



**CliftonLarsonAllen**

CliftonLarsonAllen LLP  
CLAconnect.com

## **Accountant's Compilation Report**

Board of Directors  
Parkdale Community Authority

Management is responsible for the accompanying budget of revenues, expenditures and fund balances of Parkdale Community Authority for the year ending December 31, 2020, 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 Parkdale Community Authority.

Greenwood Village, Colorado  
March 21, 2020



An independent member of Nexia International

**PARKDALE COMMUNITY AUTHORITY  
SUMMARY  
2020 BUDGET  
For the Year Ending December 31,**

3/21/2020

BUDGET 2020
----------------

BEGINNING FUND BALANCES	\$	-
REVENUES		
Developer advance		50,000
Intergovernmental revenues		4,525
Bond issuance		27,580,000
Total revenues		27,634,525
TRANSFERS IN		5,914,863
Total funds available		33,549,388
EXPENDITURES		
General Fund		54,325
Debt Service Fund		845,052
Capital Projects Fund		21,665,137
Total expenditures		22,564,514
TRANSFERS OUT		5,914,863
Total expenditures and transfers out requiring appropriation		28,479,377
ENDING FUND BALANCES	\$	5,070,011
EMERGENCY RESERVE		
Series 2020A Capitalized Interest Fund	\$	200
Series 2020A Surplus Fund		3,088,811
TOTAL RESERVE		1,981,000 \$ 5,070,011

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

**PARKDALE COMMUNITY AUTHORITY  
GENERAL FUND  
2020 BUDGET  
For the Year Ending December 31,**

3/21/2020

BUDGET 2020
----------------

BEGINNING FUND BALANCE	\$	-
REVENUES		
Developer advance		50,000
Transfer from Parkdale MD No. 1		2,801
Transfer from Parkdale MD No. 2		1,724
Total revenues		54,525
Total funds available		54,525
EXPENDITURES		
General and administrative		
Accounting		20,000
Dues		500
Insurance		2,500
Legal		30,000
Contingency		1,325
Total expenditures		54,325
Total expenditures and transfers out requiring appropriation		54,325
ENDING FUND BALANCE	\$	200
EMERGENCY RESERVE	\$	200
TOTAL RESERVE	\$	200

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

**PARKDALE COMMUNITY AUTHORITY  
DEBT SERVICE FUND  
2020 BUDGET  
For the Year Ending December 31,**

3/21/2020

	BUDGET 2020
BEGINNING FUND BALANCE	\$ -
REVENUES	
Total revenues	-
TRANSFERS IN	
Transfers from other funds	5,914,863
Total funds available	5,914,863
EXPENDITURES	
Debt Service	
Bond interest - Series 2020A	845,052
Total expenditures	845,052
Total expenditures and transfers out requiring appropriation	845,052
ENDING FUND BALANCE	\$ 5,069,811
Series 2020A Capitalized Interest Fund	\$ 3,088,811
Series 2020A Surplus Fund	1,981,000
TOTAL RESERVE	\$ 5,069,811

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

**PARKDALE COMMUNITY AUTHORITY  
CAPITAL PROJECTS FUND  
2020 BUDGET  
For the Year Ending December 31,**

3/21/2020

BUDGET 2020
----------------

BEGINNING FUND BALANCE	\$	-
REVENUES		
Bond issuance - Series 2020A		22,805,000
Bond issuance - Series 2020B		4,775,000
Total revenues		<u>27,580,000</u>
Total funds available		<u>27,580,000</u>
EXPENDITURES		
General and Administrative		
Accounting		10,000
Bond issue costs		899,350
Engineering - costs verification		15,000
Legal		5,000
Capital Projects		
Public improvements		<u>20,735,787</u>
Total expenditures		<u>21,665,137</u>
TRANSFERS OUT		
Transfers to other fund		<u>5,914,863</u>
Total expenditures and transfers out requiring appropriation		<u>27,580,000</u>
ENDING FUND BALANCE	\$	<u>-</u>

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

**PARKDALE COMMUNITY AUTHORITY  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Parkdale Metropolitan District No. 1 (“District No. 1”), Parkdale Metropolitan District No. 2 (“District No. 2”) and Parkdale Metropolitan District No. 3 (“District No. 3” and, together with District No. 1 and District No. 2, the “Districts”), pursuant to the Colorado Constitution Article XIV, Sections 18(2)(a) and (b) and Sections 29-1-203 and 29-1-203.5, C.R.S. (the “Act”), have entered into that Agreement Establishing the Parkdale Community Authority dated as of February 20, 2020 (as further amended or supplemented from time to time, the “Establishment Agreement”), establishing the Authority to provide the “Services” (as defined in the Establishment Agreement, generally comprised of the street improvements, traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements, and irrigation system improvements contemplated by the Service Plan for the Districts, including the “Public Improvements”) and, in connection therewith, to incur financial obligations on behalf of the Districts.

The Authority has no employees and all administrative functions are contractual.

The Authority 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 Authority 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**

**Transfers from Other Districts**

The Authority anticipates the collection of taxes by the Districts, which will be transferred to the Authority to fund operating costs of the Authority. The Districts are obligated by the Operating Pledge Agreement to levy the Required Mill Levy. The Required Mill Levy is defined as a maximum operating mill levy of 15.000 mills for each District, to be adjusted for changes in the method of calculating assessed valuation that occur after January 1, 2017. The method of calculating assessed valuation of residential property in the State of Colorado changed from 7.20% to 7.15% on June 3, 2019. Accordingly, the Districts’ maximum operating mill levies have been adjusted to 16.699 mills for each District.

**Net Investment Income**

Net investment income associated with cash balances has not been considered in this budget.

**Developer Advance**

The Authority is in the development stage. As such, the Authority’s general and administrative expenditures will be mainly funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the Authority is financially able to reimburse the Developer from bond proceeds, if applicable, and other legally available revenue.

**PARKDALE COMMUNITY AUTHORITY  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**General and Administrative**

General and administrative expenditures have been provided based on estimates of the Authority's Board of Directors and consultants and include the services necessary to maintain the Authority's administrative viability such as legal, accounting, insurance and other administrative expenses.

**Capital Outlay**

The Authority anticipates infrastructure improvements as noted in the Capital Projects Fund.

**Debt and Leases**

The Authority anticipates the issuance of bonds as noted in the Capital Projects Fund. Net proceeds from the bonds will be used to finance the construction, acquisition and installation of public improvements within the Districts and are anticipated to be paid through taxes collected by Parkdale Metropolitan District No. 1 and transferred to the Authority.

The Authority has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The Authority has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

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