



**CliftonLarsonAllen**

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**Accountant's Compilation Report**

Board of Directors  
Mirabelle Metropolitan District No. 2

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Mirabelle Metropolitan District No. 2 for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Mirabelle Metropolitan District No. 2.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
January 26, 2020

**MIRABELLE METROPOLITAN DISTRICT NO. 2  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ 1	\$ -
REVENUES			
Property taxes	1	1	1,246
Specific ownership tax	-	-	115
Interest income	-	-	5,000
Bond proceeds	-	-	33,873,000
Intergovernmental revenues	-	-	7,511
Total revenues	<u>1</u>	<u>1</u>	<u>33,886,872</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>7,108,000</u>
Total funds available	<u>1</u>	<u>2</u>	<u>40,994,872</u>
EXPENDITURES			
General Fund	-	2	455
Debt Service Fund	-	-	1,216,168
Capital Projects Fund	-	-	26,765,000
Total expenditures	<u>-</u>	<u>2</u>	<u>27,981,623</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>7,108,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>2</u>	<u>35,089,623</u>
ENDING FUND BALANCES	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 5,905,249</u>
SURPLUS FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,519,424</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,519,424</u>

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

**MIRABELLE METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2020 BUDGET**  
**WITH 2018 ACTUAL AND 2019 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/26/20

ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
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**ASSESSED VALUATION**

Agricultural	\$ 20	\$ 20	\$ 14,920
Certified Assessed Value	\$ 20	\$ 20	\$ 14,920

**MILL LEVY**

General	27.638	27.638	27.831
Debt Service	0.000	0.000	55.664
Total mill levy	27.638	27.638	83.495

**PROPERTY TAXES**

General	\$ 1	\$ 1	\$ 415
Debt Service	-	-	831
Levied property taxes	1	1	1,246
Budgeted property taxes	\$ 1	\$ 1	\$ 1,246

**BUDGETED PROPERTY TAXES**

General	\$ 1	\$ 1	\$ 415
Debt Service	-	-	831
	\$ 1	\$ 1	\$ 1,246

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

**MIRABELLE METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ 1	\$ -
REVENUES			
Property taxes	1	1	415
Specific ownership tax	-	-	40
Total revenues	<u>1</u>	<u>1</u>	<u>455</u>
Total funds available	<u>1</u>	<u>2</u>	<u>455</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	6
Intergovernmental expenditure	-	2	449
Total expenditures	<u>-</u>	<u>2</u>	<u>455</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>2</u>	<u>455</u>
ENDING FUND BALANCES	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

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

**MIRABELLE METROPOLITAN DISTRICT NO. 2  
DEBT SERVICE FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	831
Specific ownership tax	-	-	75
Interest income	-	-	5,000
Intergovernmental revenues	-	-	7,511
Total revenues	<u>-</u>	<u>-</u>	<u>13,417</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>7,108,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>7,121,417</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	12
Debt Service			
Paying agent fees	-	-	6,000
Bond interest Series 2020A	-	-	1,210,156
Total expenditures	<u>-</u>	<u>-</u>	<u>1,216,168</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>1,216,168</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,905,249</u>
SURPLUS FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,519,424</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,519,424</u>

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

**MIRABELLE METROPOLITAN DISTRICT NO. 2  
CAPITAL PROJECTS FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

1/26/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Bond proceeds	-	-	33,873,000
Total revenues	<u>-</u>	<u>-</u>	<u>33,873,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>33,873,000</u>
EXPENDITURES			
Capital Projects			
Bond issue costs	-	-	979,390
Intergovernmental expenditure	-	-	25,785,610
Total expenditures	<u>-</u>	<u>-</u>	<u>26,765,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>7,108,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>33,873,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**MIRABELLE METROPOLITAN DISTRICT NO. 2**  
**2020 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by the order and decree of the District Court for Douglas County on June 25, 1980, and is governed pursuant to provisions of the Colorado Special District Act (Title 32 Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County.

The District's election held on November 8, 2016 authorized debt of \$900,000,000 for street improvements, water, park and recreation, sanitation/sewer, mosquito control, security, transportation, safety protection, television relay and translation, and fire protection. Additionally, the District authorized the District's taxes be increased \$2,000,000 annually to pay the District's general and administrative costs.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected.

**MIRABELLE METROPOLITAN DISTRICT NO. 2  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Bond Issuance**

The District anticipates issuing general obligation bonds. Bond proceeds will be used to pay infrastructure costs, bond issue costs and capitalized interest. Significant terms of the bond issuance will be determined at the time of issuance.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.0%.

**Intergovernmental Revenues**

The District anticipates the collection of taxes in District No. 1 which will be transferred to fund debt service expenditures of District No. 2.

**Expenditures**

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collection.

**Intergovernmental Expenditures**

Pursuant to an Intergovernmental Agreement with Mirabelle Metropolitan District No. 1, the intergovernmental expenditures represent transfers to Mirabelle Metropolitan District No. 1 to provide funding for the overall administrative and operating costs, as well as capital expenditures for the District.

**Debt Services Expenditures**

The District anticipates issuing general obligation bonds in 2020.

**Reserves**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

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