

PARKER JORDAN METROPOLITAN DISTRICT
Arapahoe County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2018

**PARKER JORDAN METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2018**

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Board of Directors
Parker Jordan Metropolitan District
Arapahoe County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Parker Jordan Metropolitan District, as of and for the year ended December 31, 2018, 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 Parker Jordan Metropolitan District as of December 31, 2018, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and the Special Revenue Fund – Conservation Trust for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

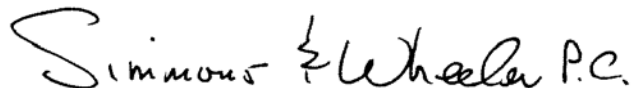
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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 Parker Jordan 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.

The secondary market financial information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Englewood, CO
July 18, 2019

BASIC FINANCIAL STATEMENTS

**PARKER JORDAN METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2018**

	Governmental Activities
ASSETS	
Cash and Investments - Unrestricted	\$ 1,316,962
Cash and Investments - Restricted	1,462,225
Accounts Receivable	9,503
Receivable - County Treasurer	13,684
Property Taxes Receivable	2,286,851
Prepaid Expense	6,417
Total Assets	5,095,642
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding	373,541
Total Deferred Outflows of Resources	373,541
LIABILITIES	
Accounts Payable	20,416
Accrued Interest Payable	19,334
Noncurrent Liabilities:	
Due Within One Year	1,209,606
Due in More Than One Year	12,675,873
Total Liabilities	13,925,229
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	2,286,851
Total Deferred Inflows of Resources	2,286,851
NET POSITION	
Restricted For:	
Emergency Reserves	16,000
Debt Service	1,273,388
Conservation Trust Fund	163,006
Unrestricted	(12,195,291)
Total Net Position	\$ (10,742,897)

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 187,543	\$ -	\$ -	\$ -	\$ (187,543)
Parks and Recreation	64,919	-	4,403	35,074	(25,442)
Interest and Related Costs on Long-Term Debt	425,336	-	-	-	(425,336)
Total Governmental Activities	\$ 677,798	\$ -	\$ 4,403	\$ 35,074	(638,321)
GENERAL REVENUES					
					2,275,132
					166,912
					58,382
					2,500,426
CHANGE IN NET POSITION					1,862,105
					(12,605,002)
NET POSITION - END OF YEAR					\$ (10,742,897)

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	General	Special Revenue Fund Conservation Trust	Debt Service	Total Governmental Funds
ASSETS				
Cash and Investments - Unrestricted	\$ 1,316,962	\$ -	\$ -	\$ 1,316,962
Cash and Investments - Restricted	16,000	153,503	1,292,722	1,462,225
Accounts Receivable	-	9,503	-	9,503
Receivables:				
County Treasurer	13,684	-	-	13,684
Prepaid Expenses	6,417	-	-	6,417
Property Taxes Receivable	328,761	-	1,958,090	2,286,851
Total Assets	\$ 1,681,824	\$ 163,006	\$ 3,250,812	\$ 5,095,642
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 20,416	\$ -	\$ -	\$ 20,416
Total Liabilities	20,416	-	-	20,416
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	328,761	-	1,958,090	2,286,851
Total Deferred Inflows of Resources	328,761	-	1,958,090	2,286,851
FUND BALANCES				
Nonspendable - Prepaid Expenses	6,417	-	-	6,417
Restricted for:				
Emergency Reserves	16,000	-	-	16,000
Debt Service	-	-	1,292,722	1,292,722
Capital Projects	-	163,006	-	163,006
Unassigned:	1,310,230	-	-	1,310,230
Total Fund Balances	1,332,647	163,006	1,292,722	2,788,375
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,681,824	\$ 163,006	\$ 3,250,812	\$ 5,095,642

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2018**

Fund Balances - Total Governmental Funds	\$ 2,788,375
Amounts reported for governmental activities in the statement of net position are different because:	
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Deferred Cost of Refunding	373,541
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(9,884,975)
Contractual Obligation	(2,000,000)
Accrued Interest Payable - Contractual Obligation	(2,000,504)
Accrued Interest Payable - Bonds	(19,334)
	(19,334)
Net Position of Governmental Activities	<u><u>\$ (10,742,897)</u></u>

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018**

	General	Special Revenue Fund		Total Governmental Funds
		Conservation Trust	Debt Service	
REVENUES				
Property Taxes	\$ 325,060	\$ -	\$ 1,950,072	\$ 2,275,132
Specific Ownership Taxes	166,912	-	-	166,912
Net Investment Income	23,962	2,818	31,602	58,382
Maintenance Reimbursement	4,403	-	-	4,403
Lottery Proceeds	-	35,074	-	35,074
Total Revenues	520,337	37,892	1,981,674	2,539,903
EXPENDITURES				
Current:				
Accounting	61,615	-	-	61,615
Audit	3,900	-	-	3,900
Legal	23,795	-	-	23,795
District Management	69,664	-	-	69,664
Insurance and Bonds	7,433	-	-	7,433
Directors' Fees	5,275	-	-	5,275
Directors' Expenses	2,713	-	-	2,713
County Treasurer's Fees	4,878	-	29,268	34,146
Banking Fees	-	-	371	371
Dues and Membership	612	-	-	612
Website	1,275	-	-	1,275
Election Expense	1,192	-	-	1,192
Engineering	7,361	-	-	7,361
Landscape Maintenance Contract	4,745	-	-	4,745
Landscape Maintenance/Repairs	22,628	-	-	22,628
Events	1,000	-	-	1,000
Utilities	9,569	-	-	9,569
IGA - Arapahoe County	-	-	187,730	187,730
Refinancing	36	-	-	36
Miscellaneous	4,784	-	-	4,784
Debt Service:				
Bond Principal	-	-	972,900	972,900
Bond Interest Expense	-	-	254,800	254,800
Paying Agent Fees	-	-	800	800
Total Expenditures	232,475	-	1,445,869	1,678,344
NET CHANGE IN FUND BALANCE				
	287,862	37,892	535,805	861,559
Fund Balances - Beginning of Year	1,044,785	125,114	756,917	1,926,816
FUND BALANCES - END OF YEAR				
	\$ 1,332,647	\$ 163,006	\$ 1,292,722	\$ 2,788,375

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN 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, 2018**

Net Change in Fund Balances - Governmental Funds	\$	861,559
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds are refundable deposits which are recorded as an asset on the statement of net position. Upon receipt of refunded deposits, the revenue reduces the asset on the statement of net position.</p>		
Receipt of Refundable Deposit		(19,616)
<p>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:</p>		
Current Year Bond Principal Payments		1,050,025
Current Year Amortization of Bond Refunding Costs		(79,637)
<p>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.</p>		
Accrued Interest on Contractual Obligation - Change in Liability		47,730
Accrued Interest on Bonds - Change in Liability		2,044
Changes in Net Position of Governmental Activities	<u>\$</u>	<u>1,862,105</u>

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 328,425	\$ 325,060	\$ (3,365)
Specific Ownership Tax	183,750	166,912	(16,838)
Net Investment Income	10,500	23,962	13,462
Maintenance Reimbursement	9,000	4,403	(4,597)
Other Income	1,000	-	(1,000)
Total Revenues	532,675	520,337	(12,338)
EXPENDITURES			
Accounting	60,000	61,615	(1,615)
Audit	4,000	3,900	100
County Treasurer's Fee	4,926	4,878	48
Directors' Fees	8,000	4,332	3,668
Dues and Licenses	750	612	138
Insurance and Bonds	9,500	7,433	2,067
District Management	63,500	69,664	(6,164)
Refinancing	-	36	(36)
Legal Services	38,000	23,795	14,205
Directors' Expenses	10,000	2,713	7,287
Miscellaneous	4,500	4,784	(284)
Website	3,000	1,275	1,725
Payroll Taxes	612	943	(331)
Election Expense	3,000	1,192	1,808
Events	1,000	1,000	-
Engineering	10,000	7,361	2,639
Landscape Maintenance Contract	-	1,582	(1,582)
Landscape Maint/Contract - Broncos Pkwy	10,569	1,360	9,209
Landscape Maint/Contract - Hinsdale/Fremont	1,004	-	1,004
Landscape Maint/Contract - Jordan Rd	7,408	1,803	5,605
Landscape Maintenance/Repairs	10,000	2,650	7,350
Landscape Maint/Repairs - Broncos Pkwy	14,000	8,415	5,585
Landscape Maint/Repairs - Hinsdale/Fremont	2,000	-	2,000
Landscape Maint/Repairs - Jordan Rd	4,000	11,563	(7,563)
Utilities	10,000	9,569	431
Vegetation and Tree Removal/Replacement	5,000	-	5,000
Broncos Pkwy Median Refurbishments	150,000	-	150,000
Contingency	3,231	-	3,231
Total Expenditures	438,000	232,475	205,525
NET CHANGE IN FUND BALANCE	94,675	287,862	193,187
Fund Balance - Beginning of Year	997,439	1,044,785	47,346
FUND BALANCE - END OF YEAR	\$ 1,092,114	\$ 1,332,647	\$ 240,533

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
SPECIAL REVENUE FUND – CONSERVATION TRUST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Lottery Proceeds	\$ 33,000	\$ 35,074	\$ 2,074
Net Investment Income	400	2,818	2,418
Total Revenues	<u>33,400</u>	<u>37,892</u>	<u>4,492</u>
EXPENDITURES			
Capital Outlay:			
Park and Recreation	<u>157,129</u>	<u>-</u>	<u>157,129</u>
Total Expenditures	<u>157,129</u>	<u>-</u>	<u>157,129</u>
NET CHANGE IN FUND BALANCE	(123,729)	37,892	161,621
Fund Balance - Beginning of Year	<u>123,729</u>	<u>125,114</u>	<u>1,385</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 163,006</u></u>	<u><u>\$ 163,006</u></u>

See accompanying Notes to Basic Financial Statements.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 DEFINITION OF REPORTING ENTITY

Parker Jordan Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, organized on February 26, 1985, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to provide for the acquisition, construction, installation, completion and operation and maintenance of certain major streets, drainage improvements, transportation facilities, traffic and safety devices and parks and recreation facilities.

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 operations 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. Governmental activities are normally 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.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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 the 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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets and redemption of bonds and notes 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 150 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, reimbursement revenues and grants. 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 Conservation Trust special revenue fund is used to account for lottery proceeds received and the capital projects on which those funds are spent.

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

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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 each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses 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.

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.

Certain investments are carried at fair value.

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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as 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.

Cost of Bond 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 remaining life of the new notes and bonds. The amortization amount is a component of interest expense and the unamortized cost is reflected as a deferred outflow of resources.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Facility Fees

On January 26, 1998, as amended on April 9, 2001, September 5, 2003, January 12, 2004, and April 1, 2006, the Board of Directors of the District adopted a resolution imposing certain Facility Fees upon the property in the District. Pursuant to the Resolution, Facility Fees are payable upon the first to occur of the following: i) recordation of the final plat; ii) recordation of a final development plan; iii) the issuance of a building permit. Facility Fees are recorded as revenue when received. The Facility Fee is \$1,200 per residential unit for up to six residential units per acre; \$900 per residential unit for between six and sixteen residential units per acre; and \$600 per residential unit for over sixteen residential units per acre. The Facility Fee for nonresidential development is \$0.65 per gross square foot of improved structure. The Facility Fees constitute a statutory perpetual lien upon the property until paid. No additional fees are due on the South Creek property as the facility fees were previously paid by the developer.

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 bond 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.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District'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.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2018, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments - Unrestricted	\$ 1,316,962
Cash and Investments - Restricted	1,462,225
Total Cash and Investments	<u>\$ 2,779,187</u>

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash and investments as of December 31, 2018, consist of the following:

Deposits with Financial Institutions	\$ 14,998
Investments	<u>2,764,189</u>
Total Cash and Investments	<u><u>\$ 2,779,187</u></u>

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, 2018, the District's cash deposits had a bank balance and a carrying balance of \$14,998.

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 or investment custodial risk disclosure requirements 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.

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

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . 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

Fair Value Measurement and Application

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series), money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee), CSAFE which are recorded at amortized cost, and COLOTRUST which are recorded at net asset value.

As of December 31, 2017, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted Average under 60 Days	\$ 1,759,931
U.S. Treasury Note	15-Nov-20	1,004,258
Total		<u>\$ 2,764,189</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

U.S. Treasury Note

The debt service money that is included in the trust accounts at Charles Schwab & Co., Inc. is invested in a U.S. Treasury Note with a par value of \$1,000,000 stated at fair value using level 1 inputs, a stated interest rate of 1.75%, and a stated maturity date of November 15, 2020.

NOTE 4 CAPITAL ASSETS

As of December 31, 2018, the District has no capital assets.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2018:

	Balance at December 31, 2017	Additions	Deletions	Balance at December 31, 2018	Due Within One Year
2012A - Refunding Notes	\$ 2,295,000	\$ -	\$ 195,000	\$ 2,100,000	\$ 200,000
2012B - Refunding Notes (Tax-Exempt)	5,780,000	-	495,000	5,285,000	505,000
2015 - Refunding Bonds (Tax-Free)	2,860,000	-	360,025	2,499,975	289,050
	<u>10,935,000</u>	<u>-</u>	<u>1,050,025</u>	<u>9,884,975</u>	<u>994,050</u>
General Obligation					
Contractual Indebtedness	2,000,000	-	-	2,000,000	-
Accrued Interest	2,048,234	140,000	187,730	2,000,504	215,556
	<u>4,048,234</u>	<u>140,000</u>	<u>187,730</u>	<u>4,000,504</u>	<u>215,556</u>
	<u>\$ 14,983,234</u>	<u>\$ 140,000</u>	<u>\$ 1,237,755</u>	<u>\$ 13,885,479</u>	<u>\$ 1,209,606</u>

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

General Obligation Bonds and Notes

On June 15, 2012, the District entered into a loan agreement with Colorado State Bank and Trust in the aggregate principal amount of \$11,645,000. The Series 2012A Notes and 2012B Notes, in the amounts of \$3,315,000 and \$8,330,000 respectively, are tax-exempt notes which bear interest at 2.38%. Interest is payable semi-annually on June 1 and December 1, and principal is due annually commencing December 1, 2012. The Series 2012A Notes and 2012B Notes mature on December 1, 2027.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds and Notes (Continued)

On June 25, 2015, the District issued \$5,165,000 of General Obligation Refunding and Improvement Tax-Free Bonds. \$3,175,000 of the proceeds were used to partially refunded and defeased \$3,065,000 of General Obligation bonds dated May 16, 2006. The remaining \$1,990,000 was to be used for a future capital project. The 2015 bonds have fixed interest rates of 2.25%. Interest is payable semi-annually on June 1 and December 1, and principal is payable annually on December 1. The bonds consist of term bonds with maturities beginning on December 1, 2016, through December 1, 2026. The term bonds that mature on December 1, 2026, are subject to mandatory sinking fund redemption commencing on December 1, 2016. The bonds maturing after December 1, 2020, are callable at the option of the District beginning on December 1, 2020, and on any date thereafter, without a call premium.

The District's general obligation bond principal and interest matures as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 994,050	\$ 232,012	\$ 1,226,062
2020	1,020,200	208,730	1,228,930
2021	1,046,350	184,833	1,231,183
2022	1,070,575	160,321	1,230,896
2023	1,091,725	135,246	1,226,971
2024-2027	4,662,075	279,482	4,941,557
	<u>\$ 9,884,975</u>	<u>\$ 1,200,624</u>	<u>\$ 11,085,599</u>

General Obligation Bond Defeasance

On December 8, 2017, the District advance refunded and defeased (debt legally satisfied) \$1,742,125 of General Obligation Limited Tax Refunding and Improvement bonds dated June 25, 2015 with an average interest rate of 2.25%. The defeased bonds are not considered a liability of the District since sufficient funds in the amount of \$1,760,512.16 were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased bonds until the call date, at which point the bonds will be repaid in its entirety from the remaining funds in the escrow account. The bonds will be redeemed on December 1, 2020. As of December 31, 2018, the outstanding principal balance of the bonds is \$1,565,025.

General Obligation Contractual Indebtedness

The District has an intergovernmental agreement with Arapahoe County, Colorado, as amended, which established a General Obligation Contractual Indebtedness in the principal amount of \$2,000,000 payable to Arapahoe County by means of a maximum mill levy of two mills, beginning in 1989 for collection in 1990 and to continue for a term of twenty years, at an interest rate of seven percent per annum ("2 Mill IGA"). If revenue from the maximum two mill levy is insufficient to meet the annual principal and interest on the debt, unpaid interest carries forward to subsequent years without accruing additional interest. Payments are to be applied first to accumulated interest, second to current interest and then to principal.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Contractual Indebtedness (Continued)

The 2 Mill IGA allows the District to reduce its mill levy below the two mills by an amount equal to the percentage decrease in Arapahoe County Recreation District's one mill levy. Beginning in 1996, the Arapahoe County Recreation District began reducing its mill levy below one mill. For collection year 2018, the Recreation District was at 0.784 mills.

In the event the entire principal amount of the indebtedness shall not have been fully paid within the first nineteen years, then the District may, at its sole option, either:

1. Pay the entire remaining principal balance, plus accrued interest in the twentieth year, notwithstanding the maximum two mill levy limitation, or
2. To the extent it is legally able to do so, extend the maximum two mill levy for an additional sixteen years, which would extend the term to 2026.

Authorized but Unissued Indebtedness

The District has no authorized but unissued debt.

NOTE 6 NET POSITION

The District has net position consisting of two components - restricted and unrestricted.

The restricted component of net position includes net 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 a restricted net position as of December 31, 2018, as follows:

	Governmental Activities
Restricted Net Position:	
TABOR Emergency Reserve	\$ 16,000
Debt Service	1,273,388
Conservation Trust Fund	163,006
Total Restricted Net Position	\$ 1,452,394

Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado. A portion of the net position has been restricted in compliance with this requirement.

Debt service restricted net position represent amounts restricted for future payment of general obligation bond principal, interest and related costs.

Conservation Trust restricted net position represents amounts restricted for future use for eligible costs.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 6 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position. This deficit is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 REIMBURSEMENT POLICY

The District is authorized, but not obligated, to reimburse private persons or entities for the actual costs of design and construction of public improvements which are authorized by the District's Service Plan. No reimbursement will be committed to or made for the costs of public improvements unless an agreement outlining the terms of such reimbursement is approved by the Board of Directors. The District will only become obligated to reimburse as specified in a properly approved reimbursement agreement. The Board of Directors will meet annually either in a regular meeting of the Board of Directors or at a special meeting called for the purpose of reviewing all pending Requests for Reimbursement and to allocate available funds as deemed appropriate by the Board of Directors for payment of such requests for reimbursement. This agreement does not create any obligation to reimburse persons or entities for the design and construction of improvements, promise to pay reimbursements, or give rise to any claims for reimbursement whether any claims are made as breach of contract, promissory estoppel, restitution or unjust enrichments, or otherwise.

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). 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 or prior 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.

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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.

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. There has been no judicial interpretation related to many provisions of TABOR, including how to calculate Fiscal Year Spending limits.

On May 7, 1996, a majority of the District's electors authorized the following:

Shall Parker Jordan Metropolitan District taxes be increased by \$42,000 annually, commencing with a General Fund mill levy not to exceed 15 mills certified in 1996 and collected in 1997 and by whatever additional amounts, if any, are raised and collected each year after 1997 from the same General Fund mill levy not to exceed 15 mills, except that the District shall be authorized to increase the mill levy above 15 mills if the amount of property tax revenues projected to be collected in any year after 1997 is less than \$40,000, such revenues to be used for the operation and maintenance of District facilities and all other lawful District expenses; and shall such revenues and any investment income thereon be collected and spent by the District as a voter approved revenue change without regard to any spending, revenue-raising or other limitation of Article X, Section 20 of the Colorado Constitution or any other law, and without limiting in any year the collection of any other revenues; and shall the revenue from such taxes collected in 1997 and each year thereafter and any investment income thereon also be approved as an increased levy under Section 29-1-302, C.R.S.

On November 2, 1999, a majority of the District's electors authorized the following:

Shall the limitations on terms of office contained in I Article XVIII, Section 11 of the Colorado Constitution be eliminated as applied to terms of office for the directors of the Parker Jordan Metropolitan District?

**PARKER JORDAN METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 9 TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

Without any increase in the District's authorized mill levy, shall Parker Jordan Metropolitan District be authorized to impose, collect, retain, and spend the full amount of all revenues generated by or from all sources, including rates, fees, tolls, charges, specific ownership taxes, agreements with other local governments, grants, lottery distributions, amounts from its otherwise authorized operations and maintenance property tax levy, and any other revenues generated or received by the District in 1999, and in each year thereafter, without regard to any limitation on such revenues contained within Section 29-1-301, Colorado Revised Statutes.

SUPPLEMENTARY INFORMATION

**PARKER JORDAN METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,968,413	\$ 1,950,072	\$ (18,341)
Net Investment Income	12,000	35,039	23,039
Change in Value of Investments	-	(3,437)	(3,437)
Total Revenues	<u>1,980,413</u>	<u>1,981,674</u>	<u>1,261</u>
EXPENDITURES			
Current:			
County Treasurer's Fees	29,527	29,268	259
IGA - Arapahoe County	188,617	187,730	887
Contingency	15,356	-	15,356
Debt Service:			
Bond - Principal and Interest	1,227,700	1,227,700	-
Banking Fees	-	371	(371)
Paying Agent Fees	800	800	-
Total Expenditures	<u>1,462,000</u>	<u>1,445,869</u>	<u>16,131</u>
NET CHANGE IN FUND BALANCE	518,413	535,805	17,392
Fund Balance - Beginning of Year	<u>949,767</u>	<u>756,917</u>	<u>(192,850)</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,468,180</u>	<u>\$ 1,292,722</u>	<u>\$ (175,458)</u>

**PARKER JORDAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2018**

Bonds and Interest Maturing in the Year Ending December 31,	\$3,315,000 General Obligation Refunding Notes Series 2012 A Dated June 15, 2012 Interest Rate 2.380% Interest Payable June 1, December 1 Principal Due December 1			\$8,330,000 General Obligation Refunding Notes Series 2012 B Dated June 15, 2012 Interest Rate 3.660% through Sept. 3, 2013 Then 2.380% Interest Payable June 1, December 1 Principal Due December 1			\$3,175,000 General Obligation Refunding Tax-Free Bonds Series 2015 Dated June 25, 2015 Interest Rate 2.25% Interest Payable June 1, December 1 Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2019	\$ 200,000	\$ 49,980	\$ 249,980	\$ 505,000	\$ 125,783	\$ 630,783	\$ 289,050	\$ 56,249
2020	205,000	45,220	250,220	520,000	113,764	633,764	295,200	49,746	344,946
2021	215,000	40,341	255,341	530,000	101,388	631,388	301,350	43,104	344,454
2022	215,000	35,224	250,224	545,000	88,774	633,774	310,575	36,323	346,898
2023	220,000	30,107	250,107	555,000	75,803	630,803	316,725	29,336	346,061
2024	225,000	24,871	249,871	570,000	62,594	632,594	322,875	22,209	345,084
2025	230,000	19,516	249,516	580,000	49,028	629,028	329,025	14,945	343,970
2026	235,000	14,042	249,042	595,000	35,224	630,224	335,175	7,541	342,716
2027	355,000	8,449	363,449	885,000	21,063	906,063	-	-	-
Totals	<u>\$ 2,100,000</u>	<u>\$ 267,750</u>	<u>\$ 2,367,750</u>	<u>\$ 5,285,000</u>	<u>\$ 673,421</u>	<u>\$ 5,958,421</u>	<u>\$ 2,499,975</u>	<u>\$ 259,453</u>	<u>\$ 2,759,428</u>

**PARKER JORDAN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2018**

Bonds and Interest Maturing in the Year Ending December 31,	Totals		
	Principal	Interest	Total
2019	\$ 994,050	\$ 232,012	\$ 1,226,062
2020	1,020,200	208,730	1,228,930
2021	1,046,350	184,833	1,231,183
2022	1,070,575	160,321	1,230,896
2023	1,091,725	135,246	1,226,971
2024	1,117,875	109,674	1,227,549
2025	1,139,025	83,489	1,222,514
2026	1,165,175	56,807	1,221,982
2027	1,240,000	29,512	1,269,512
Totals	<u>\$ 9,884,975</u>	<u>\$ 1,200,624</u>	<u>\$ 11,085,599</u>

**PARKER JORDAN METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2018**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy District	Prior Year Assessed Valuation for Current Year Property Tax Levy Exclusion	Mills Levied			Total Property Taxes				Percentage Collected to Levied
			General	Debt Service District	Debt Service Exclusion	District Levied	Exclusion Levied	Total Levied	Total Collected	
2014	\$ 88,870,430	\$ -	5.000	16.500		\$ 1,769,463	\$ -	\$ 1,769,463	\$ 1,750,138	98.91 %
2015	87,778,634	-	4.500	16.500		1,718,953	-	1,718,953	1,709,416	99.45
2016	70,705,169	41,437,909	5.000	15.633	14.323	1,458,860	593,515	2,052,375	2,038,474	99.32
2017	69,411,953	40,765,812	4.384	16.249	13.217	1,432,177	538,801	1,970,978	1,961,783	99.53
2018	82,106,173	43,807,749	4.000	15.633	15.633	1,611,991	684,847	2,296,838	2,275,132	99.05
Estimated for the year ending December 31, 2019	\$ 82,190,299	\$ 43,063,344	4.000	15.633	15.633	\$ 1,613,642	\$ 673,209	\$ 2,286,851		

Notes:

Property taxes collected in any other year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

Exclusion amounts include properties excluded from the District primarily within the Cornerstar Metropolitan District.

SECONDARY MARKET FINANCIAL INFORMATION – UNAUDITED

**PARKER JORDAN METROPOLITAN DISTRICT
SECONDARY MARKET FINANCIAL INFORMATION
DECEMBER 31, 2018
UNAUDITED**

Assessed Valuation and Statutory "Actual" Value of Classes of Property in the District

Class	2018 Certified Assessed Valuation			
	Real	Personal	Total	Percent
Metro District:				
Commercial	\$ 30,154,160	\$ 2,369,964	\$ 32,524,124	39.57%
Vacant Land	1,270,968	-	1,270,968	1.55
Industrial	547,122	469,714	1,016,836	1.24
Agricultural	262,123	30,313	292,436	0.36
Residential	46,448,890	-	46,448,890	56.51
Natural Resources	5	-	5	-
State Assessed	3,070	633,970	637,040	0.78
Total Metro District	<u>78,686,338</u>	<u>3,503,961</u>	<u>82,190,299</u>	100.00
Parker Jordan Debt Only Area:				
Commercial	34,062,819	2,251,838	36,314,657	84.33
Vacant Land	725,766	-	725,766	1.69
Residential	5,716,731	-	5,716,731	13.28
State Assessed	1,200	304,990	306,190	0.71
Total Debt Only Area	<u>40,506,516</u>	<u>2,556,828</u>	<u>43,063,344</u>	100.00
Total Metro District and Debt Only Areas	<u>\$ 119,192,854</u>	<u>\$ 6,060,789</u>	<u>\$ 125,253,643</u>	

Class	2018 Statutory "Actual" Value			
	Real	Personal	Total	Percent
Metro District:				
Commercial	\$ 103,979,888	\$ 8,172,256	\$ 112,152,144	14.60%
Vacant Land	4,382,673	-	4,382,673	0.57
Industrial	1,886,625	1,619,698	3,506,323	0.46
Agricultural	903,877	104,518	1,008,395	0.13
Residential	645,123,431	-	645,123,431	83.95
Natural Resources	16	-	16	-
State Assessed	10,586	2,186,104	2,196,690	0.29
Total Metro District	<u>756,287,096</u>	<u>12,082,576</u>	<u>768,369,672</u>	100.00
Parker Jordan Debt Only Area:				
Commercial	117,457,990	7,764,947	125,222,937	60.15
Vacant Land	2,502,642	-	2,502,642	1.20
Residential	79,399,040	-	79,399,040	38.14
State Assessed	4,138	1,051,689	1,055,827	0.51
Total Debt Only Area	<u>199,363,810</u>	<u>8,816,636</u>	<u>208,180,446</u>	100.00
Total Metro District and Debt Only Areas	<u>\$ 955,650,906</u>	<u>\$ 20,899,212</u>	<u>\$ 976,550,118</u>	

**PARKER JORDAN METROPOLITAN DISTRICT
SECONDARY MARKET FINANCIAL INFORMATION
DECEMBER 31, 2018
UNAUDITED**

Ten Largest Taxpayers in the District As Provided by Arapahoe County (1)

<u>Name</u>	<u>Assessed Valuation</u>	<u>Percent of District's Assessed Valuation</u>
BRE DDR BR Cornerstar CO LLC (Bonds Only)	\$ 6,085,102	4.86%
Acadia at Cornerstar Apartments LLC (Bonds Only)	5,241,600	4.18
BRE DDR BR Cornerstar CO LLC (Bonds Only)	4,314,330	3.44
BRE DDR BR Cornerstar CO LLC (Bonds Only)	4,225,042	3.37
N/A Courtney Downs - 89 LP	3,964,464	3.17
IMT Capital IV Cornerstar Ranch LLC	3,767,400	3.01
Target Corporation (Bonds Only)	3,581,500	2.86
BRE DDR BR Cornerstar CO LLC (Bonds Only)	3,032,272	2.42
BRE DDR BR Cornerstar CO LLC (Bonds Only)	2,755,612	2.20
IMT Capital IV Cornerstar Ranch LLC	2,109,744	1.68
Total Largest Taxpayers	<u>\$ 39,077,066</u>	<u>31.21%</u>

(1) Note - The County tracks the above information by property and not by taxpayer. Therefore, it is possible that taxpayers who own multiple properties are not represented above.

**PARKER JORDAN METROPOLITAN DISTRICT
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Total Mill Levy Applicable Within the District

	2018 Mill Levy
Cherry Creek School District	49.995
Arapahoe County	13.301
Developmental Disabilities	1.000
Arapahoe County Law Enforcement Authority	4.982
Arapahoe County Recreation District	0.735
Arapahoe Library District	5.845
Arapahoe Water and Wastewater Public Improvement District	14.400
South Metro Fire Rescue	9.250
Cherry Creek Basin Authority	0.479
Urban Drainage and Flood Control District	0.726
Urban Drainage and Flood Control District South Platte	0.094
Regional Transportation District	0.000
West Arapahoe Soil Conservation District	0.000
	100.807
Parker Jordan Metropolitan District (2)	19.633
Total Mill Levy Applicable within the District (1)	120.440

(1) Certain properties in the northwestern and southeastern portions of the District are also within the boundaries of the City of Centennial and are subject to an additional City of Centennial mill levy of 5.003 mills. The southeastern portion is also within the boundaries of Vermilion Creek Metropolitan District and is subject to the Vermilion Creek Metropolitan District tax levy of 16.500 mills.

(2) Cornerstar Metropolitan District overlaps the northeastern corner of the District and has been excluded from the 4.000 levy charged for the Parker Jordan Metropolitan District's General Fund.

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Estimated Overlapping General Obligation Debt

Overlapping Entity	2018 Assessed Valuation	General Obligation Debt	Net Outstanding Debt Chargeable to Property Within the District	
			Percent (1)	Amount
Cherry Creek School District No. 5	\$ 5,844,314,248	\$ 610,545,000	2.14%	\$ 13,085,023
Arapahoe Water and Wastewater Public Imp District	\$ 518,521,038	\$ 138,708,997	24.16%	33,506,465
Total				\$ 46,591,488

(1) The percentage of each entity's outstanding debt chargeable to District property owners is calculated by comparing the assessed valuation of the portion overlapping the District to the total assessed valuation of the overlapping entity. To the extent the District's assessed valuation changes disproportionately with the assessed valuation of the overlapping entities, the percentage of debt for which District property owners are responsible also will change.

**PARKER JORDAN METROPOLITAN DISTRICT
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Selected Debt Ratios

Direct Debt (1)	\$ 9,884,975
Overlapping Debt	46,591,488
Total Direct Debt and Overlapping Debt	<u>\$ 56,476,463</u>
2018 District Assessed Valuation	\$ 125,253,643
Direct Debt to 2018 Assessed Valuation	7.9%
Direct Debt Plus Overlapping Debt to 2018 Assessed Valuation	45.1%
2018 District Statutory "Actual" Value	\$ 976,550,118
Direct Debt to 2018 Statutory "Actual" Value	1.0%
Direct Debt Plus Overlapping Debt to 2018 Statutory "Actual" Value	5.8%

(1) Does not include the \$2,000,000 limited mill levy contractual obligation of the Arapahoe County Intergovernmental Agreement.