

BRADBURN METROPOLITAN DISTRICT NO. 3

**2018 ANNUAL REPORT
TO
THE CITY OF WESTMINSTER**

Pursuant to the Consolidated Service Plan for Bradburn Metropolitan District Nos. 1, 2 and 3, as modified by the First Modification and Second Modification to the Original Consolidated Service Plan, Bradburn Metropolitan District No. 3 (the “District”) reports the following information to the City of Westminster for the year ending December 31, 2018.

1. Boundary changes made or proposed.

There were no boundary changes made or proposed in 2018.

2. Intergovernmental Agreements with other governmental bodies entered into or proposed.

The District did not enter into any Intergovernmental Agreements in 2018.

3. Changes or proposed changes in the District’s policies.

There were no changes or proposed changes in the Districts’ policies in 2018.

4. Changes or proposed changes in the District’s operations.

There were no changes or proposed changes in the Districts’ operations in 2018.

5. Changes in the financial status of the District including revenue projections or operating costs.

Please see the District’s adopted 2018 budget, attached as **Exhibit A**.

6. A summary of any litigation which involves the District.

To our actual knowledge, based on review of the court records in Adams County, there is no litigation involving the District as of December 31, 2018.

7. Proposed plans for the year immediately following the year summarized in the Annual Report.

The District does not anticipate constructing any public improvements in 2019.

8. Status of Public Improvement Construction Schedule.

There were no public improvements constructed by the District in 2018.

9. Submission of current assessed valuation in the District.

The 2018 assessed valuation of the District is attached hereto as **Exhibit B**.

10. Submission of the next year's budget and anticipated assessed mill levy to service the general obligation debt as well as the operations and maintenance costs.

A copy of the District's 2019 budget is attached as **Exhibit A**.

Respectfully submitted this ____ day of October, 2019.

EXHIBIT A
2018/2019 Budgets



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Report

Board of Directors
Bradburn Metropolitan District No. 3

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Bradburn Metropolitan District No. 3 for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ended December 31, 2017, 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 Bradburn Metropolitan District No. 3.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 25, 2019

**BRADBURN METROPOLITAN DISTRICT NO. 3
SUMMARY
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 319,516	\$ 427,448	\$ 608,051
REVENUES			
Property taxes	530,576	664,500	674,110
Specific ownership tax	51,240	54,100	40,447
Interest income	6,161	7,000	8,000
Total revenues	<u>587,977</u>	<u>725,600</u>	<u>722,557</u>
Total funds available	<u>907,493</u>	<u>1,153,048</u>	<u>1,330,608</u>
EXPENDITURES			
General Fund	29,988	90,000	128,000
Debt Service Fund	450,057	454,997	455,000
Total expenditures	<u>480,045</u>	<u>544,997</u>	<u>583,000</u>
Total expenditures and transfers out requiring appropriation	<u>480,045</u>	<u>544,997</u>	<u>583,000</u>
ENDING FUND BALANCES	<u>\$ 427,448</u>	<u>\$ 608,051</u>	<u>\$ 747,608</u>
EMERGENCY RESERVE	\$ 3,400	\$ 3,900	\$ 3,900
RESERVED FUND	287,200	287,200	287,200
SURPLUS FUND	90,019	231,522	370,567
TOTAL RESERVE	<u>\$ 380,619</u>	<u>\$ 522,622</u>	<u>\$ 661,667</u>

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

BRADBURN METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/25/19

ACTUAL	ESTIMATED	BUDGET
2017	2018	2019

ASSESSED VALUATION - ADAMS COUNTY

Residential	\$ 13,734,060	\$ 16,141,750	\$ 16,077,780
Commercial	275,820	39,820	349,100
State assessed	1,030	1,070	960
Vacant land	219,590	238,720	238,720
Personal property	238,010	262,410	257,280
Certified Assessed Value	\$ 14,468,510	\$ 16,683,770	\$ 16,923,840

MILL LEVY

General	7.108	7.108	7.108
Debt Service	29.600	32.724	32.724
Total mill levy	36.708	39.832	39.832

PROPERTY TAXES

General	\$ 102,841	\$ 118,588	\$ 120,294
Debt Service	428,268	545,960	553,816
Levied property taxes	531,109	664,548	674,110
Adjustments to actual/rounding	(533)	-	-
Budgeted property taxes	\$ 530,576	\$ 664,548	\$ 674,110

BUDGETED PROPERTY TAXES

General	\$ 102,738	\$ 118,588	\$ 120,294
Debt Service	427,838	545,960	553,816
Budgeted property taxes	\$ 530,576	\$ 664,548	\$ 674,110

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

**BRADBURN METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ (32,944)	\$ 50,229	\$ 89,329
REVENUES			
Property taxes	102,738	118,500	120,294
Specific ownership tax	9,922	9,600	7,218
Interest income	501	1,000	1,000
Total revenues	<u>113,161</u>	<u>129,100</u>	<u>128,512</u>
Total funds available	<u>80,217</u>	<u>179,329</u>	<u>217,841</u>
EXPENDITURES			
General and administrative			
Accounting	13,177	17,000	17,000
Auditing	4,500	4,725	5,000
County Treasurer's fee	1,541	1,779	1,804
Dues and licenses	275	372	500
Insurance and bonds	2,605	2,598	3,500
Legal services	7,630	10,000	20,000
Election expense	-	1,100	-
Contingency	-	14,926	5,196
Alley Maintenance	260	37,500	75,000
Total expenditures	<u>29,988</u>	<u>90,000</u>	<u>128,000</u>
Total expenditures and transfers out requiring appropriation	<u>29,988</u>	<u>90,000</u>	<u>128,000</u>
ENDING FUND BALANCE	<u>\$ 50,229</u>	<u>\$ 89,329</u>	<u>\$ 89,841</u>
EMERGENCY RESERVE	<u>\$ 3,400</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>
TOTAL RESERVE	<u>\$ 3,400</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>

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

**BRADBURN METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 352,460	\$ 377,219	\$ 518,722
REVENUES			
Property taxes	427,838	546,000	553,816
Specific ownership tax	41,318	44,500	33,229
Interest income	5,660	6,000	7,000
Total revenues	<u>474,816</u>	<u>596,500</u>	<u>594,045</u>
Total funds available	<u>827,276</u>	<u>973,719</u>	<u>1,112,767</u>
EXPENDITURES			
County Treasurer's fee	6,419	8,189	8,307
Banking fees	-	-	-
Paying agent fees	500	2,500	3,000
Contingency	-	521	1,406
Bond interest	345,138	343,787	342,287
Bond principal	90,000	100,000	100,000
Cost of Issuance	8,000	-	-
Total expenditures	<u>450,057</u>	<u>454,997</u>	<u>455,000</u>
Total expenditures and transfers out requiring appropriation	<u>450,057</u>	<u>454,997</u>	<u>455,000</u>
ENDING FUND BALANCE	<u>\$ 377,219</u>	<u>\$ 518,722</u>	<u>\$ 657,767</u>
RESERVED FUND	\$ 287,200	\$ 287,200	\$ 287,200
SURPLUS FUND	90,019	231,522	370,567
TOTAL RESERVE	<u>\$ 377,219</u>	<u>\$ 518,722</u>	<u>\$ 657,767</u>

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

**BRADBURN METROPOLITAN DISTRICT NO. 3
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District is a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court on November 28, 2000, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide construction, installation, financing and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

On November 7, 2000, the electorate authorized general obligation indebtedness of \$8,000,000 for street improvements, \$1,000,000 for traffic safety, \$5,500,000 for parks and recreation, \$2,500,000 for water supply system, \$2,500,000 for sanitary sewer system, \$1,000,000 for television relay system, \$1,000,000 for public transportation, \$500,000 for mosquito control, \$26,000,000 for debt associated with intergovernmental contracts, \$23,500,000 for refinancing of District debt, and \$2,500,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$100,000 for general operations and maintenance, and \$2,500,000 in revenues other than ad valorem taxes. At the election held on November 8, 2016 the electorate authorized to increase its ad valorem property taxes imposed to pay operations, maintenance and other expenses of the District by \$150,000 annually, or such greater or lesser amount as may be derived from an ad valorem mill levy not in excess of 9.508 mills (as adjusted to account for changes in law or the method by which assessed valuation is calculated occurring after 2016). The 2019 operations and maintenance mill levy is 7.108 mills. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

This 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.

BRADBURN METROPOLITAN DISTRICT NO. 3
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues - (Continued)

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.20% from 7.96% for property tax years 2017-2018 on April 17, 2017 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the change assessed value calculation.

The District's maximum Required Mill Levy is 39.832 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund]. As of December 31, 2019, the adjusted maximum mill levy for debt service is 32.724 mills.

The calculation of the taxes levied is displayed on page on the Property Tax Summary page of the Budget at the adopted total mill levy of 39.832 mills.

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 6% of the property taxes collected by the District.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.50%.

Expenditures

Administrative and Operating Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, meeting expense, and other administrative expenses. As well as, alleyway maintenance which includes concrete and repair of alleys.

Debt Service

Principal and interest payments in 2019 are provided based on the debt amortization schedule from the Series 2016 Bonds (discussed under Debts and Leases).

**BRADBURN METROPOLITAN DISTRICT NO. 3
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On November 23, 2016, the District issued Series 2016 \$8,500,000 General Obligation Tax-Refunding Bonds (the Series 2016 Bonds). The 2016 Bonds are term bonds and bear interest at 4.00%, payable semi-annually on June 1 and December 1, beginning on December 1, 2016. The Bonds maturing on December 1, 2046 and thereafter are subject to redemption prior to maturity, at the option of the

District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2026, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. Annual mandatory sinking fund principal payments are due on December 1 of each year beginning on December 1, 2017.

The 2016 Bonds are secured by pledged revenues consisting of the Required Mill Levy, Capital Fees, that portion of the Specific Ownership Taxes allocable to the Required Mill Levy, and any other legally available moneys in that the District determines to apply as pledged revenues. The Required Mill Levy is an ad valorem mill imposed upon all taxable property of the District each year in an amount which will be sufficient to pay the principal of an interest on the 2016 Bonds when due and owing.

The District's current debt service schedule is attached for the Series 2016 Bonds.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of the fiscal year spending for 2019, as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve as required with the issuance of the 2016 Bonds.

This information is an integral part of the accompanying budget.

**BRADBURN METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$8,500,000 General Obligation Refunding Bonds
Series 2016, Dated November 23, 2016
4.00% Term Bonds Due December 1, 2046
Interest Payable June 1 and December 1,
Principal Due December 1**

Year Ended December 31,	Principal	Interest	Total
2019	\$ 100,000	\$ 342,288	\$ 442,288
2020	115,000	338,287	453,287
2021	120,000	333,688	453,688
2022	135,000	328,887	463,887
2023	140,000	323,488	463,488
2024	155,000	317,887	472,887
2025	160,000	311,688	471,688
2026	175,000	305,287	480,287
2027	185,000	298,288	483,288
2028	200,000	290,425	490,425
2029	210,000	281,925	491,925
2030	225,000	273,000	498,000
2031	235,000	263,437	498,437
2032	255,000	253,450	508,450
2033	270,000	241,975	511,975
2034	290,000	229,825	519,825
2035	305,000	216,775	521,775
2036	330,000	203,050	533,050
2037	345,000	188,200	533,200
2038	365,000	174,400	539,400
2039	380,000	159,800	539,800
2040	410,000	144,600	554,600
2041	425,000	128,200	553,200
2042	450,000	111,200	561,200
2043	470,000	93,200	563,200
2044	500,000	74,400	574,400
2045	520,000	54,400	574,400
2046	840,000	33,600	873,600
	<u>\$ 8,310,000</u>	<u>\$ 6,315,650</u>	<u>\$ 14,625,650</u>

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

EXHIBIT B
2018 Final Assessed Valuation

Ken Musso
ASSESSOR



Assessor's Office
4430 South Adams County Parkway
2nd Floor, Suite C2100
Brighton, CO 80601-8201
PHONE 720.523.6038
FAX 720.523.6037
www.adcogov.org

August 25, 2019

BRADBURN METRO DIST 3
WHITE BEAR ANKELE TANAKA & WALDRON
2154 E COMMONS AVE STE 2000
CENTENNIAL CO 80122

To Whom it May Concern:

Enclosed is the 2019 preliminary valuation. This valuation along with all other statutory requirements is on the enclosed form. A final certification of value will be sent out on or before December 10, 2019.

This value is subject to change by the County Board of Equalization, Board of Assessment Appeals and the State Board of Equalization as provided by law.

Sincerely,

A handwritten signature in black ink, appearing to read 'KM', with a long horizontal flourish extending to the right.

Ken Musso
Adams County Assessor
KM/cjw

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **193 - BRADBURN METRO DIST 3**

IN ADAMS COUNTY ON 8/23/2019

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2019 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$16,923,840
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$19,122,900
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$19,122,900
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(l)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2019 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2019

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$256,550,596
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2019

Data Date: 8/23/2019