



Certified Public Accountants and Business Consultants

Accountant's Compilation Report

Board of Directors
Jeffco Business Center Metropolitan District No. 1
City and County of Broomfield, Colorado

Management is responsible for the accompanying budget of revenues, expenditures and fund balances of Jeffco Business Center Metropolitan District No. 1 for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, the actual comparative information for the year ending December 31, 2016, and the adopted budget for the year ending December 31, 2017 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. 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.

We draw attention to the Budget Message included in the budget submission to the State of Colorado which describes that the budgetary basis of accounting is the modified accrual basis in accordance with the requirements of Colorado Revised Statutes 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 Jeffco Business Center Metropolitan District No. 1.

Barnes Griggs & Associates, PC

Lakewood, Colorado
January 8, 2018

Barnes Griggs & Associates, PC

JEFFCO BUSINESS CENTER METROPOLITAN DISTRICT NO. 1
Assessed Value, Property Tax and Mill Levy Information

	2016 Actual	2017 Adopted Budget	2018 Adopted Budget
Assessed Valuation	\$ 3,662,810	\$ 3,769,680	\$ 4,136,440
Mill Levy			
General Fund	6.000	6.000	6.000
Debt Service Fund	29.000	29.000	29.000
Total Mill Levy	<u>35.000</u>	<u>35.000</u>	<u>35.000</u>
Property Taxes			
General Fund	\$ 21,977	\$ 22,618	\$ 24,819
Debt Service Fund	106,221	109,321	119,957
Actual/Budgeted Property Taxes	<u>\$ 128,198</u>	<u>\$ 131,939</u>	<u>\$ 144,776</u>

JEFFCO BUSINESS CENTER METROPOLITAN DISTRICT NO. 1

**GENERAL FUND
2018 Adopted Budget
with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated**

	2016 Actual	2017 Adopted Budget	2017 Estimated	2018 Adopted Budget
BEGINNING FUND BALANCE	\$ 9,840	\$ 10,336	\$ 6,927	\$ 4,999
REVENUE				
Property Tax Revenue	22,161	22,618	22,618	24,819
Specific Ownership Taxes	7,121	5,000	7,407	8,687
Interest Income	5	-	9	9
Total Revenue	29,286	27,618	30,034	33,515
Total Funds Available	39,125	37,954	36,961	38,514
EXPENDITURES				
Accounting	7,751	6,100	6,100	6,222
District Management	4,278	4,000	4,000	4,080
Audit	251	300	300	300
Election Expense	611	-	-	1,000
Insurance and Bonds/SDA	4,034	4,000	4,000	4,400
Legal	4,290	2,800	2,800	2,856
Legal Publications	73	150	150	150
Miscellaneous	578	330	330	330
Treasurer's Fees	333	339	339	372
Reimburse Dev Advance	10,000	12,000	12,000	14,000
Contingency	-	5,993	-	2,686
Sub-Total	32,199	36,012	30,019	36,396
Transfers				
Transfer to Debt Service	-	1,113	1,113	1,113
Emergency Reserve	-	829	829	1,005
Total Expenditures	32,199	37,954	31,961	38,514
Total Expenditures Requiring Appropriation	32,199	37,954	31,961	38,514
ENDING FUND BALANCE	\$ 6,927	\$ -	\$ 4,999	\$ -

JEFFCO BUSINESS CENTER METROPOLITAN DISTRICT NO. 1

**DEBT SERVICE FUND
2018 Adopted Budget
with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated**

	2016 Actual	2017 Adopted Budget	2017 Estimated	2018 Adopted Budget
BEGINNING FUND BALANCE	\$ (1,779)	\$ -	\$ 1,519	\$ 1,562
REVENUE				
Property Tax Revenue	106,038	109,321	109,321	119,957
Interest Income	1	-	43	40
Transfer from General Fund	-	1,113	1,113	1,113
Total Revenue	106,038	110,434	110,477	121,110
Total Funds Available	104,260	110,434	111,996	122,672
EXPENDITURES				
Bond Interest	101,000	108,644	108,644	120,723
Paying Agent Fees	150	150	150	150
Treasurer's Fees	1,591	1,640	1,640	1,799
Total Expenditures	102,741	110,434	110,434	122,672
Total Expenditures Requiring Appropriation	102,741	110,434	110,434	122,672
ENDING FUND BALANCE	\$ 1,519	\$ -	\$ 1,562	\$ -

JEFFCO BUSINESS CENTER METROPOLITAN DISTRICT NO.1

2018 Budget Message

Introduction

The District was formed in 2000 for the purpose of providing design, acquisition, construction, installation, and financing of certain infrastructure improvements within and outside the boundaries of the District including water, sanitation, streets, safety protection, park and recreation, transportation, and television relay and translation services. When appropriate, these improvements have been dedicated to the City and County of Broomfield, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

The 2018 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2018 fiscal year based on available revenues. This budget provides for the annual debt service on the District's General Obligation Debt as well as the general operation of the District.

The District's assessed value increased 9.73% to \$4,136,440 in 2017. The District assessed a total mill of 35.000 mills for taxes collected in 2018 fiscal year with 29.000 mills dedicated to the Debt Service Fund and 6.000 mills dedicated to the General Fund.

Budgetary Basis of Accounting

The District uses funds to budget and report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds comprise the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within 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. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

The **General Fund** is used to account for revenue traditionally associated with government such as property taxes, specific ownership tax. Expenditures include District administration, legal services, and other expenses related to statutory operations of a local government.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. Below is a summary of the District's long-term debt.

Summary of Debt Outstanding

JEFFCO BUSINESS CENTER METROPOLITAN DISTRICT NO. 1

<u>Bonds Principal Interest Maturing in the Year Ending December 31,</u>	\$2,020,000 Series 2000 General Obligation Bonds		
	Principal	Interest	Total
2004		113,167	113,167
2005	4,000	95,992	99,992
2006	34,000	87,770	121,770
2007	56,000	85,782	141,782
2008	66,000	85,041	151,041
2009	80,000	84,144	164,144
2010	86,000	84,944	170,944
2011	100,000	71,266	171,266
2012	110,000	65,960	175,960
2013	126,000	69,960	195,960
2014	134,000	72,960	206,960
2015	156,000	69,960	225,960
2016	170,000	59,960	229,960
2017	190,000	109,960	299,960
2018	204,000	160,960	364,960
2019	236,000	160,960	396,960
2020	260,000	160,960	420,960
Total	\$ 2,012,000	\$ 1,639,746	\$ 3,651,746

Note: The District has been unable to make Principal Payments beginning in 2005 and has made only partial payments of interest. Future payment of principal and interest will depend upon revenue sources. The District has budgeted to make only interest payments in 2018 and does not anticipate any principal reduction.

Emergency Reserve

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.