

**ARISTA METROPOLITAN DISTRICT
Broomfield County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**ARISTA METROPOLITAN DISTRICT
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Report of Independent Certified Public Accountants

To the Board of Directors
Arista Metropolitan District

We have audited the accompanying financial statements of the governmental activities and the major funds of Arista Metropolitan District as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of Arista Metropolitan District, as of December 31, 2019 and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

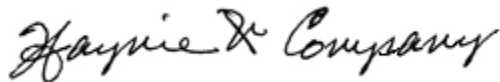
Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Arista Metropolitan District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Littleton, Colorado
March 24, 2020

BASIC FINANCIAL STATEMENTS

**ARISTA METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 457,101
Cash and Investments - Restricted	8,733,446
Receivables	320,296
Prepaid Expense	400
Park Sureties	434,763
Property Taxes Receivable	3,844,594
Capital Assets, Not Being Depreciated:	
Land	1,700,000
Arista Park	2,881,777
Construction in Progress	8,008,226
Capital Assets, Net:	
Parking Structure	14,483,174
Total Assets	<u>40,863,777</u>
LIABILITIES	
Accounts Payable	816,224
Retainage Payable	138,118
Accrued Interest Payable	659,557
Noncurrent Liabilities:	
Due Within One Year	685,000
Due in More Than One Year	<u>98,175,563</u>
Total Liabilities	<u>100,474,462</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	<u>3,844,594</u>
Total Deferred Inflows of Resources	<u>3,844,594</u>
NET POSITION	
Net Investment in Capital Assets	(1,010,538)
Restricted For:	
Emergencies	26,400
Debt Service	275,494
Capital Replacement - Parking Structure	75,000
Unrestricted	<u>(62,821,635)</u>
Total Net Position	<u><u>\$ (63,455,279)</u></u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 465,656	\$ -	\$ -	\$ -	\$ (465,656)
Parking Operations	335,781	-	332,525	-	(3,256)
Interest and Related Costs on Long-Term Debt	5,307,098	-	-	1,783,024	(3,524,074)
Total Governmental Activities	\$ 6,108,535	\$ -	\$ 332,525	\$ 1,783,024	(3,992,986)
GENERAL REVENUES					
Property Taxes					3,239,036
Specific Ownership Taxes					207,467
Fees in Lieu of Taxes					35,017
Net Investment Income					250,074
Other Income					7,399
Total General Revenues					3,738,993
CHANGE IN NET POSITION					(253,993)
Net Position - Beginning of Year					(63,201,286)
NET POSITION - END OF YEAR					\$ (63,455,279)

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General	Special Revenue - Parking Structure	Debt Service - Series 2008, 2015, 2018A and 2018B	Debt Service - Series 2006A and 2006C
ASSETS				
Cash and Investments	\$ 457,101	\$ -	\$ -	\$ -
Cash and Investments - Restricted	26,400	75,000	5,312,614	943,200
Receivables	4,347	137,602	164,157	14,190
Prepaid Expense	400	-	-	-
Due from Other Funds	28,878	-	-	21,219
Park Sureties	-	-	-	-
Property Taxes Receivable	952,681	-	2,891,913	-
	<u>\$ 1,469,807</u>	<u>\$ 212,602</u>	<u>\$ 8,368,684</u>	<u>\$ 978,609</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 20,311	\$ 72,203	\$ -	\$ 39,227
Retainage Payable	-	-	-	-
Due to Other Funds	-	28,878	21,219	17,029
Total Liabilities	<u>20,311</u>	<u>101,081</u>	<u>21,219</u>	<u>56,256</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	952,681	-	2,891,913	-
Total Deferred Inflows of Resources	<u>952,681</u>	<u>-</u>	<u>2,891,913</u>	<u>-</u>
FUND BALANCES				
Nonspendable	400	-	-	-
Restricted For:				
Emergencies	26,400	-	-	-
Debt Service Reserve Funds	-	-	5,455,552	823,500
Future Debt Service	-	-	-	98,853
Capital Replacement - Parking Structure	-	75,000	-	-
Capital Projects	-	-	-	-
Assigned	319,798	36,521	-	-
Unassigned	150,217	-	-	-
Total Fund Balances	<u>496,815</u>	<u>111,521</u>	<u>5,455,552</u>	<u>922,353</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,469,807</u>	<u>\$ 212,602</u>	<u>\$ 8,368,684</u>	<u>\$ 978,609</u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	Debt Service - Series 2006B	Capital Projects - Infrastructure	Total Governmental Funds
ASSETS			
Cash and Investments	\$ -	\$ -	\$ 457,101
Cash and Investments - Restricted	650,028	1,726,204	8,733,446
Receivables	-	-	320,296
Prepaid Expense	-	-	400
Due from Other Funds	17,029	-	67,126
Park Sureties	-	434,763	434,763
Property Taxes Receivable	-	-	3,844,594
	<u>\$ 667,057</u>	<u>\$ 2,160,967</u>	<u>\$ 13,857,726</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 26,882	\$ 657,601	\$ 816,224
Retainage Payable	-	138,118	138,118
Due to Other Funds	-	-	67,126
Total Liabilities	<u>26,882</u>	<u>795,719</u>	<u>1,021,468</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	-	-	3,844,594
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>3,844,594</u>
FUND BALANCES			
Nonspendable	-	-	400
Restricted For:			
Emergencies	-	-	26,400
Debt Service Reserve Funds	640,175	-	6,919,227
Future Debt Service	-	-	98,853
Capital Replacement - Parking Structure	-	-	75,000
Capital Projects	-	1,365,248	1,365,248
Assigned	-	-	356,319
Unassigned	-	-	150,217
Total Fund Balances	<u>640,175</u>	<u>1,365,248</u>	<u>8,991,664</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 667,057</u>	<u>\$ 2,160,967</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

27,073,177

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Interest Payable - Developer Advances

(4,100,227)

Developer Advance Payable

(8,575,945)

Accrued Interest Payable - Bonds

(659,557)

Bonds Payable

(86,184,391)

Net Position of Governmental Activities

\$ (63,455,279)

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	General	Special Revenue - Parking Structure	Debt Service - Series 2008, 2015, 2018A and 2018B	Debt Service - Series 2006A and 2006C
REVENUES				
Property Taxes	\$ 804,750	\$ -	\$ 2,434,286	\$ -
Specific Ownership Taxes	51,546	-	155,921	-
Fees in Lieu of Taxes	8,700	-	26,317	-
Net Investment Income	13,498	-	127,838	21,218
Sales Taxes	-	-	233,745	-
Use Taxes	-	-	149,610	-
LID Sales Taxes	-	-	-	31,393
Sales Taxes - Parcel A	-	-	-	30,639
BURA Deposit	-	-	-	150,000
Parking Payment	-	-	-	-
Other Revenue	750	6,649	-	-
Parking Operation - Reimbursements from Participants	-	332,525	-	-
Total Revenues	<u>879,244</u>	<u>339,174</u>	<u>3,127,717</u>	<u>233,250</u>
EXPENDITURES				
General				
Accounting	73,520	-	-	-
Audit	5,600	-	-	-
County Treasurer's Fees	1,120	-	3,389	-
Dues and Memberships	998	-	-	-
Insurance	18,266	-	-	-
District Management	34,666	-	-	-
Legal	25,916	-	-	-
Miscellaneous	1,086	-	-	-
Repairs and Maintenance	8,803	-	-	-
Landscape and Other Maintenance	29,259	-	-	-
Utility Locates	3,754	-	-	-
Reimbursement - Arista Owner's Association	25,071	-	-	-
Parking Operations and Maintenance	-	335,781	-	-
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal	-	-	-	410,000
Bond Interest	-	-	3,542,381	120,731
Letter of Credit Fees	-	-	-	326,290
Paying Agent/Trustee Fees	-	-	6,000	6,600
Rating fees	-	-	-	2,691
Remarketing Fees	-	-	-	5,916
LOC Renewal	-	-	-	2,000
Total Expenditures	<u>228,059</u>	<u>335,781</u>	<u>3,551,770</u>	<u>874,228</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	651,185	3,393	(424,053)	(640,978)
OTHER FINANCING SOURCES (USES)				
Repay Developer Advance	(350,000)	-	-	-
City Support	-	-	-	690,000
Transfers In	-	-	-	29,787
Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>719,787</u>
NET CHANGE IN FUND BALANCES	301,185	3,393	(424,053)	78,809
FUND BALANCES - BEGINNING OF YEAR	<u>195,630</u>	<u>108,128</u>	<u>5,879,605</u>	<u>843,544</u>
FUND BALANCES - END OF YEAR	<u>\$ 496,815</u>	<u>\$ 111,521</u>	<u>\$ 5,455,552</u>	<u>\$ 922,353</u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019**

	Debt Service - Series 2006B	Capital Projects - Infrastructure	Total Governmental Funds
REVENUES			
Property Taxes	\$ -	\$ -	\$ 3,239,036
Specific Ownership Taxes	-	-	207,467
Fees in Lieu of Taxes	-	-	35,017
Net Investment Income	13,553	73,967	250,074
Sales Taxes	-	-	233,745
Use Taxes	-	-	149,610
LID Sales Taxes	-	-	31,393
Sales Taxes - Parcel A	-	-	30,639
BURA Deposit	100,000	-	250,000
Parking Payment	397,637	-	397,637
Other Revenue	-	-	7,399
Parking Operation - Reimbursements from Participants	-	-	332,525
Total Revenues	<u>511,190</u>	<u>73,967</u>	<u>5,164,542</u>
EXPENDITURES			
General			
Accounting	-	-	73,520
Audit	-	-	5,600
County Treasurer's Fees	-	-	4,509
Dues and Memberships	-	-	998
Insurance	-	-	18,266
District Management	-	-	34,666
Legal	-	-	25,916
Miscellaneous	-	-	1,086
Repairs and Maintenance	-	-	8,803
Landscape and Other Maintenance	-	-	29,259
Utility Locates	-	-	3,754
Reimbursement - Arista Owner's Association	-	-	25,071
Parking Operations and Maintenance	-	-	335,781
Capital Outlay	-	3,240,157	3,240,157
Debt Service			
Bond Principal	240,000	-	650,000
Bond Interest	109,648	-	3,772,760
Letter of Credit Fees	208,569	-	534,859
Paying Agent/Trustee Fees	6,600	-	19,200
Rating fees	2,691	-	5,382
Remarketing Fees	3,780	-	9,696
LOC Renewal	2,000	-	4,000
Total Expenditures	<u>573,288</u>	<u>3,240,157</u>	<u>8,803,283</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(62,098)	(3,166,190)	(3,638,741)
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	-	-	(350,000)
City Support	-	-	690,000
Transfers In	-	-	29,787
Transfers (Out)	(29,787)	-	(29,787)
Total Other Financing Sources (Uses)	<u>(29,787)</u>	<u>-</u>	<u>340,000</u>
NET CHANGE IN FUND BALANCES	(91,885)	(3,166,190)	(3,298,741)
FUND BALANCES - BEGINNING OF YEAR	<u>732,060</u>	<u>4,531,438</u>	<u>12,290,405</u>
FUND BALANCES - END OF YEAR	<u>\$ 640,175</u>	<u>\$ 1,365,248</u>	<u>\$ 8,991,664</u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ (3,298,741)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	3,240,157	
Depreciation	<u>(237,597)</u>	3,002,560

The issuance of long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds record the effect of premiums, discounts, and similar items when debt is first issued as expenditures, whereas these amounts are deferred and amortized in the statement of activities.

Bond Principal Payment	650,000	
Repayment of Developer Advances	<u>350,000</u>	1,000,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization/Expense of Bond Premium	23,842	
Accrued Interest on Bonds Payable - Change in Liability	(267,040)	
Accrued Interest on Developer Advances - Change in Liability	<u>(714,614)</u>	<u>(957,812)</u>

Change in Net Position of Governmental Activities \$ (253,993)

**ARISTA METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 806,527	\$ 804,750	\$ (1,777)
Specific Ownership Taxes	48,000	51,546	3,546
Fees in Lieu of Taxes	8,700	8,700	-
Net Investment Income	3,000	13,498	10,498
Other Revenue	1,000	750	(250)
Total Revenues	<u>867,227</u>	<u>879,244</u>	<u>12,017</u>
EXPENDITURES			
Accounting	70,000	73,520	(3,520)
Audit	5,600	5,600	-
County Treasurer's Fees	1,119	1,120	(1)
Dues and Memberships	1,000	998	2
Insurance	16,500	18,266	(1,766)
District Management	35,000	34,666	334
Legal	60,000	25,916	34,084
Miscellaneous	1,000	1,086	(86)
Repairs and Maintenance	25,000	8,803	16,197
Landscape and Other Maintenance	35,000	29,259	5,741
Utility Locates	5,000	3,754	1,246
Reimbursement - Arista Owner's Association	20,000	25,071	(5,071)
Contingency	28,781	-	28,781
Total Expenditures	<u>304,000</u>	<u>228,059</u>	<u>75,941</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	563,227	651,185	87,958
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	(350,000)	(350,000)	-
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	213,227	301,185	87,958
FUND BALANCE - BEGINNING OF YEAR	<u>102,776</u>	<u>195,630</u>	<u>92,854</u>
FUND BALANCE - END OF YEAR	<u>\$ 316,003</u>	<u>\$ 496,815</u>	<u>\$ 180,812</u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
SPECIAL REVENUE FUND – PARKING STRUCTURE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Reimbursements from Participants - Arista Place	\$ 37,857	\$ 37,857	\$ 39,252	\$ 1,395
Reimbursements from Participants - PEAK	138,733	138,733	140,576	1,843
Reimbursements from Participants - RTD	147,250	147,250	152,697	5,447
Other Income	-	6,645	6,649	4
Total Revenues	<u>323,840</u>	<u>330,485</u>	<u>339,174</u>	<u>8,689</u>
EXPENDITURES				
Office Expenses	1,000	1,000	220	780
Fire Inspections & Repairs	9,000	4,000	2,106	1,894
Communications	3,800	3,000	2,676	324
Security Services	90,000	115,000	111,992	3,008
Electricity	29,000	29,000	27,651	1,349
Water & Sanitation	10,000	5,000	3,737	1,263
Contract Maintenance Service	116,185	151,000	154,050	(3,050)
Elevator Inspection & Maintenance	10,000	10,000	7,066	2,934
Mechanical Systems Inspection & Repair	20,000	-	-	-
Pest Control	400	-	-	-
Management Fee	12,455	-	-	-
Insurance and Bonds	22,000	27,000	26,283	717
Total Expenditures	<u>323,840</u>	<u>345,000</u>	<u>335,781</u>	<u>9,219</u>
NET CHANGE IN FUND BALANCE	-	(14,515)	3,393	17,908
FUND BALANCE - BEGINNING OF YEAR	<u>75,000</u>	<u>108,128</u>	<u>108,128</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 75,000</u>	<u>\$ 93,613</u>	<u>\$ 111,521</u>	<u>\$ 17,908</u>

See accompanying Notes to Basic Financial Statements.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 DEFINITION OF REPORTING ENTITY

Arista Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Broomfield (City) on December 13, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on August 28, 2001, and as modified on September 10, 2002, and on August 9, 2005. The District was formed as the Park 36 Metropolitan District. On August 15, 2005, the name of the District was changed to Arista Metropolitan District.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services. The operation and maintenance of most District services and facilities is anticipated to be provided by other entities and not by the District. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Fund – Parking Structure accounts for revenues earned and expenditures incurred in connection with the operation and maintenance of the parking structure.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)**

The Debt Service Fund – Series 2018A and 2018B accounts for the resources accumulated and payments made for principal, interest and other costs related to the Series 2018A and 2018B Bonds.

The Debt Service Fund – Series 2006A accounts for the resources accumulated and payments made for principal, interest and other costs related to the Series 2006A Bonds.

The Debt Service Fund – Series 2006B accounts for the resources accumulated and payments made for principal, interest and other costs related to the Series 2006B Bonds.

The Capital Projects Fund – Infrastructure accounts for financial resources to be used for the acquisition or construction of major capital improvements within the District.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2019.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include property and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Except for the parking structure, Arista Park and certain street signage, all assets of the District will be conveyed to other governmental entities. Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets, a component of the District's net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

The parking structure is depreciated using the straight-line method over the estimated useful life of 75 years.

Original Issue Premium

In the government-wide financial statements, bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – This component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – The component of net position that does not meet the definitions above.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Assigned Fund Balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2019, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 457,101
Cash and Investments - Restricted	8,733,446
Total Cash and Investments	\$ 9,190,547

Cash and investments as of December 31, 2019, consist of the following:

Deposits with Financial Institutions	\$ 270,323
Investments	8,920,224
Total Cash and Investments	\$ 9,190,547

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the District’s cash deposits had a bank balance of \$270,323 and a carrying balance of \$270,323.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has adopted a formal investment policy which follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 RECEIVABLES

As of December 31, 2019, the District had the following receivables:

Receivable from the City and County of Broomfield
as follows:

Sales and Use Taxes	\$ 151,008
Sales Taxes - Parcel A	9,420
Local Improvement District Sales Taxes	4,770
Receivable from County Treasurer	17,496
Total	<u><u>\$ 182,694</u></u>

Receivable from the Parking Garage Participants
as follows:

Arista Place	\$ 25,012
Peak Entertainment	88,391
RTD	24,199
Total	<u><u>\$ 137,602</u></u>

Total Receivables	<u><u>\$ 320,296</u></u>
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**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2019, follows:

	Balance - December 31, 2018	Additions	Transfers/ Conveyance	Balance - December 31, 2019
Capital Assets, Not Being Depreciated:				
Land for Parking Structure Arista Park	\$ 1,700,000 2,881,777	\$ - -	\$ - -	\$ 1,700,000 2,881,777
Construction in Progress:				
Parks and recreation	62,836	5,488	-	68,324
Sensory Park	194,084	95	-	194,179
Streets - Signage	104,781	-	-	104,781
Streets - Other	168,358	-	-	168,358
Streets - Destination Drive	1,316,264	-	-	1,316,264
Uptown Park	881,633	18,526	-	900,159
Parcel A	2,036,312	1,200	-	2,037,512
Shepsfield Park	3,801	1,465,867	-	1,469,668
Gallery Park	-	47,978	-	47,978
Parkland Extension	-	22,750	-	22,750
Terrace Ponds Park	-	1,678,253	-	1,678,253
Total Capital Assets, Not Being Depreciated	9,349,846	3,240,157	-	12,590,003
Capital Assets, Being Depreciated:				
Parking Structure	17,551,186	-	-	17,551,186
Total Capital Assets, Being Depreciated	17,551,186	-	-	17,551,186
Less Accumulated Depreciation For:				
Parking Structure	2,830,415	237,597	-	3,068,012
Total Accumulated Depreciation	2,830,415	237,597	-	3,068,012
Total Capital Assets, Being Depreciated, Net	14,720,771	(237,597)	-	14,483,174
Capital Assets, Net	<u>\$ 24,070,617</u>	<u>\$ 3,002,560</u>	<u>\$ -</u>	<u>\$ 27,073,177</u>

Depreciation expense for the parking structure was charged to the general government function of the District in the amount of \$237,597, which is the total depreciation expense for the District for the year ended December 31, 2019.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2018:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Due Within One Year
Special Revenue Bonds:					
Series 2018A	\$ 70,505,000	\$ -	\$ -	\$ 70,505,000	\$ -
Series 2018B	3,704,000	-	-	3,704,000	-
Parking/Special Limited Revenue Bonds:					
Senior Series 2006A	7,395,000	-	410,000	6,985,000	430,000
Senior Series 2006B	4,725,000	-	240,000	4,485,000	255,000
	<u>86,329,000</u>	<u>-</u>	<u>650,000</u>	<u>85,679,000</u>	<u>685,000</u>
Premiums	529,233	-	23,842	505,391	-
Total Bonds Payable	86,858,233	-	673,842	86,184,391	685,000
Developer Advances	8,575,945	-	-	8,575,945	-
Accrued Interest on Developer Advances	3,735,613	714,614	350,000	4,100,227	-
Total	<u>\$ 99,169,791</u>	<u>\$ 714,614</u>	<u>\$ 1,023,842</u>	<u>\$ 98,860,563</u>	<u>\$ 685,000</u>

The details of the District's long-term obligations are as follows:

General Obligation (Limited Tax Convertible to Unlimited Tax) and Special Revenue Refunding and Improvement Bonds, Series 2018A

2018A Senior Bonds Details

On August 16, 2018, the District issued General Obligation (Limited Tax Convertible to Unlimited Tax) and Special Revenue Refunding and Improvement Bonds, Series 2018A (2018A Senior Bonds) in the amount of \$70,505,000, dated August 16, 2018. Proceeds from the sale of the 2018A Senior Bonds were used to: (i) fund or reimburse a portion of the Project Costs; (ii) pay and cancel the District's Special Revenue Promissory Note, Series 2015, and Subordinate (Convertible to Parity) Special Revenue Bonds, Series 2008; (iii) fund capitalized interest on the 2018A Senior Bonds; (iv) make a deposit to the 2018A Surplus Fund; and (v) pay the costs of issuance of the 2018A Senior Bonds and 2018B Subordinate Bonds.

The 2018A Senior Bonds were issued as three term bonds with the first bearing interest at 4.375% with annual mandatory sinking fund maturities beginning December 1, 2023, and maturing on December 1, 2028; the second bearing interest at 5.000% with annual mandatory sinking fund maturities beginning December 1, 2029, and maturing on December 1, 2038; and the third bearing interest at 5.125% with annual mandatory sinking fund maturities beginning December 1, 2039, and maturing on December 1, 2048. The

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

2018A Senior Bonds Details (Continued)

2018A Senior Bonds are payable semi-annually on June 1 and December 1, beginning on December 1, 2018. To the extent principal of any 2018A Senior Bond is not paid when due, such principal shall remain outstanding until paid. To the extent interest on any 2018A Senior Bond is not paid when due, such interest shall compound semiannually on June 1 and December 1 at the rate then borne by the 2018A Senior Bond; however, the District is not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the 2018A Senior Bonds.

Optional Redemption

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

2018A Senior Pledged Revenue

The 2018A Senior Bonds are secured by and payable solely from 2018A Senior Pledged Revenue, net of any costs of collection or any property tax rebates or abatements authorized by or on behalf of the City, which includes: (i) the Pledged Sales and Use Tax Reimbursement Agreement Revenues; (ii) the property taxes generated by the imposition of the 2018A Senior Required Mill Levy; (iii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the 2018A Senior Required Mill Levy; (iv) Payment in Lieu of Taxes (PILOT) Revenues; and (v) any other legally available moneys that the District determines, in its absolute discretion, to credit to the 2018A Senior Bond Fund.

Sales and Use Tax Reimbursement Agreement Revenues

Pursuant to the Sales and Use Tax Reimbursement Agreement between the City and the District dated August 1, 2005, the City pledges certain of its sales tax and use tax revenues and service expansion fees to the District (the SUTRA Revenues), and the District pledges certain revenues received thereunder to the payment of the 2018A Senior Bonds. Pledged Sales and Use Tax Reimbursement Agreement Revenues are the SUTRA Revenues less the Available Sales Tax from the RTD Parcel and the Available Sales Tax from any associated land parcel with respect to the Fry's Allocation, if and when the Fry's Allocation is used for eligible retailers within the District which enter into incentive agreements approved by the City and County.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

2018A Senior Pledged Revenue (Continued)

Sales and Use Tax Reimbursement Agreement Revenues (Continued)

The portion of such revenues which constitute SUTRA Revenues within the meaning of the 2018A Senior Indenture consist of: (i) the Available Sales Tax, including any investment income thereon; excluding, however, the Available Sales Tax derived from the RTD Parcel and the Fry Allocation; (ii) 50% of a 3.50% Use Tax levied on the construction of commercial buildings, residential buildings, and construction materials within the boundaries of the District; and (iii) 50% of the Service Expansion Fees when collected by the City.

The revenue sharing obligation of the City expires upon the earlier to occur of: (a) the date on which the City Bond has been refunded and the proceeds of the Refunding Bonds (as defined in the Sales and Use Tax Reimbursement Agreement) have been applied to reduce or defease the principal amount of the District Bonds (as defined in the Sales and Use Tax Reimbursement Agreement); or (b) November 30, 2028; after which time the debt service on the 2018 Bonds is expected to be paid from other components of Pledged Revenue.

City Bond

The City Bond means the City and County of Broomfield, Colorado, Sales and Use Tax Revenue Bond (Park 36 Metropolitan District), Series 2005, issued by the City to the District to evidence the City's obligations to the District under the Sales and Use Tax Reimbursement Agreement. The City Bond bears interest at the rate of 6.75% borne by the District's previously refunded Special Revenue Bonds, Series 2005, issued in the original aggregate principal amount of \$31,175,000 ("Prior Series 2005 Bonds" which were refunded by the District's 2015 Loan) and matures on November 30, 2028. The City Bond has the same dated date as the Prior Series 2005 Bonds, and interest accrues and compounds semiannually on May 15 and November 15 until paid. No amount of SUTRA Revenues under the Sales and Use Tax Reimbursement Agreement may be paid in excess of the amounts due under the City Bond.

Available Sales Tax

Available Sales Tax is generally defined as 45% of the revenues derived from a 3.50% Net Sales Tax imposed on and collected by the City on transactions that are subject to the City's sales tax and that occur between the Effective Date and the Termination Date within the boundaries of the District, subject to the terms of the District's Service Plan. While the City's total sales tax rate is higher, only 3.50% of such sales tax is available to satisfy the City's obligations under the Sales and Use Tax Reimbursement Agreement.

Use Tax

The second component of SUTRA Revenues is 50% of the revenues derived from the use tax collected by the City within the boundaries of the District. The City imposes a 4.15% use tax on the purchase price paid or charged on the sale or purchase of vehicles and building and construction materials when purchased or sold at retail, and used, stored, or consumed in the City. However, only use tax received from a use tax rate of 3.50% is subject to the Sales and Use Tax Reimbursement Agreement.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

2018A Senior Pledged Revenue (Continued)

Service Expansion Fees

The third component of SUTRA Revenues is 50% of the Service Expansion Fees (the “SEF Fees”) imposed on new residential construction collected by the City on property within the boundaries of the District. The amount of the SEF Fee is \$1.00 per each square foot of total floor area for which a building permit has been issued by the City. Garages and unfinished basements on new residential construction, garage conversions or additions to existing dwellings, assisted care facilities, nursing homes senior housing facilities, and hospices are exempt from the SEF Fee.

2018A Senior Required Mill Levy

Pursuant to the 2018A Senior Indenture, prior to the Conversion Date, the District is required to impose a 2018A Senior Required Mill Levy in an amount which, when combined with the amount of the Estimated SUTRA Revenues for the relevant year, will generate amounts sufficient to fund the 2018A Senior Bond Fund for the relevant Bond Year and pay the 2018A Senior Bonds as they come due, but (i) not in excess of 50 mills, and (ii) for so long as the 2018A Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills, or such lesser mill levy which will fund the 2018A Senior Bond Fund for the relevant Bond Year and pay the 2018A Senior Bonds as they come due, and will fund the 2018A Senior Surplus Fund up to the Maximum Surplus Amount.

The maximum and minimum mill levies of 50 mills shall be adjusted by the proportion of any increase or decrease by the State of Colorado of the ratio for assessment of commercial or residential property from the ratios of 29% and 9.15% respectively, relating to the proportion of land within the District assessed in each such category. In the event the method of calculating assessed valuation is changed after September 10, 2002, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut or abatement, such maximum and minimum mill levies shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by such mill levies are neither diminished nor enhanced as a result of such changes. Pursuant to the provisions of the Service Plan which permit mill levy adjustments, the maximum and minimum mill levies of 50 mills were adjusted to 60.498 mills for collection year 2019.

Conversion Date means the date that the Debt to Assessed Ratio is 50% or less and no payments of principal or interest on the 2018A Senior Bonds are past due. On and after the Conversion Date, the District has covenanted to impose a 2018A Senior Required Mill Levy each year in an amount which, when combined with the amount of the Estimated SUTRA Revenues for the relevant year, will generate amounts sufficient to pay the principal of and interest on the 2018A Senior Bonds as they come due and, if necessary, to replenish the Surplus Fund to the Maximum Surplus Amount, without limitation of rate and in amounts sufficient to make such payments when due. On and after the Conversion Date, the definition of 2018A Senior Required Mill levy shall be determined exclusively by the paragraph regardless of any subsequent increase in the Debt to Assessed Ratio.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

2018A Senior Surplus Fund

The 2018A Senior Bonds are also secured by amounts on deposit in the 2018A Senior Surplus Fund, which will be initially funded from 2018A Senior Bond proceeds in the amount of \$5,540,000 and thereafter will be funded from 2018A Senior Pledged Revenue that is not needed to pay debt service on the 2018A Senior Bonds in any year, up to the Maximum Surplus Amount. The Maximum Surplus Amount means: (i) prior to the Conversion Date, the amount equal to \$14,101,000; and (ii) on and after the Conversion Date, the amount equal to \$5,540,000 (which is equal to the initial deposit to the 2018A Senior Surplus Fund). In no event may a release of funds from the 2018A Senior Surplus Fund cause the amounts on deposit in the 2018A Senior Surplus Fund to be less than the amount of the initial deposit to the 2018A Senior Surplus Fund. In accordance with the 2018A Senior Indenture, on and after the Conversion Date, all amounts on deposit in the 2018A Senior Surplus Fund in excess of the Maximum Surplus Amount shall be released for application to any lawful purpose of the District. Pursuant to the 2018B Subordinate Indenture, amounts released from the 2018A Senior Surplus Fund are pledged to the 2018B Subordinate Bonds.

Subordinate General Obligation Limited Tax and Special Revenue Refunding Bonds, Series 2018B

2018B Subordinate Bonds Details

On August 16, 2018, the District issued Subordinate General Obligation Limited Tax and Special Revenue Refunding Bonds, Series 2018B (2018B Subordinate Bonds) in the amount of \$3,704,000, dated August 16, 2018. Proceeds from the sale of the 2018B Subordinate Bonds were used to pay and cancel the District's Parking/Special Limited Revenue Bonds (Broomfield Event Center Parking Project), Subordinate Series 2006C Bonds.

The 2018B Subordinate Bonds were issued at the rate of 7.00% per annum and are payable annually on December 15, beginning December 15, 2018, from, and to the extent of, 2018B Subordinate Pledged Revenue available, if any, and mature on December 15, 2048. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the 2018B Subordinate Bonds compounds annually on each December 15; however, the District is not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the 2018B Subordinate Bonds.

Optional Redemption

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023, to December 14, 2024	3.00%
December 15, 2024, to December 14, 2025	2.00
December 15, 2025, to December 14, 2026	1.00
December 15, 2026, and thereafter	0.00

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

2018B Subordinate Pledged Revenue

The 2018B Subordinate Bonds are secured by and payable from 2018B Subordinate Pledged Revenue, net of any costs of collection or any property tax rebates or abatements authorized by or on behalf of the City, which includes: (i) the 2018B Subordinate Pledged SUTRA Revenues; (ii) the property taxes generated by the imposition of the 2018B Subordinate Required Mill Levy; (iii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the 2018B Subordinate Required Mill Levy; (iv) Subordinate PILOT Revenues; (v) amounts released from the 2018A Senior Surplus Fund pursuant to the 2018A Senior Indenture; and (vi) any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2018B Subordinate Bond Fund.

2018B Subordinate Bonds Mill Levy

Pursuant to the 2018B Subordinate Indenture, the District is required to impose a 2018B Subordinate Required Mill Levy each year in an amount which will generate amounts sufficient to fund the 2018B Subordinate Bond Fund for the relevant Bond Year and pay the 2018B Subordinate Bonds in full equal to (i) 50.000 mills (as adjusted for any increase or decrease by the State of Colorado of the ratio for assessment of commercial or residential property) less the 2018A Senior Required Mill Levy or (ii) such lesser amount that will generate sufficient amounts which, when combined with moneys then on deposit in the 2018B Subordinate Bond Fund, will pay the 2018B Subordinate Bonds in full. As a result, the 2018B Subordinate Required Mill Levy will equal zero until such time as the 2018A Senior Bond Mill Levy equals less than 50 mills (subject to adjustment).

Parking/Special Limited Revenue Bonds (Broomfield Event Center Parking Project), Series 2006

On June 27, 2006, the District issued the following bonds to finance the acquisition, construction and improvement of a multi-level Parking Structure; fund the Reserve Fund, Supplemental Reserve Fund and Capitalized Interest Fund; and to pay certain costs of issuance:

\$10,100,000 - Senior Bonds Series 2006A (Tax-Exempt)
\$ 7,840,000 - Senior Bonds Series 2006B (Taxable)

The Senior Bonds will bear interest at an Adjustable Rate or at a Fixed Rate. While bearing interest at an Adjustable Rate, the Bonds are payable from monies drawn under the two irrevocable direct pay Letters of Credit issued by Compass Bank, Denver, Colorado. The Letters of Credit have been extended several times and currently have an expiration date of March 31, 2020. The terms of the Letter of Credit with Compass Bank provide that the Letter of Credit fees were 4.75% as of December 31, 2019. The Senior Bonds currently bear interest at the Weekly Interest Rate, which is an Adjustable Rate, from the date of issuance. Interest on the Bonds is payable on the first business day of each month. The original estimated interest rates were 4.375% for Series 2006A and 5.375% for Series 2006B. As of December 31, 2019, the weekly interest rates were 1.810% for the Series 2006A Bonds and 1.830% for the Series 2006B Bonds. The Bonds are due on December 1, 2030.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

**Parking/Special Limited Revenue Bonds (Broomfield Event Center Parking Project),
Series 2006 (Continued)**

While the Senior Bonds bear interest at an Adjustable Rate, they are callable for redemption as follows: 1) Optional redemption - At the option of the District, Bonds are subject to redemption in whole or in part on any Interest Rate Adjustment Date at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date; 2) Mandatory Sinking Fund redemption - Bonds are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount, plus accrued interest on December 1 each year from 2009 to 2030; and 3) Extraordinary Mandatory Redemption from excess revenue - Bonds are subject to extraordinary mandatory redemption on December 20 of each year from and to the extent of amounts on deposit in the Revenue Fund, if any, on the third business day of December of such year, at redemption price equal to 100% of the principal amount, plus accrued interest to the redemption date.

In February 2010, the Parking/Special Limited Revenue Bonds, Senior Series 2006A and B, were restructured and remarketed. Changes in the restructured Bonds include, among others, (i) applying the Pledged Authority Revenue (BURA deposit) to the Tax-Exempt Revenue Account when received instead of holding such amounts as a contingent source of payment of debt service (starting in 2014, based upon direction from Bond Counsel and supporting analysis, the BURA deposit was split \$150,000 to the Tax-Exempt Revenue account and \$100,000 to the Taxable Revenue account), (ii) changing the rebate procedure with respect to the Pledged Authority Revenues, and (iii) eliminating the supplemental Reserve Fund (the proceeds of which were used to redeem Senior Bonds) and the Event Center Revenues Reserve Funds. The 2010 restructuring was done, in part, to accommodate a new management agreement with respect to the Event Center between Broomfield Urban Renewal Authority and Peak Entertainment, LLC (the new Event Center Manager/Operator). Furthermore, sources of revenues pledged for the repayment of the Bonds were modified during the 2010 restructuring, hence, certain agreements were terminated and/or modified, and new agreements were executed.

The restructured Series 2006 Bonds are payable solely from the trust estate created by the Indenture, including the pledged revenues consisting of the parking payment from the Event Center Operator, pledged signage revenue, LID sales taxes, BURA deposit and RTD sales tax rebate. Pledged revenues and trust funds are further discussed below.

Pledged LID sales taxes - means the sales taxes collected within the Arista Local Improvement District (LID) pursuant to the LID Intergovernmental Agreement. The LID, formed to finance transportation improvements in the area, imposes a sales tax of two-tenths of one percent (0.2%) (the LID sales taxes) on all transactions subject to such sales tax within the boundaries of the LID. Pursuant to the LID Intergovernmental Agreement, the proceeds of the LID sales taxes will be remitted to the District.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Parking/Special Limited Revenue Bonds (Broomfield Event Center Parking Project), Series 2006 (Continued)

Pledged RTD sales taxes rebate - means the sales taxes, at a maximum amount of \$5,000,000 to be paid in installments not to exceed \$500,000 annually until the earlier of payment in full or November 30, 2028, which the City of Broomfield (City) will rebate to Regional Transportation District (RTD) pursuant to a Sales Tax Reimbursement Agreement between the City and RTD, and which RTD assigned to the District by virtue of an Assignment executed on June 27, 2006.

BURA deposit - means \$250,000 required to be deposited annually by Broomfield Urban Renewal Authority (BURA) with the District's Trustee every December 15 pursuant to an Intergovernmental Agreement made and entered into effective as of January 21, 2010, with necessary minor changes as of February 10, 2010, by and between the District and BURA. Pursuant to the Agreement, the Trustee will deposit the funds in the Tax-Exempt Revenue Account and will use such funds for debt service subject to certain provisions of the Indenture. Based upon direction from Bond Counsel and supporting analysis, the BURA deposit was split \$150,000 to the Tax-Exempt Revenue account and \$100,000 to the Taxable Revenue account.

Parking payment - means the annual payment to be remitted by BURA to the District's Trustee after receipt of the same payment/funds from the Event Center Operator (Peak Entertainment, LLC) pursuant to a Management and Operations Agreement entered into by BURA and the Event Center Operator. Pursuant to the Agreement, the Event Center Operator is obligated to make an annual Parking Payment to BURA, the owner of the Event Center, for the use of the parking structure. BURA will then remit such payment to the District. The parking payment is equal to \$300,000 for the first year and is increased annually by the greater of the annual increase in CPI or 2%. In 2019, the District received \$397,637 in accordance with the Management and Operations Agreement.

Pledged signage revenue - means a portion of the revenues collected from advertising signs on the Parking Structure. The Management and Operations Agreement between BURA and the Event Center Operator (Peak Entertainment, LLC) provides for the Operator or the Sign Provider to operate, maintain and market Signs for advertising purposes and to maximize the revenue the Operator receives from such Signs. The Operator will pay a portion of the signage revenue to BURA, which in turn remits such revenues to the District's Trustee.

Developer Reserve Fund revenue - means the revenue derived from Weins Development Group, LLC pursuant to the Reserve Fund Loan Agreement. The Reserve Fund Loan Agreement provides that when there are not sufficient Pledged Revenues, all trust funds have been used and reserve funds have been withdrawn to pay principal and interest on District bonds, Weins Development Group, LLC will replenish the Reserve Fund to the Reserve Requirement. Weins Development Group, LLC will receive a subordinated Reserve Fund Note from the District payable from pledged revenues, but subordinate to the District's bonds.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

**Parking/Special Limited Revenue Bonds (Broomfield Event Center Parking Project),
Series 2006 (Continued)**

City Reserve Fund revenue - means the deposits required, under the Indenture, to be made by the City and County of Broomfield pursuant to the Annually Renewable Reserve Fund Agreement. The Annually Renewable Reserve Fund Agreement provides that when there are not sufficient Pledged Revenues, when all trust funds have been used and reserve funds have been withdrawn to pay principal and interest on District bonds, and when Reserve Fund has not been replenished by Weins Development Group, LLC pursuant to the Reserve Fund Loan Agreement, the City and County of Broomfield will replenish the Reserve Fund.

During 2019, no draws were made from the Reserve Funds.

Using the interest rate at December 31, 2019, of 1.810%, the estimated annual requirement to amortize the remaining Series 2006A Bonds is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 430,000	\$ 126,429	\$ 556,429
2021	455,000	118,646	573,646
2022	480,000	110,410	590,410
2023	505,000	101,722	606,722
2024	535,000	92,582	627,582
2025-2029	3,140,000	306,706	3,446,706
2030	1,440,000	26,064	1,466,064
Total	<u>\$ 6,985,000</u>	<u>\$ 882,559</u>	<u>\$ 7,867,559</u>

Refer to the debt to maturity schedule included in supplemental information for the estimated annual requirement to amortize the remaining Series 2006A Bonds using estimated interest rates of 1.50% to 3.00% (estimated during the restructuring of the Bonds in 2010).

Using the interest rate at December 31, 2019, of 1.830%, the estimated annual requirement to amortize the remaining Series 2006B Bonds is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 255,000	\$ 82,076	\$ 337,076
2021	270,000	77,409	347,409
2022	290,000	72,468	362,468
2023	310,000	67,161	377,161
2024	330,000	61,488	391,488
2025-2029	2,000,000	208,621	2,208,621
2030	1,030,000	18,849	1,048,849
Total	<u>\$ 4,485,000</u>	<u>\$ 588,072</u>	<u>\$ 5,073,072</u>

Refer to the debt to maturity schedule included in supplemental information for an estimated annual requirement to amortize the remaining Series 2006B Bonds using estimated interest rates of 2.00% to 4.50% (estimated during the restructuring of the Bonds in 2010).

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 5, 2002, the District's voters authorized total indebtedness of \$40,655,000 for construction of public improvements and operating and maintenance expenditures and \$39,655,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities.

On November 1, 2005, the District's voters authorized an additional total indebtedness of \$65,345,000 for construction of public improvements and operations and maintenance expenditures. The District's voters also authorized an additional total indebtedness of \$60,345,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. At December 31, 2019 the District had authorized but unissued indebtedness from these elections in the following amounts allocated for the following purposes:

	Authorized on November 5, 2002	Authorized on November 1, 2005	Total Authorized	Authorization Used Series 2005 Bonds	Authorization Used Series 2006 Bonds	Authorization Used Series 2008 Bonds	Authorization Used Series 2018 Bonds	Authorized But Unissued
Sanitary Sewer	\$ 5,855,000	\$ 6,345,000	\$ 12,200,000	\$ 7,525,000	\$ -	\$ 60,000	\$ -	\$ 4,615,000
Water	8,000,000	1,000,000	9,000,000	6,700,000	-	680,000	-	1,620,000
Streets	15,700,000	50,000,000	65,700,000	16,500,000	19,640,000	3,285,000	-	26,275,000
Parks and Recreation	7,650,000	3,000,000	10,650,000	450,000	-	2,610,000	5,291,000	2,299,000
Safety and Traffic Control	2,000,000	-	2,000,000	-	-	375,000	-	1,625,000
Transportation System	150,000	-	150,000	-	-	-	-	150,000
Television Relay and Translator	150,000	-	150,000	-	-	-	-	150,000
Mosquito Control	150,000	-	150,000	-	-	-	-	150,000
Operations and Maintenance	1,000,000	5,000,000	6,000,000	-	-	-	-	6,000,000
Refunding	39,655,000	60,345,000	100,000,000	-	-	18,990,000	-	81,010,000
Intergovernmental Agreements	39,655,000	60,345,000	100,000,000	-	-	-	-	100,000,000
Total	<u>\$ 119,965,000</u>	<u>\$ 186,035,000</u>	<u>\$ 306,000,000</u>	<u>\$ 31,175,000</u>	<u>\$ 19,640,000</u>	<u>\$ 26,000,000</u>	<u>\$ 5,291,000</u>	<u>\$ 223,894,000</u>

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$85,000,000.

\$5,291,000 of electoral authorization was required to be used for the issuance of the Series 2018 Bonds.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

Developer Advances

The District has entered into Funding and Reimbursement Agreements with Park 36 Development, Inc. collectively with affiliated entities, including but not limited to Park 36 Investment, LLC (the Developer). Additionally, the District entered into an Agreement Regarding Priority of Developer Reimbursements with Park 36 Development, Inc., and Park 36 Investment, LLC on March 19, 2014, wherein it was established that the Developer Reimbursement Agreement established in 2005 will have reimbursement priority over all other reimbursement agreements. The Funding and Reimbursement Agreements are as follows:

Operation Funding Agreement

The District entered into an Operation Funding Agreement to repay advances made by the Developer for operations and maintenance costs. The District agrees to repay the Developer for such advances along with interest at the rate of 8.5%. As of December 31, 2019, outstanding advances under the agreement totaled \$442,330 and accrued interest totaled \$494,396.

Funding and Reimbursement Agreement

The District entered into a Funding and Reimbursement Agreement to repay advances made by the Developer for capital infrastructure costs. The District agrees to repay the Developer for such advances along with interest at the rate of 8.5%. As of December 31, 2019, outstanding advances under the agreement totaled \$80,723 and accrued interest totaled \$68,137.

Infrastructure Acquisition and Reimbursement Agreement – Parcel A

The District entered into an Infrastructure Acquisition and Reimbursement Agreement to repay advances made by the Developer for capital infrastructure costs related to Parcel A. The District agrees to repay the Developer for such advances along with interest at the rate of 8.5%. As of December 31, 2019, outstanding advances under the agreement totaled \$894,679 and accrued interest totaled \$106,397.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

Developer Reimbursement Agreement

On October 26, 2005, the District entered into a Developer Reimbursement Agreement with the Developer to reimburse the Developer for amounts advanced by the Developer to the District for payment of principal and interest on the 2005 Bonds in connection with the Indenture's requirement to establish a Debt Service Guaranty which had been provided by the Developer in the form of a \$10,000,000 Letter of Credit. Outstanding advances due the Developer under the agreement bear an interest at the rate of 8.5% per annum. On June 1, 2010, Park 36 Development, Inc. delegated all duties and obligations and assigned all rights, including without limitation the rights to reimbursement, of the Developer under the agreement to Park 36 Investment, LLC, a Colorado limited liability company. As of December 31, 2019, outstanding advances under the agreement totaled \$4,631,323 and accrued interest totaled \$2,550,909.

Project Funding and Reimbursement Agreement for Destination Drive

On May 31, 2013, a Project Funding and Reimbursement Agreement for Destination Drive (PFRA) was entered into by and between the District, Park 36 Investment, LLC (Developer), and DD Arista Partners, LLC (Purchaser). Under the PFRA, the Developer sold to the Purchaser certain property within the boundaries of the District. As a condition of such sale and purchase, the Developer agreed to construct certain street improvements (Destination Drive) and a 1.1 acre portion remaining of the Sensory Park, both of which are important for the development of the property. The District, pursuant to the authority granted by its Service Plan as approved by the City and County of Broomfield, is authorized to construct Destination Drive, but does not have sufficient funds to pay for said construction. The Developer and the Purchaser have agreed that the Developer will advance funds to the District to pay for the construction of Destination Drive from a portion of the purchase price paid by Purchaser at closing in the amount of \$600,000 (DD Funds). Additionally, the Developer has agreed to advance funds to the District for construction costs in excess of the DD Funds and the District agrees to reimburse the Developer for such advances, including a simple interest at the rate of 8.5% per annum. As of December 31, 2019, outstanding advances under the agreement totaled \$2,350,764 and accrued interest totaled \$880,376.

2017 Facilities Acquisition Agreement

On October 12, 2017, the District was party to a Settlement Agreement with Exit 223, LLC, DD Arista Partners, LLC (DDAP), Davis Development Inc. Co-Davis Development, Inc., TX Morrow Construction Inc. (collectively, Davis Parties), and Park 36 Investments, LLC. The settlement provided that the Davis Parties execute payment to Exit 223 to remedy the mechanic's lien assigned to Exit 223. The District entered into a Facilities Acquisition Agreement with DDAP in which the District is obligated to reimburse DDAP for the construction costs. No interest shall accrue under this agreement and the District shall reimburse DDAP one dollar for every one dollar the District pays to Park 36 or any subsequent assignee. The current outstanding balance under this agreement is \$176,126.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 7 RELATED PARTY

The developer of the property which constitutes the District is Park 36 Development, Inc. (Developer). The majority of the members of the Board of Directors are employees of, owners of, or are otherwise associated with Park 36 Development, Inc. or related entities and may have conflicts of interest in dealing with the District. All conflicts have been previously disclosed as required by law. Wiens Capital Management, LLC, a company related to the Developer, entered into the Reserve Fund Loan Agreement and Construction Management Agreement with the District. (See related notes in Note 6)

NOTE 8 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2019, the District had the following net investment in capital assets, calculated as follows:

Net Investment in Capital Assets:	
Capital Assets, Net of Depreciation	\$ 19,064,951
Outstanding Bonds Payable Attributable to the Capital Assets	(22,224,500)
Unspent Bonds Proceeds (Primarily Debt Service Reserve Funds)	<u>2,149,011</u>
Net Investment in Capital Assets	<u><u>\$ (1,010,538)</u></u>

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2019, as follows:

Restricted Net Position:	
Emergencies	\$ 26,400
Debt Service	275,494
Capital Replacement - Parking Structure	<u>75,000</u>
Total Restricted Net Position	<u><u>\$ 376,894</u></u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 9 INTERFUND AND OPERATING TRANSFERS

The following schedule summarizes the District's transfers for the year ended December 31, 2019:

	Transfers In		
	DSF 2006A	DSF 2006B	Total
Transfers Out			
Debt Service Fund - 2006B	\$ 29,787	\$ -	\$ 29,787
Transfers In	29,787	-	29,787
Transfers (Out)	-	(29,787)	(29,787)
Net Transfers In (Out)	\$ 29,787	\$ (29,787)	\$ -

The major interfund transfers that occurred during 2019 were as follows:

Debt Service Fund – 2006B to the Debt Service Fund – 2006A. Transfers were made to cover monthly interest and letter of credit payments. Pursuant to the bond indenture, funds may be transferred between the two Debt Service Funds as necessary.

NOTE 10 INTERGOVERNMENTAL AND RELEVANT AGREEMENTS

Sales and Use Tax Reimbursement Agreement (SUTRA)

On August 1, 2005, the District entered into a Sales and Use Tax Reimbursement Agreement with the City. Pursuant to the Agreement, the City agrees to pledge the following revenue to the District for the repayment of the Series 2018A & B Bonds: (i) 45% of the revenues derived from a 3.50% City sales tax collected within the boundaries of the District, less sales taxes collected and paid by a certain major retailer and retailers on certain RTD parcels; (ii) 50% of 3.50% of a total 4.15% Use Tax collected by the City within the boundaries of the District; and (iii) 50% of the Service Expansion Fees imposed on new residential construction, equal to \$1.00 per each square foot of total floor area for which a building permit has been issued, collected by the City on property within the boundaries of the District.

The City's revenue sharing obligation expires on earlier of November 28, 2028, or upon final repayment of the City Bond.

City Bond

On June 28, 2005, the City authorized the issuance of the City and County of Broomfield, Colorado, Sales and Use Tax Revenue Bond (Park 36 Metropolitan District), Series 2005, in a principal amount not to exceed \$29,361,000 (the City Bond). The purpose of the City Bond is to evidence the City's obligation to the District under the Sales and Use Tax Reimbursement Agreement. The City Bond is payable from SUTRA Revenues paid to the District and bears interest at the rate of the Series 2005 Bonds, which is 6.75%, compounded semiannually on May 15 and November 15. The City Bond matures on November 30, 2028. No amount of SUTRA Revenue will be paid to the District in excess of the amounts due under the City Bond.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 10 INTERGOVERNMENTAL AND RELEVANT AGREEMENTS (CONTINUED)

Cooperation Agreement

The District entered into a Cooperation agreement with Broomfield Urban Renewal Authority (BURA) on September 13, 2005, as amended on July 24, 2018 in connection with the Series 2018A and 2018B Bonds. The District is located in an urban renewal plan area established by BURA. The urban renewal plan allocates all property taxes collected from assessed value above a base amount of \$2,051,480 (Base AV) to BURA; however, BURA and the District have entered into a Cooperation Agreement in which BURA agrees to transfer to the District any revenues received by BURA from the District's mill levies for operations and debt service. Between property taxes collected from the Base AV and property tax revenues received pursuant to the Cooperation Agreement, the District expects to collect all of the property tax revenues raised from the District's mill levies. The urban renewal plan terminates in 2030, and the District will collect its property tax revenues directly in all future years.

Parking Structure Development and Operation Agreement

On June 2, 2006, the District entered into a Parking Structure Development and Operation Agreement with Park 36 Investment, LLC (Developer) and Regional Transportation District (RTD) to define the mutual understanding and agreement of the parties concerning the design, construction, financing, maintenance, and use of the Parking Structure. The Parking Structure, a multi-level garage with the capacity for parking approximately 1,500 vehicles, is owned by the District. Based on the agreement, RTD is entitled to the exclusive use of 200 spaces, the District has the exclusive use of 560 spaces, and the remaining 740 spaces are shared and are available to RTD and District on a first-come-first-served-basis. The agreement stipulates that RTD shares 45.47% in the operation and maintenance expenses of the Parking Structure using the same percentage allocation discussed above. Following Broomfield Urban Renewal Authority's assumption of the role of Operator and Manager of the Parking Structure in August 2009, an agreement was executed to include the tenant's association of Arista Place in the allocation of annual operational costs of the Parking Structure. The tenant's association is contributing 11.69% of the annual operational costs, reducing the District's allocation to 42.84%.

Parking Structure Management and Maintenance Agreement

The District and Broomfield Sports and Entertainment, LLC (BSE) entered into a Parking Structure Management and Maintenance Agreement dated as of June 27, 2006, as amended on March 11, 2008 (the Parking Structure Management Agreement), pursuant to which the District engaged BSE to serve as the manager of the Parking Structure. Pursuant to the Assignment, Assumption and Consent Agreement, dated August 25, 2009, among BSE, BURA and the District (the Assigned Agreement), all of BSE's rights and responsibilities under the Parking Structure Management Agreement were assigned to and assumed by BURA. Pursuant to the Parking Structure Management Agreement, BURA is responsible for, among other things, coordinating the daily operations and maintenance of the Parking Structure and for paying all of the maintenance and capital replacement costs relating to the Parking Structure. Under the Assigned Agreement, the District allocated its rights to spaces in the Parking Structure to the BURA to the maximum extent available under the Assigned Agreement to utilize space in the Parking Structure for Event Center

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 10 INTERGOVERNMENTAL AND RELEVANT AGREEMENTS (CONTINUED)

Parking Structure Management and Maintenance Agreement (Continued)

purposes during the time of all scheduled events at the Event Center and such reasonable time periods before and after such events. During the time that no events are scheduled at the Event Center, the District and BURA shall agree on the allocation of spaces as provided in the Assigned Agreement.

Construction Management Agreement

A Construction Management Agreement was entered into by and between the District and Wiens Capital Management, LLC (Construction Manager). The District is undertaking the construction and repairs of certain streets improvements and park improvements within its boundaries and engaged the Construction Manager as an independent contractor to provide management services for such project. The Construction Manager has experience and expertise in managing such project and will ensure that the project is in compliance with the District's and the City's requirements. The District will pay the Construction Manager 3% of the actual costs of the project. See related comments on Note 7 – Related Party.

Operations and Maintenance Agreement

An Operations and Maintenance Agreement was entered into by and between the District and Arista Association (Association). The District has or will construct or install public improvements within its boundaries, including but not limited to monumentation, signage, lighting, landscape, irrigation systems, sidewalks, open space, and park and recreation facilities (Improvements). The Association is able and willing to provide administration, management, and maintenance (Services) of the Improvements in a more cost-efficient manner than the District. The District and the Association agreed that it is in the best interest of their respective constituents for the Association to operate and maintain the Improvements. The District agreed to pay the Association a fee equivalent to 10% of its annual budget for Services performed by the Association.

NOTE 11 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District was a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**ARISTA METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 12 TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments, except Enterprises.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions.

Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or benefit increases.

On November 5, 2002 and November 1, 2005, a majority of the District's electors authorized the District to increase property taxes \$1,000,000 and \$5,000,000, respectively, annually, without limitation to rate, to pay the District's operations and maintenance costs. Additionally, on November 5, 2002, the District's voters authorized the District to collect, retain and spend all revenue in excess of TABOR spending, revenue raising or other limitations.

The District's management has taken such steps as it believes necessary to comply with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**ARISTA METROPOLITAN DISTRICT
DEBT SERVICE FUND – SERIES 2018A AND 2018B
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 2,439,665	\$ 2,434,286	\$ (5,379)
Specific Ownership Taxes	140,000	155,921	15,921
Fees in Lieu of Taxes	26,317	26,317	-
Net Investment Income	75,000	127,838	52,838
Sales Taxes	200,000	233,745	33,745
Use Taxes	115,000	149,610	34,610
Total Revenues	<u>2,995,982</u>	<u>3,127,717</u>	<u>131,735</u>
EXPENDITURES			
Accounting	1,500	-	1,500
County Treasurer's Fees	3,378	3,389	(11)
Legal	1,500	-	1,500
Paying Agent/Trustee Fees	7,500	6,000	1,500
Interest Expense - Series 2018A	3,542,381	3,542,381	-
Total Expenditures	<u>3,556,259</u>	<u>3,551,770</u>	<u>4,489</u>
NET CHANGE IN FUND BALANCE	(560,277)	(424,053)	136,224
FUND BALANCE - BEGINNING OF YEAR	<u>5,965,508</u>	<u>5,879,605</u>	<u>(85,903)</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,405,231</u>	<u>\$ 5,455,552</u>	<u>\$ 50,321</u>

**ARISTA METROPOLITAN DISTRICT
DEBT SERVICE FUND – SERIES 2006A
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ 12,000	\$ 21,218	\$ 9,218
LID Sales Taxes	25,000	31,393	6,393
BURA Deposit	150,000	150,000	-
Sales Taxes - Parcel A	-	30,639	30,639
Total Revenues	<u>187,000</u>	<u>233,250</u>	<u>46,250</u>
EXPENDITURES			
Paying Agent/Trustee Fees	5,600	6,600	(1,000)
Rating Fees	4,000	2,691	1,309
Remarketing Fees	8,000	5,916	2,084
Letter of Credit Fees	320,000	326,290	(6,290)
Bond Interest - Series 2006A	135,000	120,731	14,269
Bond Principal - Series 2006A	410,000	410,000	-
LOC Renewal	5,000	2,000	3,000
Contingency	10,433	-	10,433
Total Expenditures	<u>898,033</u>	<u>874,228</u>	<u>23,805</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(711,033)	(640,978)	70,055
OTHER FINANCING SOURCES (USES)			
City Support	735,000	690,000	(45,000)
Transfers In	-	29,787	29,787
Transfers Out	(43,335)	-	43,335
Total Other Financing Sources (Uses)	<u>691,665</u>	<u>719,787</u>	<u>28,122</u>
NET CHANGE IN FUND BALANCE	(19,368)	78,809	98,177
FUND BALANCE - BEGINNING OF YEAR	<u>842,868</u>	<u>843,544</u>	<u>676</u>
FUND BALANCE - END OF YEAR	<u>\$ 823,500</u>	<u>\$ 922,353</u>	<u>\$ 98,853</u>

**ARISTA METROPOLITAN DISTRICT
DEBT SERVICE FUND – SERIES 2006B
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Net Investment Income	\$ 9,000	\$ 9,000	\$ 13,553	\$ 4,553
Parking Payment	397,851	397,851	397,637	(214)
BURA Deposit	100,000	100,000	100,000	-
BURA - Event Center Revenue	60,000	60,000	-	(60,000)
Total Revenues	<u>566,851</u>	<u>566,851</u>	<u>511,190</u>	<u>(55,661)</u>
EXPENDITURES				
Paying Agent/Trustee Fees	5,600	6,000	6,600	(600)
Rating Fees	4,000	3,000	2,691	309
Remarketing Fees	6,000	4,000	3,780	220
Letter of Credit Fees	200,000	210,000	208,569	1,431
Bond Interest - Series 2006B	120,000	114,000	109,648	4,352
Bond Principal - Series 2006B	240,000	240,000	240,000	-
LOC Renewal	5,000	2,000	2,000	-
Contingency	9,400	-	-	-
Total Expenditures	<u>590,000</u>	<u>579,000</u>	<u>573,288</u>	<u>5,712</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,149)	(12,149)	(62,098)	(49,949)
OTHER FINANCING SOURCES (USES)				
Transfers In	43,335	43,335	-	(43,335)
Transfers Out	-	(31,000)	(29,787)	1,213
Total Other Financing Sources (Uses)	<u>43,335</u>	<u>12,335</u>	<u>(29,787)</u>	<u>(42,122)</u>
NET CHANGE IN FUND BALANCE	20,186	186	(91,885)	(92,071)
FUND BALANCE - BEGINNING OF YEAR	<u>659,965</u>	<u>732,060</u>	<u>732,060</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 680,151</u>	<u>\$ 732,246</u>	<u>\$ 640,175</u>	<u>\$ (92,071)</u>

**ARISTA METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND - INFRASTRUCTURE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Interest Income	\$ 10,000	\$ 80,000	\$ 73,967	\$ (6,033)
Total Revenues	10,000	80,000	73,967	(6,033)
EXPENDITURES				
Engineering	-	1,800	1,800	-
Parks and recreation	-	4,000	3,688	312
Sensory Park	-	-	95	(95)
Uptown Park	-	14,000	18,526	(4,526)
Shepsfield Park	930,000	1,470,000	1,465,867	4,133
Parcel A	-	1,200	1,200	-
Terrace Ponds Park	1,800,000	1,680,000	1,678,253	1,747
Gallery Park	50,000	50,000	47,978	2,022
Parkland Extension	200,000	23,000	22,750	250
Project Management Fee	-	6,000	-	6,000
Contingency	80,000	-	-	-
Total Expenditures	3,060,000	3,250,000	3,240,157	9,843
NET CHANGE IN FUND BALANCE	(3,050,000)	(3,170,000)	(3,166,190)	3,810
FUND BALANCE - BEGINNING OF YEAR	4,832,044	4,531,438	4,531,438	-
FUND BALANCE - END OF YEAR	\$ 1,782,044	\$ 1,361,438	\$ 1,365,248	\$ 3,810

OTHER INFORMATION

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2019**

Year Ended December 31,	\$70,505,000 General Obligation Refunding & Improvement Bonds, Series 2018A, Dated August 16, 2018 Interest Rate 4.375%-5.125% Interest Payable June 1 and December 1 Principal Due December 1			\$3,704,000 Subordinate, General Obligation Refunding & Improvement Bonds, Series 2018B, Dated August 16, 2018 Interest Rate 7.00% Interest Payable December 15 Principal Due December 15		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ -	\$ 3,542,381	\$ 3,542,381	\$ -	\$ 259,280	\$ 259,280
2021	-	3,542,381	3,542,381	-	259,280	259,280
2022	-	3,542,381	3,542,381	-	259,280	259,280
2023	110,000	3,542,381	3,652,381	-	259,280	259,280
2024	1,025,000	3,537,569	4,562,569	-	259,280	259,280
2025	1,080,000	3,492,725	4,572,725	-	259,280	259,280
2026	1,230,000	3,445,475	4,675,475	-	259,280	259,280
2027	1,285,000	3,391,663	4,676,663	-	259,280	259,280
2028	1,425,000	3,335,444	4,760,444	-	259,280	259,280
2029	1,360,000	3,273,100	4,633,100	-	259,280	259,280
2030	1,525,000	3,205,100	4,730,100	-	259,280	259,280
2031	1,600,000	3,128,850	4,728,850	-	259,280	259,280
2032	1,775,000	3,048,850	4,823,850	-	259,280	259,280
2033	1,860,000	2,960,100	4,820,100	-	259,280	259,280
2034	2,050,000	2,867,100	4,917,100	-	259,280	259,280
2035	2,155,000	2,764,600	4,919,600	-	259,280	259,280
2036	2,360,000	2,656,850	5,016,850	-	259,280	259,280
2037	2,480,000	2,538,850	5,018,850	-	259,280	259,280
2038	2,705,000	2,414,850	5,119,850	-	259,280	259,280
2039	2,840,000	2,279,600	5,119,600	-	259,280	259,280
2040	3,085,000	2,134,050	5,219,050	-	259,280	259,280
2041	3,245,000	1,975,944	5,220,944	-	259,280	259,280
2042	3,515,000	1,809,637	5,324,637	-	259,280	259,280
2043	3,695,000	1,629,494	5,324,494	-	259,280	259,280
2044	3,990,000	1,440,125	5,430,125	-	259,280	259,280
2045	4,195,000	1,235,637	5,430,637	-	259,280	259,280
2046	4,520,000	1,020,644	5,540,644	-	259,280	259,280
2047	4,750,000	788,994	5,538,994	-	259,280	259,280
2048	10,645,000	545,556	11,190,556	3,704,000	259,280	3,963,280
	<u>\$ 70,505,000</u>	<u>\$ 75,090,331</u>	<u>\$ 145,595,331</u>	<u>\$ 3,704,000</u>	<u>\$ 7,519,120</u>	<u>\$ 11,223,120</u>

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2019**

<u>Year Ended December 31,</u>	Total 2018 Series		
	Principal	Interest	Total
2020	\$ -	\$ 3,801,661	\$ 3,801,661
2021	-	3,801,661	3,801,661
2022	-	3,801,661	3,801,661
2023	110,000	3,801,661	3,911,661
2024	1,025,000	3,796,849	4,821,849
2025	1,080,000	3,752,005	4,832,005
2026	1,230,000	3,704,755	4,934,755
2027	1,285,000	3,650,943	4,935,943
2028	1,425,000	3,594,724	5,019,724
2029	1,360,000	3,532,380	4,892,380
2030	1,525,000	3,464,380	4,989,380
2031	1,600,000	3,388,130	4,988,130
2032	1,775,000	3,308,130	5,083,130
2033	1,860,000	3,219,380	5,079,380
2034	2,050,000	3,126,380	5,176,380
2035	2,155,000	3,023,880	5,178,880
2036	2,360,000	2,916,130	5,276,130
2037	2,480,000	2,798,130	5,278,130
2038	2,705,000	2,674,130	5,379,130
2039	2,840,000	2,538,880	5,378,880
2040	3,085,000	2,393,330	5,478,330
2041	3,245,000	2,235,224	5,480,224
2042	3,515,000	2,068,917	5,583,917
2043	3,695,000	1,888,774	5,583,774
2044	3,990,000	1,699,405	5,689,405
2045	4,195,000	1,494,917	5,689,917
2046	4,520,000	1,279,924	5,799,924
2047	4,750,000	1,048,274	5,798,274
2048	14,349,000	804,836	15,153,836
	<u>\$ 74,209,000</u>	<u>\$ 82,609,451</u>	<u>\$ 156,818,451</u>

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2019**

Year Ended December 31,	\$10,100,000			\$7,840,000		
	Parking Structure Tax-Exempt Senior Bonds Series 2006A, Dated June 27, 2006 Remarketed on February 10, 2010, \$8,915,000 Interest Rate Estimated at 1.50% - 3.00% Interest Payable June 1 and December 1			Parking Structure Taxable Senior Bonds Series 2006B, Dated June 27, 2006 Remarketed on February 10, 2010, \$5,600,000 Interest Rate Estimated at 2.00% - 4.50% Interest Payable June 1 and December 1		
	Principal Due December 1			Principal Due December 1		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 430,000	\$ 209,550	\$ 639,550	\$ 255,000	\$ 201,825	\$ 456,825
2021	455,000	196,650	651,650	270,000	190,350	460,350
2022	480,000	183,000	663,000	290,000	178,200	468,200
2023	505,000	168,600	673,600	310,000	165,150	475,150
2024	535,000	153,450	688,450	330,000	151,200	481,200
2025	565,000	137,400	702,400	350,000	136,350	486,350
2026	595,000	120,450	715,450	375,000	120,600	495,600
2027	625,000	102,600	727,600	400,000	103,725	503,725
2028	660,000	83,850	743,850	425,000	85,725	510,725
2029	695,000	64,050	759,050	450,000	66,600	516,600
2030	1,440,000	43,200	1,483,200	1,030,000	46,350	1,076,350
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
2048	-	-	-	-	-	-
	<u>\$ 6,985,000</u>	<u>\$ 1,462,800</u>	<u>\$ 8,447,800</u>	<u>\$ 4,485,000</u>	<u>\$ 1,446,075</u>	<u>\$ 5,931,075</u>

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2019**

<u>Year Ended December 31,</u>	Total 2006 Series		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 685,000	\$ 411,375	\$ 1,096,375
2021	725,000	387,000	1,112,000
2022	770,000	361,200	1,131,200
2023	815,000	333,750	1,148,750
2024	865,000	304,650	1,169,650
2025	915,000	273,750	1,188,750
2026	970,000	241,050	1,211,050
2027	1,025,000	206,325	1,231,325
2028	1,085,000	169,575	1,254,575
2029	1,145,000	130,650	1,275,650
2030	2,470,000	89,550	2,559,550
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
2038	-	-	-
2039	-	-	-
2040	-	-	-
2041	-	-	-
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
2048	-	-	-
	<u>\$ 11,470,000</u>	<u>\$ 2,908,875</u>	<u>\$ 14,378,875</u>

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2019**

<u>Year Ended December 31,</u>	Grand Totals		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 685,000	\$ 4,213,036	\$ 4,898,036
2021	725,000	4,188,661	4,913,661
2022	770,000	4,162,861	4,932,861
2023	925,000	4,135,411	5,060,411
2024	1,890,000	4,101,499	5,991,499
2025	1,995,000	4,025,755	6,020,755
2026	2,200,000	3,945,805	6,145,805
2027	2,310,000	3,857,268	6,167,268
2028	2,510,000	3,764,299	6,274,299
2029	2,505,000	3,663,030	6,168,030
2030	3,995,000	3,553,930	7,548,930
2031	1,600,000	3,388,130	4,988,130
2032	1,775,000	3,308,130	5,083,130
2033	1,860,000	3,219,380	5,079,380
2034	2,050,000	3,126,380	5,176,380
2035	2,155,000	3,023,880	5,178,880
2036	2,360,000	2,916,130	5,276,130
2037	2,480,000	2,798,130	5,278,130
2038	2,705,000	2,674,130	5,379,130
2038	2,840,000	2,538,880	5,378,880
2039	3,085,000	2,393,330	5,478,330
2039	3,245,000	2,235,224	5,480,224
2040	3,515,000	2,068,917	5,583,917
2040	3,695,000	1,888,774	5,583,774
2041	3,990,000	1,699,405	5,689,405
2041	4,195,000	1,494,917	5,689,917
2042	4,520,000	1,279,924	5,799,924
2042	4,750,000	1,048,274	5,798,274
2043	14,349,000	804,836	15,153,836
	<u>\$ 85,679,000</u>	<u>\$ 85,518,326</u>	<u>\$ 171,197,326</u>

**ARISTA METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	Levied	Collected	
2015	\$ 21,717,290	20.000	57.475	\$ 1,682,545	\$ 1,682,547	100.00 %
2016	25,499,850	20.000	57.475	1,975,599 *	1,560,424	78.98
2017	28,809,050	20.000	57.475	2,231,982	2,232,911	100.04
2018	42,091,530	20.000	60.498	3,388,284 *	3,248,114	95.86
2019	40,326,373	20.000	60.498	3,246,192	3,239,036	99.78

Estimated for the
Year Ending
December 31,
2020

\$ 47,634,080	20.000	60.711	\$ 3,844,594
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* In 2016, refunds and abatements totaled \$334,378.

* In 2018, refunds and abatements totaled \$35,153

NOTE: Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes asses in prior years. This presentation does not attempt to identify specific years of assessment.