

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1
2019
BUDGET MESSAGE

Attached please find a copy of the adopted 2019 budget for the Jefferson Center Metropolitan District No. 1.

The Jefferson Center Metropolitan District No. 1 has adopted three separate funds, a General Fund to provide for general operating and maintenance expenditures and transfers to Jefferson Center Metropolitan District No. 2; a Capital Fund to provide for the estimated infrastructure costs that are to be built by the District, bond issuance costs for the proposed general obligation debt, repayment of developer advances and transfers to the Debt Service Fund; and a Debt Service Fund to provide for transfers to Jefferson Center Metropolitan District No. 2/Vauxmont Metropolitan District for payments on the general obligation debt, payments on the outstanding revenue bonds, and payments on the proposed general obligation debt.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2019 will be bond proceeds, other reimbursements, AURA tax increments and property taxes. In 2019, the District intends to impose a mill levy on all property within the District totaling 55.064 mills, of which 5.005 mills will be dedicated to the General Fund and the balance of 50.059 mills will be allocated to the Debt Service Fund.

Jefferson Center Metropolitan District No. 1
Adopted Budget
General Fund
For the Year ended December 31, 2019

| | Actual 2017 | Adopted Budget 2018 | Actual 6/30/2018 | Estimate 2018 | Adopted Budget 2019 |
|--------------------------------|----------------|---------------------------|---------------------|------------------|---------------------------|
| Beginning fund balance | \$ 171,099 | \$ 148,200 | \$ 131,488 | \$ 131,488 | \$ 303,415 |
| Revenues: | | | | | |
| Property taxes | 168,508 | 209,948 | 126,993 | 180,973 | 180,973 |
| Urban Renewal taxes | (102,138) | (130,081) | (54,690) | (104,660) | (104,660) |
| Specific ownership taxes | 20,137 | 14,828 | 9,206 | 12,801 | 12,801 |
| AURA Tax Increment | 102,138 | 130,081 | 54,690 | 104,660 | 104,660 |
| Other income | 6,512 | - | - | - | - |
| Transfer from JCMD #2 | | | | 108,903 | |
| Interest income | 7,529 | 2,000 | 36,158 | 72,300 | 2,000 |
| Total revenues | 202,686 | 226,776 | 172,357 | 374,977 | 195,774 |
| Total funds available | 373,785 | 374,976 | 303,845 | 506,465 | 499,189 |
| Expenditures: | | | | | |
| Legal | 57,190 | 45,000 | 31,260 | 62,520 | 45,000 |
| Accounting | - | 6,000 | - | 6,000 | 6,000 |
| Audit | 5,150 | 5,500 | - | 5,500 | 5,500 |
| Landscape Maintenance | 11,182 | 16,000 | 1,833 | 11,000 | 16,000 |
| Management fees | 37,508 | 32,000 | 30,336 | 60,700 | 32,000 |
| Election expense | - | 2,000 | 1,081 | 1,081 | 2,000 |
| Insurance | 4,448 | 4,650 | 5,026 | 5,026 | 5,250 |
| Miscellaneous | 1,543 | 2,000 | 121 | 260 | 2,000 |
| Office supplies | 1,732 | 1,000 | 757 | 1,500 | 1,000 |
| Utilities | 7,303 | 10,000 | 1,868 | 3,800 | 10,000 |
| Treasurer's fees | 441 | 3,149 | 1,085 | 2,715 | 2,715 |
| Transfer to JCMD #2 CP Fund | 62,319 | - | - | - | - |
| Transfer to JCMD #2 Gen Fund | 53,481 | 59,035 | 7,640 | 40,977 | 54,164 |
| Transfer to Mt Shadows for O&M | - | 1,970 | - | 1,971 | 2,910 |
| Contingency | - | 182,851 | - | - | 310,824 |
| Emergency reserve (3%) | - | 3,821 | - | - | 3,826 |
| Total expenditures | 242,297 | 374,976 | 81,007 | 203,050 | 499,189 |
| Ending fund balance | \$ 131,488 | \$ 0 | \$ 222,838 | \$ 303,415 | \$ 0 |
| Assessed valuation | \$ 33,702,060 | \$ 41,981,225 | | | \$ 36,158,611 |
| Urban Renewal increment | \$ 20,736,556 | \$ 26,011,083 | | | \$ 21,229,612 |
| JC Urban Renewal increment | \$ 19,077,969 | \$ 19,825,293 | | | \$ 17,080,412 |
| NW Urban Renewal increment | \$ 1,658,587 | \$ 6,185,790 | | | \$ 4,238,135 |
| Mill Levy | 5.000 | 5.001 | | | 5.005 |

Jefferson Center Metropolitan District No. 1
Adopted Budget
Capital Fund
For the Year ended December 31, 2019

| | Actual <u>2017</u> | Adopted Budget <u>2018</u> | Actual <u>6/30/2018</u> | Estimate <u>2018</u> | Adopted Budget <u>2019</u> |
|-----------------------------------|-----------------------|----------------------------------|----------------------------|-------------------------|----------------------------------|
| Beginning fund balance | \$ 628,951 | \$ 6,952,627 | \$ 2,800,348 | \$ 2,800,348 | \$ 498,540 |
| Revenues: | | | | | |
| Bond proceeds | 10,402,000 | 15,000,000 | - | - | 15,000,000 |
| Developer advances | - | - | 5,500,000 | 5,500,000 | - |
| Other reimbursements | - | - | - | - | 6,800,000 |
| Transfer from Vauxmont | - | - | - | - | - |
| Transfer from Mountain Shadows | 1,000,000 | - | - | - | - |
| Interest Income | 47,951 | 5,000 | 11,265 | 22,530 | 5,000 |
| Total revenues | <u>11,449,951</u> | <u>21,805,000</u> | <u>5,511,265</u> | <u>5,522,530</u> | <u>21,805,000</u> |
| Total funds available | <u>12,078,902</u> | <u>22,303,540</u> | <u>8,311,613</u> | <u>8,322,878</u> | <u>22,303,540</u> |
| Expenditures: | | | | | |
| Legal | 32,324 | - | 12,006 | 24,000 | - |
| Issuance costs | 500,115 | 500,000 | - | - | 500,000 |
| Trustee Fee | 2,000 | - | - | - | - |
| Original issue discount | 64,429 | - | - | - | - |
| Engineering | 862,581 | - | 448,110 | 896,220 | - |
| Transfer to Debt Service Fund | 2,776,085 | 1,500,000 | 258 | 258 | 3,000,000 |
| Project management | 323,775 | - | 131,632 | 263,250 | - |
| Series 2010B Principal & Interest | 145,486 | - | - | - | - |
| Mountain Shadows reimbursement | 299,442 | - | - | - | - |
| Repay developer advances | - | - | - | - | 5,500,000 |
| Capital outlay | 4,272,317 | 19,957,627 | 3,320,305 | 6,640,610 | 13,303,540 |
| Total expenditures | <u>9,278,554</u> | <u>21,957,627</u> | <u>3,912,311</u> | <u>7,824,338</u> | <u>22,303,540</u> |
| Ending fund balance | <u>\$ 2,800,348</u> | <u>\$ -</u> | <u>\$ 4,399,302</u> | <u>\$ 498,540</u> | <u>\$ -</u> |

Jefferson Center Metropolitan District No. 1
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2019

| | Actual 2017 | Adopted Budget 2018 | Actual 6/30/2018 | Estimate 2018 | Adopted Budget 2019 |
|-------------------------------------|----------------|---------------------------|---------------------|------------------|---------------------------|
| Beginning fund balance | \$ 1,637,459 | \$ 3,465,113 | \$ 3,462,336 | \$ 3,462,336 | \$ 3,604,627 |
| Revenues: | | | | | |
| Property taxes | 1,685,105 | 2,099,691 | 1,270,027 | 1,810,064 | 1,810,064 |
| Specific ownership taxes | 201,368 | 146,978 | 92,065 | 126,704 | 126,704 |
| Urban Renewal taxes | (1,021,408) | (1,300,945) | (546,949) | (1,046,792) | (1,046,792) |
| AURA Tax Increment | 1,021,408 | 1,300,945 | 546,949 | 1,046,792 | 1,046,792 |
| AURA Increment on 70.600 mills | 1,429,976 | 1,486,016 | 677,961 | 1,378,671 | 1,187,789 |
| Transfer from Capital Project Fund | 2,776,085 | 1,500,000 | 258 | 258 | 3,000,000 |
| Transfer from JCMD#2 DS | 41,138 | 464,438 | 240,065 | 335,772 | 193,437 |
| Interest income | 30,542 | 10,000 | 21,913 | 43,850 | 10,000 |
| Total revenues | 6,164,214 | 5,707,123 | 2,302,289 | 3,695,319 | 6,327,994 |
| Total funds available | 7,801,673 | 9,172,236 | 5,764,625 | 7,157,655 | 9,932,621 |
| Expenditures: | | | | | |
| Transfer to District #2 DS/Vauxmont | 1,429,976 | 1,486,016 | 677,961 | 1,378,671 | 1,187,789 |
| Series 2015 Principal | 515,000 | 530,000 | - | 585,000 | 585,000 |
| Series 2015 Interest | 1,014,088 | 989,626 | 494,813 | 964,450 | 964,450 |
| Series 2017 Principal | - | - | - | - | - |
| Series 2017 Interest | 385,632 | 590,756 | 295,378 | 590,756 | 590,756 |
| Series 2018 Interest | - | 450,000 | - | - | 450,000 |
| Series 2010 A-1 & A-2 Payment | 986,359 | - | - | - | - |
| Paying Agent Fee | 3,875 | 7,000 | 3,500 | 7,000 | 7,000 |
| Treasurer's fees | 4,407 | 31,495 | 10,849 | 27,151 | 27,151 |
| Total expenditures | 4,339,337 | 4,084,893 | 1,482,501 | 3,553,028 | 3,812,146 |
| Ending fund balance | \$ 3,462,336 | \$ 5,087,343 | \$ 4,282,124 | \$ 3,604,627 | \$ 6,120,475 |
| Assessed valuation | \$ 33,702,060 | \$ 41,981,225 | | | \$ 36,158,611 |
| Urban Renewal increment | \$ 20,736,556 | \$ 26,011,083 | | | \$ 21,229,612 |
| JC Urban Renewal increment | \$ 19,077,969 | \$ 19,825,293 | | | \$ 17,080,412 |
| NW Urban Renewal increment | \$ 1,658,587 | \$ 4,238,135 | | | \$ 4,238,135 |
| Mill Levy | 50.000 | 50.015 | | | 50.059 |
| Total Mill Levy | 55.000 | 55.016 | | | 55.064 |