

KENT PLACE METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

OCTOBER 31, 2020

KENT PLACE METROPOLITAN DISTRICT NO. 1
BALANCE SHEET - GOVERNMENTAL FUNDS
OCTOBER 31, 2020

		General
ASSETS		
Cash - Checking	\$	6,175
C - Safe		259
Prepaid insurance		900
Due from other districts		933
TOTAL ASSETS	\$	8,267
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts payable	\$	3,120
Total Liabilities		3,120
FUND BALANCES		
Total Fund Balances		5,147
TOTAL LIABILITIES AND FUND BALANCES	\$	8,267

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in funds balances - governmental funds have been omitted.

**KENT PLACE METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TEN MONTHS ENDED OCTOBER 31, 2020**

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 10	\$ -	\$ (10)
Intergovernmental revenues	43,818	44,722	904
TOTAL REVENUES	<u>43,828</u>	<u>44,722</u>	<u>894</u>
EXPENDITURES			
Accounting	23,100	15,162	7,938
Auditing	3,850	3,850	-
Dues and licenses	600	600	-
Insurance and bonds	6,500	6,210	290
Legal services	14,000	13,026	974
Election expense	2,000	1,083	917
Contingency	1,950	-	1,950
TOTAL EXPENDITURES	<u>52,000</u>	<u>39,931</u>	<u>12,069</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,172)	4,791	12,963
OTHER FINANCING SOURCES (USES)			
Developer advance	7,500	-	(7,500)
TOTAL OTHER FINANCING SOURCES (USES)	<u>7,500</u>	<u>-</u>	<u>(7,500)</u>
NET CHANGE IN FUND BALANCES	(672)	4,791	5,463
FUND BALANCES - BEGINNING	<u>2,820</u>	<u>355</u>	<u>(2,465)</u>
FUND BALANCES - ENDING	<u>\$ 2,148</u>	<u>\$ 5,146</u>	<u>\$ 2,998</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in funds balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

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

Services Provided

Kent Place Metropolitan District No.1 (“District”) was organized by Court Order on January 14, 2008, to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of public improvements, including street improvements, park and recreation facilities, sewer and drainage improvements, traffic and safety controls, water, television relay and translators, public transportation, fire protection, security services, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with Kent Place Metropolitan District No. 2. District No. 1 is anticipated to be the Operating District and District No. 2 is anticipated to be the Financing District. The Operating District will construct all, and may own and operate some of the public facilities. The Financing District will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The functions of the Districts will be clarified in an intergovernmental agreement between the Districts. The District’s service area is located entirely within the City of Englewood (“City”), Arapahoe County, Colorado.

On November 6, 2007, District electors approved revenue indebtedness of \$30,000,000 for street improvements, \$30,000,000 for parks and recreation, \$30,000,000 for water improvements, \$30,000,000 for sanitary sewer system, \$30,000,000 for public transportation system, \$30,000,00 for mosquito control, \$30,000,000 for traffic and safety, \$30,000,000 for fire protection, \$30,000,000 for television relay system, \$30,000,000 security services, \$30,000,000 for debt associated with intergovernmental contracts, \$30,000,000 for refinancing of District debt, \$30,000,000 for debt associated with private party contracts, and \$30,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$5,000,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

Pursuant to the Consolidated Service Plan, the Districts shall not issue debt in excess of \$30,000,000 without the permission of the City. The Districts are also limited to a maximum debt mill levy of 50.000 mills as adjusted for changes in the ratio of actual value to assessed value, for debt which exceeds fifty percent of the District’s assessed valuation.

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 Section 29-1-105, C.R.S., 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

Developer Advance

In prior years, a portion of the operating and administrative costs were funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer. The District anticipates a developer advance of \$7,500 for 2020.

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

Revenues – (continued)

Transfer from District No. 2

District No. 2 levies a general fund mill levy of 10.250 mills. The net property taxes are transferred to the District to help fund administrative expenditures.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.50%.

Expenditures

Administrative Expenditures

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting, and other administrative expenses.

Debt and Leases

The only debt of the District is Developer advances. As of December 31, 2019, the District's outstanding obligation to the Developer was \$367,935 in principal and accrued interest. The District has no capital or operating leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2020, as defined under TABOR.

KENT PLACE METROPOLITAN DISTRICT NO. 1

Schedule of Cash Position

October 31, 2020

Updated as of November 30, 2020

	General Fund	Total
	<hr/>	<hr/>
<u>1st Bank - Kent Place No. 1</u>		
Balance as of 10/31/20	\$ 6,174.82	\$ 6,174.82
Subsequent activities:		
11/16/2020 Bill.com Vouchers	(1,291.62)	(1,291.62)
Anticipated activities:		
<i>Anticipated Transfer from KP#2 - to Cover AP</i>	933.26	933.26
	<hr/>	<hr/>
<i>Anticipated Balance</i>	\$ 5,816.46	\$ 5,816.46
	<hr/> <hr/>	<hr/> <hr/>
<u>CSAFE - Kent Place No. 1</u>		
Balance as of 10/31/20	\$ 259.22	\$ 259.22
Subsequent activities:		
	<hr/>	<hr/>
<i>Anticipated Balance</i>	\$ 259.22	\$ 259.22
	<hr/> <hr/>	<hr/> <hr/>

Yield information (10/31/20):

CSAFE - .09%