

**OMNIPARK METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020

**OMNIPARK METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2020**

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Board of Directors
OmniPark Metropolitan District
Douglas County, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the OmniPark Metropolitan District, as of and for the year ended December 31, 2020, 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles 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 each major fund of the OmniPark Metropolitan District as of December 31, 2020, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

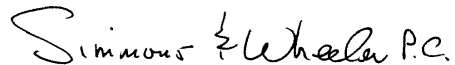
Required Supplementary Information

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 opinions on the financial statements that collectively comprise OmniPark Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

 Simmons & Wheeler P.C.

Englewood, CO
July 28, 2021

BASIC FINANCIAL STATEMENTS

**OMNIPARK METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

| | Governmental Activities |
|--|----------------------------|
| ASSETS | |
| Cash and Investments | \$ 464,116 |
| Cash and Investments - Restricted | 16,100 |
| Receivable - County Treasurer | 3,718 |
| Prepaid Expense | 12,602 |
| Property Taxes Receivable | 500,251 |
| Capital Assets, Not Being Depreciated: | |
| Construction in Progress | 587,861 |
| Land and Land Improvements | 2,093,730 |
| Capital Assets, Net | 161,446 |
| Total Assets | 3,839,824 |
| LIABILITIES | |
| Accounts Payable | 41,597 |
| Total Liabilities | 41,597 |
| DEFERRED INFLOWS OF RESOURCES | |
| Property Tax Revenue | 500,251 |
| Total Deferred Inflows of Resources | 500,251 |
| NET POSITION | |
| Net Investment in Capital Assets | 2,843,037 |
| Restricted for: | |
| Emergency Reserves | 16,100 |
| Unrestricted | 438,839 |
| Total Net Position | \$ 3,297,976 |

See accompanying Notes to Basic Financial Statements.

**OMNIPARK METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | Capital Grants and Contributions | Net Revenues (Expenses) and Change in Net Position |
|---|------------|----------------------------|--|--|---|
| | | Charges for Services | Operating Grants and Contributions | Grants and Contributions | Governmental Activities |
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| General Government (Including Depreciation) | \$ 358,296 | \$ - | \$ 16,922 | \$ - | \$ (341,374) |
| Total Governmental Activities | \$ 358,296 | \$ - | \$ 16,922 | \$ - | (341,374) |
| GENERAL REVENUES | | | | | |
| Property Taxes | | | | | 466,998 |
| Specific Ownership Taxes | | | | | 40,386 |
| Other Income | | | | | 8,237 |
| Net Investment Income | | | | | 3,951 |
| Total General Revenues | | | | | 519,572 |
| CHANGE IN NET POSITION | | | | | 178,198 |
| Net Position - Beginning of Year | | | | | 3,119,778 |
| NET POSITION - END OF YEAR | | | | | \$ 3,297,976 |

See accompanying Notes to Basic Financial Statements.

**OMNIPARK METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

| | General | Capital Projects | Totals Governmental Funds |
|--|-------------------|---------------------|---------------------------------|
| ASSETS | | | |
| Cash and Investments | \$ 453,716 | \$ 10,400 | \$ 464,116 |
| Cash and Investments - Restricted | 16,100 | - | 16,100 |
| Receivable - County Treasurer | 3,718 | - | 3,718 |
| Prepaid Expense | 12,602 | - | 12,602 |
| Property Taxes Receivable | 500,251 | - | 500,251 |
| | <u>\$ 986,387</u> | <u>\$ 10,400</u> | <u>\$ 996,787</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ 31,197 | \$ 10,400 | \$ 41,597 |
| Total Liabilities | <u>31,197</u> | <u>10,400</u> | <u>41,597</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Property Tax Revenue | 500,251 | - | 500,251 |
| Total Deferred Inflows of Resources | <u>500,251</u> | <u>-</u> | <u>500,251</u> |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Prepaid Expense | 12,602 | - | 12,602 |
| Restricted For: | | | |
| Emergency Reserves | 16,100 | - | 16,100 |
| Unassigned | 426,237 | - | 426,237 |
| Total Fund Balances | <u>454,939</u> | <u>-</u> | <u>454,939</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 986,387</u> | <u>\$ 10,400</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. | | | <u>2,843,037</u> |
| Net Position of Governmental Activities | | | <u>\$ 3,297,976</u> |

See accompanying Notes to Basic Financial Statements.

**OMNIPARK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

| | General | Capital Projects | Total Governmental Funds |
|---|-------------------|---------------------|--------------------------------|
| REVENUES | | | |
| Property Taxes | \$ 466,998 | \$ - | \$ 466,998 |
| Specific Ownership Taxes | 40,386 | - | 40,386 |
| Net Investment Income | 3,951 | - | 3,951 |
| Other Income | 8,237 | - | 8,237 |
| In-Lieu Fees | 16,922 | - | 16,922 |
| Total Revenues | <u>536,494</u> | <u>-</u> | <u>536,494</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Accounting | 24,439 | - | 24,439 |
| Audit | 8,027 | - | 8,027 |
| County Treasurer's Fees | 7,012 | - | 7,012 |
| Directors' Fees | 3,600 | - | 3,600 |
| Dues and Subscriptions | 1,314 | - | 1,314 |
| Engineering | 5,787 | 880 | 6,667 |
| Insurance and Bonds | 12,192 | - | 12,192 |
| Irrigation - Utilities | 2,961 | - | 2,961 |
| Irrigation - Water | 34,211 | - | 34,211 |
| Landscape - Maintenance Contract | 98,940 | - | 98,940 |
| Landscape - Tree Replacement | 20,822 | - | 20,822 |
| Landscape Repairs | 25,243 | - | 25,243 |
| Legal | 17,836 | - | 17,836 |
| Management | 49,196 | 5,621 | 54,817 |
| Miscellaneous | 1,657 | - | 1,657 |
| Seasonal Lighting | 17,535 | - | 17,535 |
| Capital Expenditures: | | | |
| Signage Monumentation | - | 210,091 | 210,091 |
| Total Expenditures | <u>332,725</u> | <u>216,592</u> | <u>549,317</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 203,769 | (216,592) | (12,823) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In (Out) | (216,592) | 216,592 | - |
| Total Other Financing Sources (Uses) | <u>(216,592)</u> | <u>216,592</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (12,823) | - | (12,823) |
| Fund Balances - Beginning of Year | <u>467,762</u> | <u>-</u> | <u>467,762</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 454,939</u> | <u>\$ -</u> | <u>\$ 454,939</u> |

See accompanying Notes to Basic Financial Statements.

**OMNIPARK 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, 2020**

| | |
|--|-------------|
| Net Change in Fund Balances - Governmental Funds | \$ (12,823) |
|--|-------------|

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

Governmental funds report capital outlays 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 | 210,091 |
| Depreciation Expense | <u>(19,070)</u> |

| | |
|---|-------------------|
| Change in Net Position of Governmental Activities | <u>\$ 178,198</u> |
|---|-------------------|

**OMNIPARK METROPOLITAN DISTRICT
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

| | Original and Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------------------|-------------------|---|
| REVENUES | | | |
| Property Taxes | \$ 468,198 | \$ 466,998 | \$ (1,200) |
| Specific Ownership Taxes | 42,138 | 40,386 | (1,752) |
| Net Investment Income | 8,000 | 3,951 | (4,049) |
| Other Income | - | 8,237 | 8,237 |
| In-Lieu Fees | 17,100 | 16,922 | (178) |
| Total Revenues | <u>535,436</u> | <u>536,494</u> | <u>1,058</u> |
| EXPENDITURES | | | |
| Accounting | 26,000 | 24,439 | 1,561 |
| Audit | 10,500 | 8,027 | 2,473 |
| County Treasurer's Fees | 7,023 | 7,012 | 11 |
| Detention Pond Repair and Maintenance | 30,000 | - | 30,000 |
| Directors' Fees | 3,600 | 3,600 | - |
| Dues and Subscriptions | 1,000 | 1,314 | (314) |
| Engineering | 10,000 | 5,787 | 4,213 |
| Insurance and Bonds | 11,664 | 12,192 | (528) |
| Irrigation - Utilities | 4,000 | 2,961 | 1,039 |
| Irrigation - Water | 35,000 | 34,211 | 789 |
| Landscape - Maintenance Contract | 98,940 | 98,940 | - |
| Landscape - Tree Maintenance | 32,650 | 20,822 | 11,828 |
| Landscape Repairs | 39,500 | 25,243 | 14,257 |
| Legal | 25,000 | 17,836 | 7,164 |
| Management | 50,000 | 49,196 | 804 |
| Miscellaneous | 6,110 | 1,657 | 4,453 |
| Seasonal Lighting | 18,500 | 17,535 | 965 |
| Total Expenditures | <u>410,687</u> | <u>332,725</u> | <u>77,962</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 124,749 | 203,769 | 79,020 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In (Out) | (279,500) | (216,592) | 62,908 |
| Total Other Financing Sources (Uses) | <u>(279,500)</u> | <u>(216,592)</u> | <u>62,908</u> |
| NET CHANGE IN FUND BALANCE | (154,751) | (12,823) | 141,928 |
| Fund Balance - Beginning of Year | <u>426,025</u> | <u>467,762</u> | <u>41,737</u> |
| FUND BALANCE - END OF YEAR | <u>\$ 271,274</u> | <u>\$ 454,939</u> | <u>\$ 183,665</u> |

See accompanying Notes to Basic Financial Statements.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 DEFINITION OF REPORTING ENTITY

Omnipark Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, located entirely in Douglas County, Colorado, was organized on November 14, 1996, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was established to provide for construction and financing for street, safety control, water, sanitation and park and recreation facilities and improvements. After construction and acceptance by the County and other local governments, these entities will be responsible for the perpetual maintenance of all facilities, except certain parks and recreation landscaping areas, which will remain the responsibility of the District.

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

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 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 taxes.

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.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect 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 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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property, plant, and equipment are shown as increases in assets and redemption of bonds and notes 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 government considers revenues to be available if they are after the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. 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 Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

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.

Investments are carried at fair value.

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.

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 infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns 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.

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 component of the District's assets.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

| | |
|--------------------------|----------|
| Irrigation System | 20 Years |
| Electrical System | 25 Years |
| Streetscape Improvements | 20 Years |

Deferred Inflows 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.

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.

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.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

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 balance 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, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position and Balance Sheet:

| | |
|-----------------------------------|------------|
| Cash and Investments | \$ 464,116 |
| Cash and Investments - Restricted | 16,100 |
| Total | \$ 480,216 |

Cash and investments as of December 31, 2020, consist of the following:

| | |
|--------------------------------------|------------|
| Deposits with Financial Institutions | \$ 22,892 |
| Investments | 457,324 |
| Total Cash and Investments | \$ 480,216 |

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.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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, 2020, the District's cash deposits had a bank balance of \$44,764 and a carrying balance of \$22,892.

Investments

The District has not adopted a formal investment policy; however, the District 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 obligations 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

As of December 31, 2020, the District had the following investments:

| <u>Investment</u> | <u>Maturity</u> | <u>Amount</u> |
|--|-----------------------------------|-------------------|
| Colorado Local Government Liquid Asset Trust (COLOTRUST) | Weighted-Average under 60 days | \$ <u>457,324</u> |

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), 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 at 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 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2020 follows:

| | Balance - December 31, 2019 | Increases | Decreases | Balance - December 31, 2020 |
|---|-----------------------------------|-------------------|-------------|-----------------------------------|
| Capital Assets, Not Being Depreciated: | | | | |
| Construction in Progress | \$ 377,770 | \$ 210,091 | \$ - | \$ 587,861 |
| Land and Land Improvements | 2,093,730 | - | - | 2,093,730 |
| Total Capital Assets, Not Being Depreciated | 2,471,500 | 210,091 | - | 2,681,591 |
| Capital Assets, Being Depreciated: | | | | |
| Streetscape Improvements | 136,975 | - | - | 136,975 |
| Irrigation System | 226,022 | - | - | 226,022 |
| Electrical System | 22,993 | - | - | 22,993 |
| Total Capital Assets, Being Depreciated | 385,990 | - | - | 385,990 |
| Less Accumulated Depreciation For: | | | | |
| Streetscape Improvements | (10,273) | (6,849) | - | (17,122) |
| Irrigation System | (184,624) | (11,301) | - | (195,925) |
| Electrical System | (10,577) | (920) | - | (11,497) |
| Total Accumulated Depreciation | (205,474) | (19,070) | - | (224,544) |
| Total Capital Assets, Being Depreciated, Net | 180,516 | (19,070) | - | 161,446 |
| Capital Assets, Net | <u>\$ 2,652,016</u> | <u>\$ 191,021</u> | <u>\$ -</u> | <u>\$ 2,843,037</u> |

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 CAPITAL ASSETS (CONTINUED)

For the year ended December 31, 2020, depreciation expense of \$19,070 was charged to the District's general government activities.

NOTE 5 LONG-TERM OBLIGATIONS

Authorized Debt

On November 5, 1996, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$20,000,000 at an interest rate to be determined by the District. On May 2, 2000, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$500,000 at an interest rate not to exceed 12% per annum. At December 31, 2020, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

| | Authorized November 5, 1996 Election | Authorized May 2, 2000 Election | Authorization Used | Remaining at December 31, 2020 |
|--|---|--|-----------------------|---|
| Streets | \$ 4,000,000 | \$ - | \$ 3,906,801 | \$ 93,199 |
| Parks and Recreation | 1,000,000 | - | 712,915 | 287,085 |
| Traffic and Safety | 200,000 | - | 158,456 | 41,544 |
| Water | 2,200,000 | - | 1,786,385 | 413,615 |
| Sanitary Sewer | 2,200,000 | - | 695,038 | 1,504,962 |
| Public Transportation | 150,000 | - | 135,405 | 14,595 |
| Television Relay and Translation Operations | 250,000 | - | - | 250,000 |
| | - | 500,000 | - | 500,000 |
| Refunding of Debt | 10,000,000 | - | 530,000 | 9,470,000 |
| Total | <u>\$ 20,000,000</u> | <u>\$ 500,000</u> | <u>\$ 7,925,000</u> | <u>\$ 12,575,000</u> |

Per the Service Plan, the District is limited to issuing \$5,000,000 in debt. Issuance of any debt beyond \$5,000,000 would require an amendment to the Service Plan unless the issuance of such bonds is exempt from registration under the Colorado Municipal Bond Supervision Act. As of December 31, 2020, all debt issued beyond \$5,000,000 has been exempt from registration.

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.

NOTE 6 NET POSITION

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

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 NET POSITION (CONTINUED)

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, 2020, the District had net investment in capital assets calculated as follows:

| | Governmental Activities |
|-----------------------------------|----------------------------|
| Net Investment in Capital Assets: | |
| Capital Assets, Net | \$ 2,843,037 |
| Net Investment in Capital Assets | \$ 2,843,037 |

Restricted assets include net position 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, 2020, as follows:

| | Governmental Activities |
|-------------------------------|----------------------------|
| Restricted Net Position: | |
| Emergency Reserves | \$ 16,100 |
| Total Restricted Net Position | \$ 16,100 |

The District's unrestricted net position as of December 31, 2020 totaled \$438,839.

NOTE 7 AGREEMENTS

Exclusion Agreement

On December 6, 2012, the District entered into an Exclusion Agreement with Meadows Corporate Center Joint Venture (MCC) and Lincoln Station Investment Partners LP (Lincoln Station) to exclude certain real property (the Property) from the District. The District agrees to fund certain capital improvements (the Project) for benefit of the Property as well as continued service to the Property. The Property owners agree to pay its proportionate share for continued service and the District's outstanding general obligation debt.

In order to receive continuing services provided by the District, specifically maintenance of landscaping in the right-of-ways adjacent to the Property, the Property owners agree to pay an annual fee of \$15,000 (commencing with the taxing year 2013, collection year 2014). This fee will be adjusted, up or down, by the change in the Denver-Aurora-Lakewood CPI Index.

NOTE 8 INTERFUND TRANSFERS

The transfer from the General Fund to the Capital Projects Fund in the amount of \$216,592 was to fund capital expenditures.

**OMNIPARK METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 9 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 is a member of the Colorado Special Districts Property and Liability Pool (the 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, workers' compensation, 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.

NOTE 10 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 that apply to the state of Colorado and all local governments.

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 salary or benefit increases.

On November 7, 2000, the majority of the District's electors authorized the District to increase taxes for general operations by \$500,000 annually and for debt service on existing and future bonds by \$32,875,000 without regard to any limitations under TABOR.

The District's management believes it is in compliance 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

**OMNIPARK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

| | Original and Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------------------|-------------------|---|
| REVENUES | | | |
| Net Investment Income | \$ - | \$ - | \$ - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Legal | 5,000 | - | 5,000 |
| Management | 10,000 | 5,621 | 4,379 |
| Engineering | 7,500 | 880 | 6,620 |
| Miscellaneous | 1,000 | - | 1,000 |
| Capital Expenditures | 50,000 | - | 50,000 |
| Signage Monumentation | 206,000 | 210,091 | (4,091) |
| Total Expenditures | <u>279,500</u> | <u>216,592</u> | <u>62,908</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (279,500) | (216,592) | 62,908 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In (Out) | 279,500 | 216,592 | (62,908) |
| Total Other Financing Sources (Uses) | <u>279,500</u> | <u>216,592</u> | <u>(62,908)</u> |
| NET CHANGE IN FUND BALANCE | - | - | - |
| Fund Balance - Beginning of Year | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

OTHER INFORMATION

**OMNIPARK METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2020**

| Year Ended December 31, | Prior Year Assessed Valuation for Current Year Tax Levy* | Mills Levied for | | Total Property Taxes | | Percent Collected to Levied |
|---|--|------------------|--------------|-------------------------|--------------|-----------------------------------|
| | | General | Debt Service | Levied | Collected | |
| 2016 | \$ 46,856,090 | 9.000 | 16.000 | \$ 1,145,233 | \$ 1,140,206 | 99.50 % |
| 2017 | 49,422,240 | 9.000 | 16.000 | 1,184,454 | 1,181,212 | 99.70 |
| 2018 | 59,502,120 | 9.000 | 11.200 | 1,143,016 | 1,142,786 | 99.98 |
| 2019 | 52,822,650 | 9.000 | - | 475,404 | 475,404 | 100.00 |
| 2020 | 52,022,010 | 9.000 | - | 468,198 | 466,998 | 99.74 |
| Estimated for the Year Ending December 31, 2021 | \$ 55,583,440 | 9.000 | - | \$ 500,251 | | |

* Includes the assessed valuation of property excluded for debt only through the year ended December 31, 2018.

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