

**PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
ANNUAL REPORT FOR REPORT YEAR 2019  
ADAMS COUNTY, COLORADO**

This annual report is submitted to Adams County consistent with Section VII of the Service Plan for the Pecos Logistics Park Metropolitan District (the “District”). The District was organized in December 2019, and therefore this report includes minimal District activity.

**A. Boundary changes made or proposed.**

During the report year of 2019, the Board of Directors did not make or propose any changes to the boundaries of the District.

**B. Intergovernmental Agreements with other governmental bodies entered into or proposed.**

During the report year of 2019, the District did not enter into or propose any intergovernmental agreements with other governmental bodies.

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

During the report year of 2019, the District did not make or propose any changes to its policies.

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

During the report year of 2019, the District did not make or propose any changes to its operations.

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

Financial Status - see attached 2020 budget (Attachment 1), which includes the District’s estimated revenues and expenditures for the year 2020.

**F. A summary of any litigation which involves the District.**

During the report year of 2019, the District was not involved in any litigation, and is not currently involved in any litigation.

**G. Proposed plans for the year immediately following the year summarized in the annual report.**

In 2020, the District will continue to plan for the provision of public improvements and services as set forth in the District’s Service Plan.

**H. Status of Public Improvement Construction Schedule.**

It is anticipated that the Developer will commence construction of various public improvements within the District consistent with the District's Service Plan and the applicable land use approvals approved by the County for the development.

**I. Submission of current assessed valuation in the District.**

The assessed valuation as certified by Adams County in 2019 was \$3,310,960.

**ATTACHMENT 1**  
2020 Budget

LETTER OF BUDGET TRANSMITTAL

To: Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203

Attached are the 2020 budget and budget message for PECOS LOGISTICS PARK METROPOLITAN DISTRICT in Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on January 7, 2020. If there are any questions on the budget, please contact:

Spencer Fane LLP  
Attn: Thomas N. George, Esq.  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203-4554  
Tel.: (303) 839-3800

I, Mark Mitchell as President of the Pecos Logistics Park Metropolitan District, hereby certify that the attached is a true and correct copy of the 2020 budget.

By: 

**RESOLUTION  
TO ADOPT 2020 BUDGET AND APPROPRIATE SUMS OF MONEY  
PECOS LOGISTICS PARK METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE PECOS LOGISTICS PARK METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2020, AND ENDING ON THE LAST DAY OF DECEMBER, 2020.

WHEREAS, the Board of Directors of the Pecos Logistics Park Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on January 7, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PECOS LOGISTICS PARK METROPOLITAN DISTRICT OF ADAMS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Pecos Logistics Park Metropolitan District for calendar year 2020.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 7th day of January, 2020.

PECOS LOGISTICS PARK METROPOLITAN  
DISTRICT



\_\_\_\_\_  
President

ATTEST:



\_\_\_\_\_  
Secretary

ATTACH COPY OF THE ADOPTED BUDGET

PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
2020 BUDGET MESSAGE

**DISTRICT SERVICES:** The District is a metropolitan district organized pursuant to the Special District Act. The District will provide certain essential public-purpose facilities for the use and benefit of the property owners and users within the District. It is intended that the District oversee operations and provide maintenance of the improvements.

**BASIS OF ACCOUNTING:** The basis of accounting utilized in the preparation of the 2020 budget for the District is the modified accrual method. The District's 2020 budget includes projected revenues and expenditures for its general operating fund, capital projects fund, emergency fund, and debt service fund.

**IMPORTANT FEATURES OF THE BUDGET:**

1. **General Operating Fund/Expenditures:** Paid for out of the District's General Operating Fund, these expenses include general administrative costs, insurance, professional and other fees and other miscellaneous costs. Prior to the issuance of bonds, the costs are being funded by developer advances. The advances will be repaid from the tax levy for operations and maintenance.
2. **Capital Projects Fund/Expenditures:** The District plans to coordinate and manage the financing, acquisition, construction, completion, operation and maintenance of all public infrastructure and services within and without the Project, including, without limitation, all streets, traffic and safety, water, sanitation, storm drainage, and transportation facilities. The District is projected to issue limited tax general obligation bonds in the amount of \$8,000,000 in May 2020. Prior to the issuance of bonds costs are being advanced by the developer and will be reimbursed once the bonds are issued.
3. **Emergency Fund/Expenditures:** The emergency fund for fiscal year 2020 will be equal to 3% of the District's fiscal year spending excluding those expenditures for bonded debt service, spending from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.
4. **Debt Service Fund/Expenditures:** The District anticipates issuing \$8,000,000 limited tax general obligation bonds in May 2020 bearing interest at 6.75% per annum. The bonds will be payable from pledged revenue as defined in the bond resolution as monies derived from the limited tax levy not to exceed 50 mills inclusive of both the Debt Mill Levy Cap and the Operating Mill Levy Cap imposed on all taxable property within the District.

The total interest due in 2020 is projected to be \$25,313 which will be funded by capitalized interest reserves.



**PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
GENERAL OPERATING FUND BUDGET  
JANUARY 1, 2020 THROUGH DECEMBER 31, 2020**

|  | <b>Proposed<br/>Budget Year<br/>2020</b> |
|--|--|
| <b>BEGINNING FUND BALANCE JANUARY 1</b>    | <u>0</u>                                 |
| <b>REVENUES:</b>                           |  |
| Property taxes                             | 0  |
| Specific ownership taxes                   | 0  |
| Interest income                            | <u>0</u>                                 |
| <b>TOTAL REVENUES</b>                      | <u>0</u>                                 |
| <b>OTHER FINANCING SOURCES(USES)</b>       |  |
| Developer advances                         | 70,000                                   |
| Operating transfer in (out)                | <u>0</u>                                 |
| <b>TOTAL OTHER FINANCING SOURCES(USES)</b> | <u>70,000</u>                            |
| <b>TOTAL AVAILABLE RESOURCES</b>           | <b>70,000</b>                            |
| <b>EXPENDITURES:</b>                       |  |
| General and administration                 |  |
| Treasurer fees                             | 0  |
| Accounting/Administration                  | 39,000                                   |
| Audit                                      | 10,000                                   |
| Insurance                                  | 2,400                                    |
| Legal                                      | 5,000                                    |
| Contingency                                | <u>10,000</u>                            |
| <b>TOTAL EXPENDITURES</b>                  | <u>66,400</u>                            |
| <b>ENDING FUND BALANCE</b>                 | <u><u>3,600</u></u>                      |
| <b>RECONCILIATION OF FUND BALANCE:</b>     |  |
| Reserve for emergencies (3%)               | 1,992                                    |
| Undesignated                               | <u>1,608</u>                             |
| <b>TOTAL FUND BALANCE</b>                  | <u><u>3,600</u></u>                      |

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GENERAL:

ASSESSED VALUATION ( 2019 -0-)

0

CALCULATION (Assessed value x .001 x mills)

Adams County

General Fund ( -0- mills)

0

Debt Service Fund (-0- mills)

0

BUDGETED TAX REVENUES

0

**PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND BUDGET  
JANUARY 1, 2020 THROUGH DECEMBER 31, 2020**

|   | <u>Proposed<br/>Budget Year<br/>2020</u> |
|---|--|
| <b>BEGINNING FUND BALANCE JANUARY 1</b> | <u>0</u>                                 |
| <b>REVENUES</b>                         |  |
| Interest Income                         |  |
| Total Revenues                          | <u>0</u>                                 |
| <b>OTHER FINANCING SOURCES (USES)</b>   |  |
| Bond proceeds                           | 8,000,000                                |
| Capitalized Interest                    | <u>(92,813)</u>                          |
| Total Other Financing Sources (Uses)    | <u>7,907,187</u>                         |
| <b>TOTAL AVAILABLE RESOURCES</b>        | <u>7,907,187</u>                         |
| <b>EXPENDITURES</b>                     |  |
| Capital expenditures                    | 7,627,187                                |
| Bond issue costs                        | <u>280,000</u>                           |
| Total Expenditures                      | <u>7,907,187</u>                         |
| <b>ENDING FUND BALANCE</b>              | <u><u>0</u></u>                          |

PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
EMERGENCY FUND BUDGET  
JANUARY 1, 2020 THROUGH DECEMBER 31, 2020

|                                  | <u>Proposed<br/>Budget Year<br/>2020</u> |
|----------------------------------|--|
| BEGINNING FUND BALANCE JANUARY 1 | <u>0</u>                                 |
| REVENUES:                        |  |
| Transfer from General Fund       | <u>1,992</u>                             |
| TOTAL AVAILABLE RESOURCES        | 1,992                                    |
| EXPENDITURES:                    | 0  |
| TOTAL EXPENDITURES               | <u>0</u>                                 |
| ENDING FUND BALANCE              | <u><u>1,992</u></u>                      |

**PECOS LOGISTICS PARK METROPOLITAN DISTRICT  
DEBT SERVICE FUND BUDGET  
JANUARY 1, 2020 THROUGH DECEMBER 31, 2020**

|  | <u>Proposed<br/>Budget Year<br/>2020</u> |
|--|--|
| <b>BEGINNING FUND BALANCE JANUARY 1</b>    | <u>-</u>                                 |
| <b>REVENUES:</b>                           |  |
| Property tax                               | -  |
| Specific ownership taxes                   | -  |
| Interest income                            | <u>-</u>                                 |
| <b>TOTAL REVENUES</b>                      | <u>-</u>                                 |
| <b>OTHER FINANCING SOURCES (USES)</b>      |  |
| Capitalized interest in (out)              | 92,813                                   |
| Principal payments on bonds                | <u>-</u>                                 |
| <b>TOTAL OTHER FINANCING SOURCES(USES)</b> | <u>92,813</u>                            |
| <b>TOTAL AVAILABLE RESOURCES</b>           | <b>92,813</b>                            |
| <b>EXPENDITURES:</b>                       |  |
| Interest expense                           | 25,313                                   |
| Paying agent fees                          | -  |
| Treasurer fees                             | <u>-</u>                                 |
| <b>TOTAL EXPENDITURES</b>                  | <u>25,313</u>                            |
| <b>ENDING FUND BALANCE</b>                 | <u><u>67,500</u></u>                     |