

2019 SUMMARY OF METROPOLITAN DISTRICTS

NOVEMBER 17, 2020



WHAT IS A METROPOLITAN DISTRICT?

- Taxing entity separate from the Town
- Finances public improvements that benefit property owners in the district
- Debt is repaid primarily through property taxes

THERE ARE 41 METROPOLITAN DISTRICTS IN THE TOWN, FIVE ARE CURRENTLY INACTIVE.

REVIEW OF THE 2019 METRO DISTRICT SUBMISSIONS

HIGHLIGHTS INCLUDE:

Total metro district debt is \$793M, increase of \$26.3M over 2018

- No new debt issuances
- Accumulating interest and developer advances

Of the total outstanding debt

- \$55.7M, or 7 percent , represents developer debt
- \$309.8M, or 39 percent, represents outstanding principal
- \$427.9M, or 54 percent, represents accrued interest

REVIEW OF THE 2019 METRO DISTRICT SUBMISSIONS

(CONT'D)

PUTTING IT INTO PERSPECTIVE:

Total property tax collected by the metro districts	\$ 24,967,505
Property tax collected by the Town	\$ 1,483,121
Town property tax as % of metro district collections	6%
Sales tax collected by the Town in 2019	\$ 51 million

DISTRICT SPECIFIC INFORMATION NOTED IN THE STAFF REPORT

METRO DISTRICT POLICY UPDATE

PROGRESS TO DATE

- Council directed staff to form a study group to analyze metropolitan district policy and draft a sample service plan
- Internal meetings to analyze / discuss current and proposed policy considerations
 - Policy considerations could include, but are not limited to:
 - Maximum term limits on debt, not to exceed the useful life of the asset it funded
 - Cap on mill levy
 - Restrictions on subordinate debt and/or developer advances

METRO DISTRICT POLICY (CONT'D)

PROGRESS TO DATE (CONT'D)

- Policy considerations could include, but are not limited to: (cont'd)
 - Restrictions on subordinate debt and/or developer advances
 - Additional notification requirements to metropolitan district property owners
 - Regional Mill Levy dedicate to the Town for capital needs due to growth
- Preliminary draft of the service plan to Council in October, 2020
- Engaging external consultants to review the draft service plan
- Staff will bring back to Council in early 2021



NOTE: The information presented in this report was generated from a review of the Metro District Annual Reports. Our review is based on the information presented in these documents, statements submitted by management, and a conservative projection of future market and revenue trends. We have not performed a full audit of the information. Accordingly, the statements and conclusions in this report represent the Town's analysis of the information provided and do not predict future performance of the Metro Districts.

QUESTIONS?
THANK YOU