the Refunding Notes will convert to the Tax-Exempt rate on September 3, 2020:

| Year Ending December 31, | Principal | Interest | Total |
|--------------------------|---------------------|-------------------|---------------------|
| 2020 | \$ 170,000 | \$ 102,226 | \$ 272,226 |
| 2021 | 195,000 | 72,846 | 267,846 |
| 2022 | 200,000 | 68,400 | 268,400 |
| 2023 | 205,000 | 63,840 | 268,840 |
| 2024 | 210,000 | 59,166 | 269,166 |
| 2025-2029 | 1,125,000 | 221,730 | 1,346,730 |
| 2030-2034 | 1,260,000 | 87,666 | 1,347,666 |
| Total | <u>\$ 3,365,000</u> | <u>\$ 675,874</u> | <u>\$ 4,040,874</u> |

Debt Authorization

On November 2, 1999, a majority of the qualified electors of the District authorized the issuance of \$7,500,000 and \$7,000,000 in general obligation bonds for the purpose of financing new improvements and refunding bonds, respectively. On November 7, 2000, a majority of the qualified electors of the District authorized the issuance of \$15,000,000 and \$14,000,000 in general obligation bonds for the purpose of financing new improvements and refunding bonds, respectively. At December 31, 2019, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

| | Amount Authorized on 11/2/1999 | Amount Used Series 2000 Bonds | Amount Authorized on 11/7/2000 | Amount Used Series 2004 Bonds | Amount Used Refunding Series 2010 Bonds | Amount Used Refunding Series 2019 Bonds | Authorized Amount Remaining |
|----------------------|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|---|---|-----------------------------------|
| Streets | \$ 3,000,000 | \$ (3,000,000) | \$ 6,000,000 | \$ (366,390) | \$ - | \$ - | \$ 5,633,610 |
| Safety | 500,000 | (200,000) | 1,000,000 | - | - | - | 1,300,000 |
| Parks and Recreation | 1,000,000 | (410,000) | 2,000,000 | - | - | - | 2,590,000 |
| Sanitation | 1,000,000 | (1,000,000) | 2,000,000 | - | - | - | 2,000,000 |
| Water | 1,000,000 | (1,000,000) | 2,000,000 | - | - | - | 2,000,000 |
| Transportation | 500,000 | - | 1,000,000 | - | - | - | 1,500,000 |
| Television Relay | 500,000 | (100,000) | 1,000,000 | - | - | - | 1,400,000 |
| Subtotal | 7,500,000 | (5,710,000) | 15,000,000 | (366,390) | - | - | 16,423,610 |
| Debt Refunding | 7,000,000 | - | 14,000,000 | (6,418,610) | (5,820,000) | (3,365,000) | 5,396,390 |
| Total | <u>\$ 14,500,000</u> | <u>\$ (5,710,000)</u> | <u>\$ 29,000,000</u> | <u>\$ (6,785,000)</u> | <u>\$ (5,820,000)</u> | <u>\$ (3,365,000)</u> | <u>\$ 21,820,000</u> |

The District's service plan does not provide any additional debt limitations other than the voter authorizations.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 NET POSITION

The District has net position consisting of three components - net investment in capital assets, restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets that are owned by the District, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. As of December 31, 2019, the District had net investment in capital assets of \$285,499.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2019, as follows:

| | |
|-------------------------------|------------------|
| Restricted Net Position: | |
| Emergencies | \$ 3,500 |
| Debt Service | 11,569 |
| Total Restricted Net Position | <u>\$ 15,069</u> |

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

The District has a deficit in unrestricted net position. This deficit amount was the result of the District being responsible for the financing and repayment of bonds issued for the construction of public improvements which have been dedicated to other entities for maintenance.

NOTE 7 AGREEMENTS

Stormwater Facility Construction and Reimbursement Agreements

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 and no balance is outstanding as of December 31, 2019.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 AGREEMENTS (CONTINUED)

Stormwater Facility Construction and Reimbursement Agreements (Continued)

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. In 2011, the ACWWA reimbursement agreement, Phase II, was transferred to Southeast Metro Stormwater Authority (SEMSWA). During the year ended December 31, 2019, the District received a total of \$149,009 from SEMSWA and the outstanding balance as of December 31, 2019, is \$194,929.

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. In 2011, the ACWWA reimbursement agreement, Phase III, was transferred to Southeast Metro Stormwater Authority (SEMSWA). Obligations under this agreement are paid in full and no balance is outstanding as of December 31, 2019.

Facilities Funding and Acquisition Agreements

On May 5, 2015, the District entered into a Facilities Funding and Acquisition Agreement (Agreement) with IBC Denver V, LLC (IBC), Team Technologies, LLC (Team), and ViaWest, Inc. (ViaWest) (collectively, IBC, Team and ViaWest should be referred to individually as a "Party" and collectively, as the "Parties"). Pursuant to the Agreement, the District has committed to reimburse the Parties up to \$295,000 for the costs incurred in connection with construction of a main water line between Lots 5 and 6 in Douglas County Industrial Park F1, the costs related to the internal roadway construction between Lots 5 and 6, and the storm sewer installation required at the connection to Compark when the District has funds available to pay for such expenses. Improvements constructed by a Party will require a Cost Verification process before they are acquired or accepted by the District. In addition, the District may convey the Water Line to the Arapahoe County Water and Wastewater Authority and the Storm Sewer to the South East Metro Storm Water Authority (SEMSWA). The Agreement also sets forth the terms and conditions for costs to be allocated and shared by the District and the Parties.

On November 18, 2016, the District entered into a Facilities Funding and Acquisition Agreement for the Peoria Street Deceleration Lane with IBC Holdings, LLC ("IBC Holdings") (the District and IBC Holdings may be referred to herein individually as a "Party" and collectively, as the "Parties"). Pursuant to this agreement, IBC Holdings agrees to design, construct, and complete a traffic acceleration/deceleration lane along the northbound lanes of Peoria Street (the "Deceleration Lane"), in full conformance with the design standards and specifications established and in use by Douglas County, Colorado. Subject to the

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 AGREEMENTS (CONTINUED)

Facilities Funding and Acquisition Agreements (Continued)

appropriation of funding, the District agrees to acquire the Deceleration Lane and to make payment to IBC Holdings for all costs related to the Deceleration Lane, including but not limited to all costs of design, testing, engineering, construction and related consultant fees. The Parties agree the estimated costs related to the Deceleration Lane are approximately \$54,723 (the "Funds"); provided, however, the Board of Directors of the District may in its sole and absolute discretion agree to make payment to IBC Holdings in excess of the Funds so long as such amount paid does not exceed the actual cost incurred by IBC Holdings, as such cost is verified. The agreement also sets the terms and conditions for verification of costs and Deceleration Lane acquisition. The Deceleration Lane shall be dedicated to the appropriate public entity after the District has received the required Bill of Sale. Upon dedication, the District or grantee public entity shall assume repair, replacement, and maintenance responsibility for the Deceleration Lane.

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2019. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 9 TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

**CONCORD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 9 TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

On November 2, 1999, a majority of the District's electors who voted in the election authorized the District to collect and spend or retain in a reserve up to \$500,000 annually in property taxes without regard to any limitations under Article X, Section 20 of the Colorado Constitution, or Section 29-1-301 of Colorado Revised Statutes.

In addition, on November 7, 2000, the electors authorized the District to collect and spend or to retain in a reserve of up to \$1,000,000 in 2000 and each year thereafter of rates, fees and other sources as stated in the election question without regard to any limitation under Article X, Section 20 of the Colorado constitution.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**CONCORD METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|--------------------|--------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Property Taxes | \$ 434,627 | \$ 433,594 | \$ 433,594 | \$ - |
| Specific Ownership Taxes | 43,557 | 43,593 | 43,593 | - |
| Net Investment Income | 20,000 | 24,700 | 24,700 | - |
| Total Revenues | <u>498,184</u> | <u>501,887</u> | <u>501,887</u> | <u>-</u> |
| EXPENDITURES | | | | |
| County Treasurer's Fees | 6,519 | 6,513 | 6,513 | - |
| Interest - Bonds | 243,581 | 121,791 | 121,791 | - |
| Principal - Bonds | 125,000 | - | - | - |
| Paying Agent Fees | 500 | 200 | 200 | - |
| Bond Issue Costs | - | 110,529 | 106,171 | 4,358 |
| Contingency | 2,400 | 10,000 | - | 10,000 |
| Total Expenditures | <u>378,000</u> | <u>249,033</u> | <u>234,675</u> | <u>14,358</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 120,184 | 252,854 | 267,212 | 14,358 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Loan Issuance | - | 3,365,000 | 3,365,000 | - |
| Refunded Bond Escrow | - | (5,146,135) | (5,146,135) | - |
| Transfer In (Out) | - | 503,926 | 503,926 | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(1,277,209)</u> | <u>(1,277,209)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | 120,184 | (1,024,355) | (1,009,997) | 14,358 |
| Fund Balance - Beginning of Year | <u>1,023,627</u> | <u>1,030,085</u> | <u>1,030,085</u> | <u>-</u> |
| FUND BALANCE - END OF YEAR | <u>\$ 1,143,811</u> | <u>\$ 5,730</u> | <u>\$ 20,088</u> | <u>\$ 14,358</u> |

**CONCORD METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

| | Original and Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------------------|-------------------|---|
| REVENUES | | | |
| SEMSWA Payments | \$ - | \$ 149,009 | \$ 149,009 |
| Net Investment Income | 12,000 | 15,103 | 3,103 |
| Total Revenues | <u>12,000</u> | <u>164,112</u> | <u>152,112</u> |
| EXPENDITURES | | | |
| Accounting | 4,000 | - | 4,000 |
| Management | 5,000 | 290 | 4,710 |
| Consulting and Engineering | 10,000 | - | 10,000 |
| Capital Outlay | 248,993 | - | 248,993 |
| Traffic Signal | 250,057 | - | 250,057 |
| Wateline and Street Improvements | 95,236 | - | 95,236 |
| Total Expenditures | <u>613,286</u> | <u>290</u> | <u>612,996</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (601,286) | 163,822 | 765,108 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfer In (Out) | - | (305,000) | (305,000) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(305,000)</u> | <u>(305,000)</u> |
| NET CHANGE IN FUND BALANCE | (601,286) | (141,178) | 460,108 |
| Fund Balance - Beginning of Year | <u>601,286</u> | <u>632,033</u> | <u>30,747</u> |
| FUND BALANCE - END OF YEAR | <u>\$ -</u> | <u>\$ 490,855</u> | <u>\$ 490,855</u> |

OTHER INFORMATION

**CONCORD METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2019**

\$3,365,000 General Obligation
Refunding Notes
Series 2019, Dated October 26, 2019
Principal Due December 1
Interest Rate Fixed 2.89%

| <u>Year Ending December 31,</u> | <u>Principal</u> | <u>*Interest</u> | <u>Annual Debt Service</u> |
|---------------------------------|---------------------|-------------------|--------------------------------|
| 2020 | \$ 170,000 | \$ 102,226 | \$ 272,226 |
| 2021 | 195,000 | 72,846 | 267,846 |
| 2022 | 200,000 | 68,400 | 268,400 |
| 2023 | 205,000 | 63,840 | 268,840 |
| 2024 | 210,000 | 59,166 | 269,166 |
| 2025 | 215,000 | 54,378 | 269,378 |
| 2026 | 220,000 | 49,476 | 269,476 |
| 2027 | 225,000 | 44,460 | 269,460 |
| 2028 | 230,000 | 39,330 | 269,330 |
| 2029 | 235,000 | 34,086 | 269,086 |
| 2030 | 240,000 | 28,728 | 268,728 |
| 2031 | 245,000 | 23,256 | 268,256 |
| 2032 | 250,000 | 17,670 | 267,670 |
| 2033 | 260,000 | 11,970 | 271,970 |
| 2034 | 265,000 | 6,042 | 271,042 |
| Total | <u>\$ 3,365,000</u> | <u>\$ 675,874</u> | <u>\$ 4,040,874</u> |

*Schedule assumes the Refunding Notes will be converted on September 3, 2020 to the Tax Exempt Rate

**CONCORD METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2019**

| Year Ended <u>December 31,</u> | Prior Year Assessed Valuation for Current Year Property Tax Levy | Mills Levied | Total Property Taxes | | Percent Collected to Levied |
|--|---|-----------------|----------------------|------------|-----------------------------------|
| | | | Levied | Collected | |
| 2015 | \$ 22,019,360 | 20.500 | \$ 451,397 | \$ 435,302 | 96.43 % |
| 2016 | 29,314,340 | 16.500 | 483,686 | 482,200 | 99.69 |
| 2017 | 35,177,740 | 14.500 | 510,077 | 510,009 | 99.99 |
| 2018 | 44,760,380 | 11.000 | 492,364 | 487,284 | 98.97 |
| 2019 | 48,291,840 | 11.000 | 531,211 | 529,948 | 99.76 |
| Estimated for the year ending December 31, 2020 | \$ 54,862,310 | 7.000 | \$ 384,037 | | |

NOTE: Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessment.