



**CliftonLarsonAllen**

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**Accountant's Compilation Report**

Board of Directors  
Prairie Center Metropolitan District No. 5

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Prairie Center Metropolitan District No. 5 for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Prairie Center Metropolitan District No. 5.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
January 13, 2020



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**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	15,930	110,285	378,574
Specific ownership taxes	1,296	7,282	30,200
Other revenue	-	101	12,000
Total revenues	<u>17,226</u>	<u>117,668</u>	<u>420,774</u>
Total funds available	<u>17,226</u>	<u>117,668</u>	<u>420,774</u>
EXPENDITURES			
General Fund	3,445	23,526	83,711
Debt Service Fund	13,781	94,142	337,063
Total expenditures	<u>17,226</u>	<u>117,668</u>	<u>420,774</u>
Total expenditures and transfers out requiring appropriation	<u>17,226</u>	<u>117,668</u>	<u>420,774</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
<b>ASSESSED VALUATION</b>			
Residential	\$ 284,680	\$ 1,901,770	\$ 4,784,820
Agricultural	3,340	3,340	2,550
State assessed	-	-	2,020
Vacant land	20	20	1,881,080
Personal property	150	90,010	130,710
Certified Assessed Value	<u>\$ 288,190</u>	<u>\$ 1,995,140</u>	<u>\$ 6,801,180</u>
<b>MILL LEVY</b>			
General	11.055	11.055	11.132
Debt Service	44.222	44.222	44.531
Total mill levy	<u>55.277</u>	<u>55.277</u>	<u>55.663</u>
<b>PROPERTY TAXES</b>			
General	\$ 3,186	\$ 22,056	\$ 75,711
Debt Service	12,744	88,229	302,863
Budgeted property taxes	<u>\$ 15,930</u>	<u>\$ 110,285</u>	<u>\$ 378,574</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 3,186</b>	<b>\$ 22,056</b>	<b>\$ 75,711</b>
Debt Service	<b>12,744</b>	<b>88,229</b>	<b>302,863</b>
	<u><b>\$ 15,930</b></u>	<u><b>\$ 110,285</b></u>	<u><b>\$ 378,574</b></u>

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5  
GENERAL FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	3,186	22,056	75,711
Specific ownership taxes	259	1,450	6,000
Other revenue	-	20	2,000
Total revenues	<u>3,445</u>	<u>23,526</u>	<u>83,711</u>
Total funds available	<u>3,445</u>	<u>23,526</u>	<u>83,711</u>
EXPENDITURES			
General and administrative			
County Treasurer fee's	48	331	1,136
Transfers to District No. 3	3,397	23,195	80,575
Contingency	-	-	2,000
Total expenditures	<u>3,445</u>	<u>23,526</u>	<u>83,711</u>
Total expenditures and transfers out requiring appropriation	<u>3,445</u>	<u>23,526</u>	<u>83,711</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5  
DEBT SERVICE FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/13/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	12,744	88,229	302,863
Specific ownership taxes	1,037	5,832	24,200
Other revenue	-	81	10,000
Total revenues	<u>13,781</u>	<u>94,142</u>	<u>337,063</u>
Total funds available	<u>13,781</u>	<u>94,142</u>	<u>337,063</u>
EXPENDITURES			
General and administrative			
County Treasurer fee's	191	1,325	4,543
Transfers to District No. 3	13,590	92,817	322,520
Contingency	-	-	10,000
Total expenditures	<u>13,781</u>	<u>94,142</u>	<u>337,063</u>
Total expenditures and transfers out requiring appropriation	<u>13,781</u>	<u>94,142</u>	<u>337,063</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5**  
**2020 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Prairie Center Metropolitan District No. 5 (District), a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. The District was formed by order and decree of the District Court for Adams County on May 22, 2006. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translator and mosquito and pest control services.

Concurrently with the formation of the District, the City approved service plans for Prairie Center Metropolitan District Nos. 3, 4, 6, 7, 8, 9 and 10.

During elections held on May 2, 2006, a majority of the District's electors authorized general obligation indebtedness of \$6,790,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 2, 2006, the District's voters authorized the District to collect, retain and spend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Service Plans for District Nos. 2 – 10 limit the aggregate amount of debt that they may issue together with any debt issued by District No. 1 to \$750,000,000.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

The change in assessment ratio from 7.2% to 7.15% allows the District to adjust its mill levy to offset the decrease in revenues. Accordingly, the District adjusted its mill levy to 11.132 for operations and 44.531 for debt service.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 8% of the property taxes collected.

**Expenditures**

**County Treasurer's Fees**

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

**Transfer to Prairie Center Metropolitan District No. 3**

Pursuant to a Capital Pledge Agreement with Prairie Center Metropolitan District No. 3 (Operating District), the District is obligated to impose annually in each of the years 2006 – 2030 a mill levy of 40.000 mills, subject to certain adjustments, and remit property tax revenues derived from such mill levy, together with facilities fees and a portion of specific ownership taxes, to the Operating District to pay for the principal and interest on bonds issued by the Operating District. Further, a Facilities Funding, Construction and Operations Agreement with all other Districts obligates the District to transfer net property taxes derived from an Operation and Maintenance mill levy, together with a portion of specific ownership taxes, to the Operating District to pay for general and administrative expenditures. The Operation and Maintenance and Debt Service mill levies have been adjusted due to a change in the method of calculating assessed valuation.

**Debt and Leases**

The District has no outstanding debt, nor any operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has not provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2020, as defined under TABOR, because net tax revenue is transferred to Prairie Center Metropolitan District No. 3, the Operating District, which provides for the required reserve amount.

**This information is an integral part of the accompanying budget.**