

**ABERDEEN METROPOLITAN DISTRICT NO. 1
ANNUAL REPORT
TO
THE CITY OF COMMERCE CITY**

FISCAL YEAR ENDING DECEMBER 31, 2019

Pursuant to the Aberdeen Metropolitan District No. 1 Service Plan, the District is required to provide an annual report to the City of Commerce City within one hundred twenty (120) days after conclusion of the District's fiscal year beginning December 31, 2005. Such annual report shall include information concerning the following matters:

- A. Boundary changes made or proposed.
- B. Intergovernmental Agreement entered into or proposed.
- C. Changes or proposed changes in the District's policies.
- D. Changes or proposed changes in the District's operations.
- E. Any significant changes in the financial status of the District, including revenue projection, or operating costs.
- F. A summary of any litigation which involves the District.
- G. Proposed plans for the year immediately following the year summarized in the annual report.
- H. Status of construction of public improvements.
- I. Submission of current assessed valuation in the District.

For the year ending December 31, 2019, the District makes the following report:

A. Boundary changes made or proposed.

No boundary changes were made during 2019.

B. Intergovernmental Agreements entered into or proposed.

The District did not enter into any intergovernmental agreements during 2019.

The District entered into an Amendment to Reimbursement Agreement with the Northern Infrastructure General Improvement District, dated December 7, 2015, for the purpose of modifying certain terms of reimbursement under the original agreement. The District made its reimbursement payment to the GID in the amount of 6 mills.

C. Changes or proposed changes in the District's policies.

There have been no changes in the District's policies.

D. Changes or proposed changes in the District's operations.

There have been no changes in the District's operations.

E. Any changes in the financial status of the District including revenue projections or operating costs.

The current financial status of the District is reflected in the 2020 budget attached as Exhibit A.

F. Summary of any litigation which involves the District.

There is no litigation of which we are aware currently pending involving the District.

G. Proposed plans for the year 2020.

The District does not have plans to construct or acquire any public improvements in 2020.

H. Status of District's public improvement construction schedule.

The District did not construct or acquire any new public improvements in 2019.

I. Summary of the current assessed valuation in the District.

The District has received a certification of valuation from the Adams County Assessor that reports a taxable assessed valuation for the District for 2019 of \$5,141,470, for collection in 2020. The District has certified a mill levy of 71.000 mills to be assessed against the properties within the District.

EXHIBIT A
2020 Budget Attached



CliftonLarsonAllen

CliftonLarsonAllen LLP
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Accountant's Compilation Report

Board of Directors
Aberdeen Metropolitan District No. 1

Management is responsible for the accompanying budget of revenues expenditures and fund balances of Aberdeen Metropolitan District No. 1 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 Aberdeen Metropolitan District No. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 8, 2020

**ABERDEEN METROPOLITAN DISTRICT NO. 1
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 6,643	\$ 50,441	\$ 75,902
REVENUES			
Property taxes	160,250	134,072	334,196
Specific ownership tax	14,597	11,700	26,600
Net investment income	2,526	1,680	3,200
Property taxes - Commerce City GID	10,339	11,492	30,849
Public improvement fees	-	-	8,000
Other revenue	-	-	1,000
Total revenues	<u>187,712</u>	<u>158,944</u>	<u>403,845</u>
Total funds available	<u>194,355</u>	<u>209,385</u>	<u>479,747</u>
EXPENDITURES			
General Fund	58,977	42,000	62,000
Debt Service Fund	84,937	91,483	310,958
Total expenditures	<u>143,914</u>	<u>133,483</u>	<u>372,958</u>
Total expenditures and transfers out requiring appropriation	<u>143,914</u>	<u>133,483</u>	<u>372,958</u>
ENDING FUND BALANCES	<u>\$ 50,441</u>	<u>\$ 75,902</u>	<u>\$ 106,789</u>

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

**Aberdeen Metropolitan District No. 1
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Residential	\$ 11,760	\$ 11,760	\$ 10,370
Commercial	643,410	643,410	1,986,020
Agricultural	28,920	28,920	49,400
State assessed	1,500	33,700	127,890
Vacant land	869,680	920,430	2,190,520
Personal property	168,850	277,100	777,270
Certified Assessed Value	\$ 1,724,120	\$ 1,915,320	\$ 5,141,470
MILL LEVY			
General	43.000	20.000	15.000
Debt Service	50.000	50.000	50.000
Commerce City GID	6.000	6.000	6.000
Total mill levy	99.000	76.000	71.000
PROPERTY TAXES			
General	\$ 74,137	\$ 38,306	\$ 77,122
Debt Service	86,206	95,766	257,074
Commerce City GID	10,345	11,492	30,849
Levied property taxes	170,688	145,564	365,045
Adjustments to actual/rounding	(99)	-	-
Budgeted property taxes	\$ 170,589	\$ 145,564	\$ 365,045
BUDGETED PROPERTY TAXES			
General	\$ 74,094	\$ 38,306	\$ 77,122
Debt Service	86,156	95,766	257,074
Commerce City GID	10,339	11,492	30,849
	\$ 170,589	\$ 145,564	\$ 365,045

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

**ABERDEEN METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 6,286	\$ 40,520	\$ 53,518
REVENUES			
Property taxes	74,094	38,306	77,122
Specific ownership tax	7,225	4,000	6,100
Net investment income	1,553	1,200	1,200
Property taxes - Commerce City GID	10,339	11,492	30,849
Total revenues	93,211	54,998	115,271
Total funds available	99,497	95,518	168,789
EXPENDITURES			
General and administrative			
Accounting	12,184	11,000	11,500
County Treasurer's fee	1,119	1,235	1,157
County Treasurer's fees - Commerce City	156	172	463
Directors' fees	600	1,000	800
Dues and licenses	324	285	300
Insurance and bonds	2,251	2,358	2,500
Legal services	7,471	13,000	10,000
Payroll taxes	46	77	60
Election expense	98	-	2,000
Contingency	-	1,381	2,371
Debt service			
Repay Developer - Interest	1,485	-	-
Repay Developer - Principal	22,904	-	-
Payment to Commerce City	10,339	11,492	30,849
Total expenditures	58,977	42,000	62,000
Total expenditures and transfers out requiring appropriation	58,977	42,000	62,000
ENDING FUND BALANCE	\$ 40,520	\$ 53,518	\$ 106,789
EMERGENCY RESERVE	\$ 1,700	\$ 1,700	\$ 3,600
AVAILABLE FOR OPERATIONS	38,820	51,818	103,189
	\$ 40,520	\$ 53,518	\$ 106,789

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

**ABERDEEN METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/8/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 357	\$ 9,921	\$ 22,384
REVENUES			
Property taxes	86,156	95,766	257,074
Specific ownership tax	7,372	7,700	20,500
Public improvement fees	-	-	8,000
Net investment income	973	480	2,000
Other revenue	-	-	1,000
Total revenues	<u>94,501</u>	<u>103,946</u>	<u>288,574</u>
Total funds available	<u>94,858</u>	<u>113,867</u>	<u>310,958</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,301	1,437	3,856
Paying agent fees	550	300	550
Debt Service			
Bond interest	83,086	89,746	306,552
Total expenditures	<u>84,937</u>	<u>91,483</u>	<u>310,958</u>
Total expenditures and transfers out requiring appropriation	<u>84,937</u>	<u>91,483</u>	<u>310,958</u>
ENDING FUND BALANCE	<u>\$ 9,921</u>	<u>\$ 22,384</u>	<u>\$ -</u>

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

**ABERDEEN METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized on November 21, 2003, to provide for the financing, acquisition, and construction of streets and safety controls, street lighting, landscaping, storm drainage, water, sewer, television relay, park and recreation, transportation, and mosquito control facilities. The District's service area is located in Adams County, Colorado entirely within the City of Commerce City and is planned for retail and commercial development.

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

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

The budget is in accordance with the TABOR amendment limitation, which was modified by the voters in an election held on November 4, 2003, and again on November 7, 2006. Emergency reserves, required under TABOR, have been provided.

Revenues

Property Taxes

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

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.

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.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

ABERDEEN METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SCHEDULE of BOND DEBT SERVICE REQUIREMENTS

AS OF DECEMBER 15, 2013 AND THROUGH THE CALENDAR YEARS ENDING THROUGH 2036

Series 2006 Bond Issue												
Dated:		December 28, 2006	\$3,955,000									
Issued:		December 28, 2006										
Interest Rates:		7.5%										
Year	Scheduled Debt Service		Total 2005 Bonds Debt Service	Actual Principal Paid	Actual Interest Paid	Unpaid Principal	Unpaid Interest	Interest on Unpaid Interest	Total Accrued Interest Due	Bond Principal Outstanding	Total Debt Outstanding	Year
	Principal	Interest **										
12/15/2013	-	296,625.00	296,625.00	-	-	-	296,625.00	-	296,625.00	3,955,000.00	4,251,625.00	12/15/2013
12/15/2014	-	296,625.00	296,625.00	-	-	-	296,625.00	22,246.88	615,496.88	3,955,000.00	4,570,496.88	12/15/2014
12/15/2015	-	296,625.00	296,625.00	-	-	-	296,625.00	46,162.27	958,284.14	3,955,000.00	4,913,284.14	12/15/2015
12/15/2016	50,000.00	296,625.00	346,625.00	-	-	50,000.00	296,625.00	71,871.31	1,326,780.45	3,955,000.00	5,281,780.45	12/15/2016
12/15/2017	50,000.00	296,625.00	346,625.00	-	-	50,000.00	296,625.00	99,508.53	1,722,913.99	3,955,000.00	5,677,913.99	12/15/2017
12/15/2018	65,000.00	296,625.00	361,625.00	-	-	65,000.00	296,625.00	129,218.55	2,148,757.53	3,955,000.00	6,103,757.53	12/15/2018
12/15/2019	65,000.00	296,625.00	361,625.00	-	-	65,000.00	296,625.00	161,156.82	2,606,539.35	3,955,000.00	6,561,539.35	12/15/2019
12/15/2020	80,000.00	296,625.00	376,625.00	-	-	80,000.00	296,625.00	195,490.45	2,802,029.80	3,955,000.00	6,757,029.80	12/15/2020
12/15/2021	85,000.00	296,625.00	381,625.00									12/15/2021
12/15/2022	100,000.00	296,625.00	396,625.00									12/15/2022
12/15/2023	105,000.00	296,625.00	401,625.00									12/15/2023
12/15/2024	125,000.00	296,625.00	421,625.00									12/15/2024
12/15/2025	135,000.00	296,625.00	431,625.00									12/15/2025
12/15/2026	150,000.00	296,625.00	446,625.00									12/15/2026
12/15/2027	160,000.00	296,625.00	456,625.00									12/15/2027
12/15/2028	180,000.00	296,625.00	476,625.00									12/15/2028
12/15/2029	195,000.00	296,625.00	491,625.00									12/15/2029
12/15/2030	215,000.00	296,625.00	511,625.00									12/15/2030
12/15/2031	235,000.00	296,625.00	531,625.00									12/15/2031
12/15/2032	255,000.00	296,625.00	551,625.00									12/15/2032
12/15/2033	280,000.00	296,625.00	576,625.00									12/15/2033
12/15/2034	305,000.00	296,625.00	601,625.00									12/15/2034
12/15/2035	330,000.00	296,625.00	626,625.00									12/15/2035
12/15/2036	790,000.00	296,625.00	1,086,625.00									12/15/2036
	3,955,000.00	7,119,000.00	11,074,000.00	-	-	310,000.00	2,373,000.00	725,654.80				

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