

**BBC METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026**

**BBC METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31, 2026**

	Actual 2024	Estimated 2025	Budget 2026
Beginning Fund Balances	\$ 100,696	\$ 205,101	\$ 268,794
Revenues			
Property taxes	843,417	1,015,254	977,141
Specific ownership taxes	35,810	36,728	48,857
Interest income	19,067	20,125	32,500
Payment in lieu of taxes	-	-	2,500
Capital reserves contribution	-	-	1,074
Other revenue	-	-	36,852
Total Revenues	<u>898,294</u>	<u>1,072,107</u>	<u>1,098,924</u>
Total Funds Available	<u>998,990</u>	<u>1,277,208</u>	<u>1,367,718</u>
Expenditures			
General Fund	77,708	115,927	150,000
Debt Service Fund	716,181	892,487	875,000
Total Expenditures	<u>793,889</u>	<u>1,008,414</u>	<u>1,025,000</u>
Total Expenditures requiring appropriation	<u>793,889</u>	<u>1,008,414</u>	<u>1,025,000</u>
Ending Fund Balances	<u>\$ 205,101</u>	<u>\$ 268,794</u>	<u>\$ 342,718</u>
Emergency Reserve	\$ 3,413	\$ 5,900	\$ 6,800
Capital Reserve	-	-	21,000
Total Reserve	<u>\$ 3,413</u>	<u>\$ 5,900</u>	<u>\$ 27,800</u>

No assurance provided. See summary of significant assumptions.

**BBC METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31, 2026**

	<u>Actual 2024</u>	<u>Estimated 2025</u>	<u>Budget 2026</u>
Assessed Valuation			
Commercial	\$ 269,180	\$ 291,080	\$ -
Personal Property	-	-	678,610
Residential - Multi Family	6,749,910	6,749,910	5,850,000
Residential - Single Family	4,642,390	7,068,620	9,299,250
State Assessed	229,800	249,600	1,880
Vacant	2,263,340	1,357,280	666,270
	<u>\$ 14,154,620</u>	<u>\$ 15,716,490</u>	<u>\$ 16,496,010</u>
Mill Levy			
General	12.000	12.000	12.000
Debt Service	47.586	52.598	47.235
Total Mill Levy	<u>59.586</u>	<u>64.598</u>	<u>59.235</u>
Property Taxes			
General	\$ 169,855	\$ 188,598	\$ 197,952
Debt Service	673,562	826,656	779,189
Budgeted Property Taxes	<u>\$ 843,417</u>	<u>\$ 1,015,254</u>	<u>\$ 977,141</u>
Budgeted Property Taxes			
General	\$ 169,855	\$ 188,598	\$ 197,952
Debt Service	673,562	826,656	779,189
	<u>\$ 843,417</u>	<u>\$ 1,015,254</u>	<u>\$ 977,141</u>

No assurance provided. See summary of significant assumptions.

**BBC METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31, 2026**

	Actual 2024	Estimated 2025	Budget 2026
Beginning Fund Balances	\$ 88,884	\$ 188,602	\$ 268,794
Revenues			
Property taxes	169,855	188,598	197,952
Specific ownership taxes	7,212	7,396	9,898
Interest income	359	125	12,500
Payment in lieu of taxes	-	-	2,500
Capital reserves contribution	-	-	1,074
Total Revenues	<u>177,426</u>	<u>196,119</u>	<u>223,924</u>
Total Funds Available	<u>266,310</u>	<u>384,721</u>	<u>492,718</u>
Expenditures			
General and Administrative:			
Accounting	-	-	12,360
ADA Compliance	-	2,000	2,000
Audit	8,500	9,300	10,000
County Treasurer's fees	2,552	2,829	2,969
District management	-	-	18,000
Dues and subscriptions	-	412	500
Election	-	180	-
Insurance	2,575	2,636	4,000
Legal	20,807	35,000	25,000
Management and accounting	24,008	29,500	-
Office	148	150	150
Operations and Maintenance:			
Electric	154	200	250
Landscaping - General	16,072	16,720	17,000
Landscaping - Del Corso	-	-	3,000
Landscape repairs	1,152	12,000	15,000
Snow removal	1,740	5,000	5,000
Contingency	-	-	34,771
Total Expenditures	<u>77,708</u>	<u>115,927</u>	<u>150,000</u>
Total Expenditures requiring appropriation	<u>77,708</u>	<u>115,927</u>	<u>150,000</u>
Ending Fund Balances	<u>\$ 188,602</u>	<u>\$ 268,794</u>	<u>\$ 342,718</u>
Emergency Reserve	\$ 3,413	\$ 5,900	\$ 6,800
Capital Reserve	-	-	21,000
Total Reserve	<u>\$ 3,413</u>	<u>\$ 5,900</u>	<u>\$ 27,800</u>

No assurance provided. See summary of significant assumptions.

**BBC METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31, 2026**

	<u>Actual 2024</u>	<u>Estimated 2025</u>	<u>Budget 2026</u>
Beginning Fund Balances	\$ 11,812	\$ 16,499	\$ -
Revenues			
Property taxes	673,562	826,656	779,189
Specific ownership taxes	28,598	29,332	38,959
Interest income	18,708	20,000	20,000
Other revenue	-	-	36,852
Total Revenues	<u>720,868</u>	<u>875,988</u>	<u>875,000</u>
Total Funds Available	<u>732,680</u>	<u>892,487</u>	<u>875,000</u>
Expenditures			
Bank fees	836	-	-
Bond interest	701,226	876,087	822,460
County Treasurer's fees	10,119	12,400	11,688
Contingency	-	-	36,852
Paying agent fees	4,000	4,000	4,000
Total Expenditures	<u>716,181</u>	<u>892,487</u>	<u>875,000</u>
Total Expenditures requiring appropriation	<u>716,181</u>	<u>892,487</u>	<u>875,000</u>
Ending Fund Balances	<u>\$ 16,499</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**BBC METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The BBC Metropolitan District, the (“District”) was organized in December 2002 and is located in the City and County of Broomfield. The District is currently operating under the First Amended and Restated Service Plan approved by the City Council at the City and County of Broomfield on April 24, 2012. The District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District constructed an arterial street system, as well as related water and sanitation improvements, to serve the Broomfield Business Center. In August of 2012, the District issued its Revenue Bonds, Series 2012 (“Series 2012 Bonds”) for the purpose of funding certain improvements and facilities and refunding the District’s indebtedness. The 2012 Bonds were refunded in November 2021 by the District’s issuance of its General Obligation Limited Tax Refunding Bonds, Series 2021(3) (“Series 2021(3) Bonds”).

The District has adopted budgets for two funds; General Fund and Debt Service Fund. The District has no employees and all operations and administrative functions are contracted. The District has utilized the modified accrual basis of accounting and the budget has been adopted after proper posting, publications, and public hearing.

The District’s 2025 assessed value for 2026 collections is \$16,496,000. The District has certified a mill levy of 62.292 mills. The tax revenue from the mill levy will be 12.000 mills recorded in the General Fund and 50.292 mills recorded in the Debt Service fund for 2026.

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.

**BBC METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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, sale 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 information page of the budget.

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 5% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on historical earnings.

Payment in Lieu of Taxes

The District receives revenue pursuant to a Payment in Lieu of Taxes ("PILOT") agreement with Flatirons Apartments. Under the terms of the agreement, Flatirons Apartments remits annual payments to the District in lieu of ad valorem property taxes. These funds are restricted for Operations and Maintenance ("O&M") purposes and are used to support the ongoing costs of providing services, maintaining infrastructure, and covering other general operational needs of the District. PILOT revenue is budgeted in accordance with the terms of the agreement.

Capital Reserves Contribution

The District receives contributions from Flatirons Apartments designated for capital reserves. Contribution amounts are determined pursuant to and budgeted in accordance with the terms of the Capital Reserves Contribution Agreement with Flatirons Apartments.

**BBC METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Debt Service

There is no debt amortization schedule provided for the Series 2021(3) Bonds (Discussed under Debt and Leases) as the Bonds are cash flow bonds and the timing of the payments are unknown.

Debt and Leases

Series 2021 Bonds

The District issued General Obligation Limited Tax Refunding Bonds, Series 2021(3), on November 9, 2021, in the par amount of \$15,745,000. Proceeds of the Bonds were used to: (a) pay the costs of refunding the District's Revenue Bonds, Series 2012 and (b) pay other costs incurred in connection with the issuance of the Bonds.

Details of the Bonds

The Bonds bear interest at the rate of 4.750% payable annually on December 1 (the "payment date"), beginning on December 1, 2022. The Bonds were issued as "cash flow" limited tax general obligation bonds that are secured by and payable solely from and to the extent of pledged revenues available on each payment date of December 1. The Bonds mature on December 1, 2051. No regularly scheduled payments of principal are due on the Bonds prior to the maturity date, and any interest payments on the Bonds that are not paid when due will accrue and compound on each payment date until sufficient pledged revenue is available for payment. To the extent principal of the Bonds is not paid when due, such principal shall remain outstanding until paid subject to discharge on December 2, 2061 (the "Discharge Date"). In the event that any amount of principal or of interest on the Bonds remains unpaid after the application of all pledged revenue available therefore on the Discharge Date, the Bonds shall be deemed discharged.

**BBC METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Series 2021 Bonds (continued)

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means the moneys derived by the District from the following sources, net of any costs of collection and any property tax refunds or abatements authorized by or on behalf of the County: (a) all Property Tax Revenues; (b) all Specific Ownership Tax Revenues; and (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

“Property Tax Revenues” means all moneys derived from imposition by the District of the Required Mill Levy. Property Tax Revenues are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County and do not include Specific Ownership Tax Revenues.

“Specific Ownership Tax Revenues” means the specific ownership taxes remitted to the District as a result of imposition of the Required Mill Levy.

Required Mill Levy

Pursuant to the Indenture, the District has covenanted to impose an ad valorem mill levy on all taxable property of the District each year in an amount necessary to generate Property Tax Revenues sufficient to pay all of the principal of and interest on the Bonds in full, but not in excess of 40.000 mills (subject to adjustment for changes in the method of calculating assessed valuation that occur on or after January 1, 2012).

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00%
December 1, 2028, to November 30, 2029	1.00%
December 1, 2029, and thereafter	0.00%

Leases

The District has no capital or operating leases.

**BBC METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish an emergency reserve. This reserve must be at least 3% of fiscal year spending.

Capital Reserve

The District maintains a Capital Reserve to provide for the future replacement and major repair of District assets. In particular, the District is responsible for the maintenance and future replacement of Del Corso Road. The reserve amount is based on the estimated replacement value of the roadway and is intended to ensure that sufficient resources are available when significant capital outlays become necessary.

This information is an integral part of the accompanying budget.