

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
Adams County, Colorado

FINANCIAL STATEMENTS
December 31, 2017

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Office of the State Auditor

July 30, 2018

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR’S REPORT	I
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities.....	2
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	3
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	5
Statement of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - General Fund.....	6
Notes to Financial Statements.....	7
SUPPLEMENTAL INFORMATION	
Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - Debt Service Fund	23
Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual - Capital Projects Fund.....	24
OTHER INFORMATION	
Schedule of Debt Service Requirements to Maturity	25
Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected.....	26



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Independent Auditor's Report

Board of Directors
Bromley Park Metropolitan District No. 5
Adams County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Bromley Park Metropolitan District No. 5 (District) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Bromley Park Metropolitan District No. 5, as of December 31, 2017, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
July 27, 2018

BASIC FINANCIAL STATEMENTS

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
STATEMENT OF NET POSITION
December 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and investments - unrestricted	\$ 248,836
Cash and investments - restricted	156,239
Receivable from county treasurer	1,639
Due from other governments	29,234
Prepays	3,751
Property taxes receivable	216,812
Total assets	<u>656,511</u>
LIABILITIES	
Accounts payable	19,887
Accrued bond interest payable	14,619
Noncurrent liabilities	
Due within one year	70,000
Due in more than one year	
Bonds payable	2,565,000
Note payable	4,860,260
Accrued interest on note payable	2,445,151
Developer advance payable	5,000
Interest on developer advance	647
Total liabilities	<u>9,980,564</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	216,812
Total deferred inflows of resources	<u>216,812</u>
NET POSITION	
Restricted for:	
Emergency reserves	5,100
Debt service	170,387
Unrestricted	(9,716,352)
Total net position	<u>\$ (9,540,865)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
STATEMENT OF ACTIVITIES
Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
					<u>Governmental Activities</u>
Primary government:					
Government activities:					
General government	\$ 112,057	\$ -	\$ -	\$ -	\$ (112,057)
Interest and expenses on long-term debt	571,261	-	-	-	(571,261)
	<u>\$ 683,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(683,318)</u>
General revenues:					
Property taxes					207,816
Specific ownership taxes					20,166
Tax sharing with South Beebe Draw Metropolitan District					118,844
Payment in lieu of taxes					142,232
Interest					725
Total general revenues					<u>489,783</u>
Change in net position					(193,535)
Net position - beginning of year					(9,347,330)
Net position - end of year					<u>\$ (9,540,865)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2017

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments - unrestricted	\$ 153,101	\$ -	\$ 95,735	\$ 248,836
Cash and investments - restricted	-	156,239	-	156,239
Receivable from county treasurer	1,106	533	-	1,639
Due from other governments	1,000	28,234	-	29,234
Prepays	3,751	-	-	3,751
Property taxes receivable	146,348	70,464	-	216,812
TOTAL ASSETS	\$ 305,306	\$ 255,470	\$ 95,735	\$ 656,511
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 19,887	\$ -	\$ -	\$ 19,887
Total liabilities	19,887	-	-	19,887
 DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	146,348	70,464	-	216,812
Total deferred inflows of resources	146,348	70,464	-	216,812
 FUND BALANCES				
Nonspendable				
Prepaid expenditures	3,751	-	-	3,751
Spendable:				
Restricted				
Emergency reserves	5,100	-	-	5,100
Debt service	-	185,006	-	185,006
Assigned				
Capital projects	-	-	95,735	95,735
Subsequent year's expenditures	58,447	-	-	58,447
Unassigned	71,773	-	-	71,773
Total fund balances	139,071	185,006	95,735	419,812
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 \$ 305,306	 \$ 255,470	 \$ 95,735	

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities, including bonds and note payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(2,635,000)
Accrued interest payable - bonds	(14,619)
Note payable	(4,860,260)
Accrued interest payable - note	(2,445,151)
Developer advance	(5,000)
Accrued interest on developer advance	(647)
	(10,000,077)

Net position of governmental activities	\$ (9,540,865)
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These financial statements should be read only in connection with
the accompanying notes to financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 140,276	\$ 67,540	\$ -	\$ 207,816
Specific ownership taxes	13,612	6,554	-	20,166
Tax sharing with South Beebe Draw				
Metropolitan District	-	118,844	-	118,844
Payment in lieu of taxes - PILOT	13,081	129,151	-	142,232
Interest	518	207	-	725
Total revenues	<u>167,487</u>	<u>322,296</u>	<u>-</u>	<u>489,783</u>
EXPENDITURES				
<u>General</u>				
Audit	11,018	4,006	-	15,024
Consulting	8,500	-	-	8,500
County treasurer fees	2,110	1,016	-	3,126
Directors' fees	2,200	-	-	2,200
District management and accounting	37,977	6,643	-	44,620
Dues and subscriptions	315	-	-	315
Insurance and bonds	3,551	-	-	3,551
Legal	8,856	11,398	-	20,254
Miscellaneous	1,036	-	-	1,036
PILOT payment	13,081	-	-	13,081
Support services	350	-	-	350
<u>Debt service</u>				
Bond principal	-	65,000	-	65,000
Bond interest	-	182,250	-	182,250
Paying agent fees	-	200	-	200
Total expenditures	<u>88,994</u>	<u>270,513</u>	<u>-</u>	<u>359,507</u>
NET CHANGE IN FUND BALANCE	78,493	51,783	-	130,276
FUND BALANCE - BEGINNING OF YEAR	<u>60,578</u>	<u>133,223</u>	<u>95,735</u>	<u>289,536</u>
FUND BALANCE - END OF YEAR	<u>\$ 139,071</u>	<u>\$ 185,006</u>	<u>\$ 95,735</u>	<u>\$ 419,812</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**BROMLEY PARK METROPOLITAN DISTRICT NO. 5
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2017**

Amounts reported for governmental activities in the
Statement of Activities are different because:

Net changes in fund balances - Total governmental funds \$ 130,276

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Bond principal payment	\$ 65,000	
Change in accrued interest - bonds payable	360	
Change in accrued interest - promissory note payable	(388,821)	
Change in accrued interest - developer advance	<u>(350)</u>	<u>(323,811)</u>
Change in net position of governmental activities		<u><u>\$ (193,535)</u></u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2017

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 140,952	\$ 140,952	\$ 140,276	\$ (676)
Specific ownership taxes	11,200	11,200	13,612	2,412
Payment in lieu of taxes - PILOT	13,100	13,100	13,081	(19)
Interest	300	300	518	218
Total revenues	<u>165,552</u>	<u>165,552</u>	<u>167,487</u>	<u>1,935</u>
EXPENDITURES				
Audit	3,000	11,000	11,018	(18)
Consulting	-	8,500	8,500	-
County treasurer fees	2,150	2,150	2,110	40
Directors' fees	2,400	2,400	2,200	200
District management and accounting	20,000	37,000	37,977	(977)
Dues and subscriptions	500	500	315	185
Emergency reserve	5,000	5,000	-	5,000
Engineering	1,500	1,500	-	1,500
Insurance and bonds	5,000	5,000	3,551	1,449
Legal	8,000	8,000	8,856	(856)
Maintenance	2,500	2,500	-	2,500
Miscellaneous	500	500	1,036	(536)
PILOT payment	13,100	13,100	13,081	19
Support services	2,000	2,000	350	1,650
Total expenditures	<u>65,650</u>	<u>99,150</u>	<u>88,994</u>	<u>10,156</u>
NET CHANGE IN FUND BALANCE	99,902	66,402	78,493	12,091
FUND BALANCE - BEGINNING OF YEAR	<u>85,030</u>	<u>60,578</u>	<u>60,578</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 184,932</u>	<u>\$ 126,980</u>	<u>\$ 139,071</u>	<u>\$ 12,091</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 - DEFINITION OF REPORTING ENTITY

Bromley Park Metropolitan District No. 5 (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized on November 27, 2000, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado, and almost entirely within the City of Brighton (City), with the exception of a few parcels. The District is one of six contiguous districts: South Beebe Draw Metropolitan District, Bromley Park Metropolitan Districts Nos. 2, 3, 5 and 6 and Brighton Crossing Metropolitan District No. 4 (the Districts, or SBD, BPMD Nos. 2, 3, 5, 6 and BC, respectively). As of December 31, 2017, all the Districts, with the exception of BPMD No. 2 and BC, have substantially the same membership of their respective Boards of Directors. SBD, BPMD Nos. 2 and No. 3 and BC are participants in the Annexation Agreement, as amended, between the City and the then current developer of the majority of the property within the Districts, BPK Holdings, LLC (BPK). The District and BPMD No. 6 were formed in 2000 and both are participating in the Annexation Agreement, as amended.

Pursuant to the Intergovernmental Agreement Regarding Sales and Use Taxes (Sales and Use Tax IGA) entered into on August 4, 1995, between BPK, SBD, BPMD Nos. 2 and 3 and BC, SBD was designated by BPK to receive and administer all sales and use taxes remitted under the Annexation Agreement, as amended, by the City and to apply the receipts to the common benefit of BPMD Nos. 2 and 3, and BC, and later, under separate agreements, to the benefit of the District and BPMD No. 6 and Adams East Metropolitan District (Adams East) as revenue pledged for debt service on bonds which funded improvements within those districts and benefitted all Districts. The property within the boundaries of the District and BPMD No. 6 and Adams East is within the boundaries of the property described in the Annexation Agreement, as amended.

The District was established principally to provide for the construction, acquisition, and installation of streets and safety control, street lighting, landscaping, storm drainage, television relay, water, sanitary sewer, transportation, mosquito control, and park and recreation improvements and facilities, and for the ongoing maintenance of street lighting, street landscaping and park and recreation facilities, within and without the boundaries of the District.

The District has no employees, and all operations and administrative functions are contracted.

SBD, BPMD Nos. 2 and 3, and BC entered into an Interdistrict Regional Facilities Intergovernmental Agreement (Interdistrict IGA, as amended) on March 21, 2000 to expand the responsibilities of SBD to include coordination of construction, operation and maintenance of regional facilities with ownership retained by SBD and to provide for the funding of such regional facilities and infrastructure. On July 21, 2004 the Interdistrict IGA was amended by the First Amendment to Interdistrict Regional Facilities Intergovernmental Agreement between SBD, BPMD Nos. 2 and 3 and BC, which consented to the reimbursement of certain infrastructure improvement expenses incurred by BPMD No. 2 and BC. The Interdistrict IGA was further amended on October 18, 2005 through the Agreement and Second Amendment to Interdistrict Regional Facilities Intergovernmental Agreement for the purpose of addressing only those certain provisions concerning the sewer line connection fee to include the District, BPMD No. 6 and Silver Peaks Metropolitan District Nos. 1-5 (SPMD Nos. 1-5) as they, along with

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BPMD Nos. 2 and 3 and BC, benefit from the improvement and extension of sewer lines to the Town of Lochbuie (Town) wastewater treatment plant (see Note 8). The District, BPMD No. 6, and SPMD Nos. 1-5 were not made a party to all terms of the Interdistrict IGA, as amended. Funding for the regional facilities and maintenance are from certain fees collected by BPMD Nos. 2, 3, 5 and 6, BC and SPMD Nos. 1-5 and transferred to SBD (see Note 8).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other District organization (including SBD, BPMD Nos. 2, 3 and 6, BC and Adams East), nor is the District a component unit of any other primary governmental entity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds, notes and developer advances are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and sales taxes. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The Debt Service Fund accounts for resources accumulated and payments made for principal, interest and related expenses on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted first, then unrestricted resources as they are needed.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with Local Government Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

For the year ended December 31, 2017, supplementary appropriations approved by the District's Board of Directors modified the appropriation from \$65,650 to \$99,150 in the General Fund and from \$259,170 to \$274,670 in the Debt Service Fund.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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 30 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred inflows of resources related to property tax revenues are recorded as revenue in the year they are available or collected.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances – Governmental Funds

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance – the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance – the amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level of action to remove or change the constraint.

Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance – amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

Fees and Payments in Lieu of Taxes

The District imposes certain system development, impact and storm drainage fees on property within the Districts. The fees are required to be paid prior to the issuance of a building permit by the City. In addition, the District has agreements with certain owners of property within the District to exclude such property from the District and pay a service fee in lieu of taxes to the District. The District records revenue for these fees when they are received.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2017 are classified in the accompanying statement of net position as follows:

Cash and investments - unrestricted	\$248,836
Cash and investments - restricted	<u>156,239</u>
Total cash and investments	<u>\$405,075</u>

Cash and investments as of December 31, 2017 consist of the following:

Cash deposits	<u>\$405,075</u>
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Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2017, the District's cash deposits had a bank balance of \$407,212 and a carrying balance of \$405,075.

Investments

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- * Obligations of the United States and certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain reverse repurchase agreements
- Certain securities lending agreements
- Certain corporate bonds
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- * Local government investment pools

The District generally limits its concentration of investments to those noted with an asterisk (*) above, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to three to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

As of December 31, 2017, the District had no investments.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4 - LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2017:

	Balance at December 31, 2016	Additions	Reductions	Balance at December 31, 2017	Due Within One Year
Series 2010 G.O. Bonds	\$ 2,700,000	\$ -	\$ 65,000	\$ 2,635,000	\$ 70,000
General Obligation Subordinate Promissory Note Series 2010A					
Principal	4,860,260	-	-	4,860,260	-
Interest	2,056,330	388,821	-	2,445,151	-
Developer advance	5,000	-	-	5,000	-
Interest	297	350	-	647	-
	<u>\$ 9,621,887</u>	<u>\$ 389,171</u>	<u>\$ 65,000</u>	<u>\$ 9,946,058</u>	<u>\$ 70,000</u>

The details of the District's long-term obligations are as follows:

General Obligation Bonds, Series 2010

On April 1, 2010, the District issued its General Obligation Bonds, Series 2010 in the principal amount of \$3,000,000 (Series 2010 Bonds), dated April 1, 2010. The Series 2010 Bonds are term bonds that bear an interest rate of 6.750% payable semiannually on June 1 and December 1 and are subject to mandatory sinking fund redemption beginning on December 1, 2010 and on each December 1 thereafter until final maturity on December 1, 2034. The bonds are subject to redemption prior to their respective maturity dates at the option of the District on April 1, 2015, and on any date thereafter, upon payment of the principal amount of the bonds to be redeemed plus accrued interest to the redemption date, maturing on and after December 1, 2015 without premium.

The bonds were issued for the purpose of reimbursing the developer and other property owners for amounts previously advanced to the District, to fund costs of public infrastructure for the District, capitalizing the initial interest to accrue on the bonds and paying the costs of issuing the bonds.

The Series 2010 Bonds are secured by pledged revenue consisting of ad valorem property taxes to be levied by the District on all taxable property in the District. The District's service plan provides that so long as the total principal amount of all of the District's contractual obligations to levy property taxes for the payment of any bonds or other obligations payable from the District's property taxes exceeds 50% of the assessment valuation, the District is limited to a maximum annual ad valorem mill levy of 45 mills.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4 - LONG-TERM OBLIGATIONS (CONTINUED)

See Note 8 below concerning the application of sales tax revenue toward payment of principal and interest on the District's Series 2010 Bonds.

The District's Series 2010 Bonds mature as follows:

	Principal	Interest	Total
2018	\$ 70,000	\$ 177,862	\$ 247,862
2019	75,000	173,138	248,138
2020	85,000	168,075	253,075
2021	95,000	162,338	257,338
2022	105,000	155,925	260,925
2023-2027	670,000	661,162	1,331,162
2028-2032	1,010,000	391,838	1,401,838
2033-2034	525,000	54,000	579,000
	\$ 2,635,000	\$ 1,944,338	\$4,579,338

Advance and Reimbursement Agreements

The Bromley Companies, LLC - Advance and Reimbursement Agreement for Capital Advances/General Obligation Subordinate Promissory Note Series 2010A

On January 1, 2003, the District entered into an advance and reimbursement agreement with The Bromley Companies, LLC (Bromley Companies) where the District agreed to reimburse the Bromley Companies for the advances for construction costs, together with interest. On October 27, 2009, the District and the Bromley Companies entered into an advance and reimbursement agreement for capital advances whereby \$7,932,738 due the Bromley Companies was converted to the General Obligation Subordinate Promissory Note Series 2009A (Series 2009A Note). All prior agreements and understandings between the District and any or all of the entities which constitute the Bromley Companies were terminated.

On January 26, 2010, the District entered into an amended and restated advance and reimbursement agreement for capital advances between the District and the Bromley Companies, whereby the balance on the Series 2009A Note plus advances and interest accrued since October 27, 2009, were converted to the Annual Appropriation Converting to General Obligation Subordinate Promissory Note Series 2010A (Series 2010A Note) in the amount of \$7,706,260. All prior agreements and understandings between the District and any or all of the entities which constitute the Bromley Companies were terminated. In order to provide additional security for the Series 2010 Bonds, certain terms concerning required mill levy and subordinate obligation were amended on March 31, 2010, effective January 26, 2010, with the first modification to amended and restated advance and reimbursement agreement.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4 - LONG-TERM OBLIGATIONS (CONTINUED)

Payments on the Series 2010A Note are due annually on December 20th through the maturity date of December 20, 2050, subject to the condition precedent that all operations and maintenance expenses are satisfied, all bond covenants are fulfilled and the total aggregate amount of the District's debt must be equal to or less than fifty percent (50%) of the assessed valuation of all of the property located with the District, as certified by the Assessor for Adams County, Colorado. The balance outstanding at December 31, 2017 totaled \$4,860,260. The Series 2010A Note bears interest at 8% annum and is pledged by revenue generated from property taxes, available after payment of senior obligation. No payments were made on the Series 2010A Note during 2017. Accrued interest on the 2010A Note totaled \$2,445,151 as of December 31, 2017.

District 5, LLC - Advance and Reimbursement Agreement (assigned by S3L Holdings, LLC to District 5 on February 28, 2017)

The District entered into an advance and reimbursement agreement with S3L Holdings, LLC (S3L) on July 10, 2007. The agreement stipulates that the District shall reimburse S3L for any advances to the District for construction, maintenance and operation costs associated with the provision of certain public improvements, facilities and services, together with interest at the rate of 7% per annum. The District shall make payment for the advances, subject to annual appropriation and budget approval, from finds available within any fiscal year and not otherwise required for operations, capital improvements, debt service costs and expenses of the District. At December 31, 2017, outstanding advances totaled \$5,000, in addition to accrued interest of \$647.

On February 28, 2017, the District, S3L and District 5, LLC, entered into an assignment re advance and reimbursement agreement whereby S3L assigned the rights arising out of the terms and conditions of the 2007 advance and reimbursement agreement (described above) to District 5, LLC.

Authorized Debt

On November 7, 2000, a majority of the eligible electors of the District authorized the issuance of indebtedness in an amount not to exceed \$70,000,000 at an interest rate not to exceed 18% per annum. The eligible electors of the District re-voted this authorization at the May 4, 2004, November 6, 2007 and November 4, 2014 elections. At December 31, 2017, the District had authorized but unissued indebtedness from this election in the following amounts allocated for the following purposes:

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4 - LONG-TERM OBLIGATIONS (CONTINUED)

	Total Authorized	Remaining at December 31, 2017
Street improvements	\$ 17,000,000	\$ 11,951,505
Park and recreation facilities	2,000,000	1,924,753
Water supply improvements	3,750,000	2,431,573
Sanitary sewer system/storm drainage	4,500,000	2,940,139
Television relay	2,000,000	2,000,000
Mosquito control	500,000	500,000
Public transportation	4,000,000	4,000,000
Operations and maintenance	1,250,000	1,217,770
Debt refunding	35,000,000	32,000,000
	<u>\$ 70,000,000</u>	<u>\$ 58,965,740</u>

NOTE 5 – FUND EQUITY

At December 31, 2017, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$3,751 represents prepaid expenditures for the ensuing fiscal year and is therefore not in a spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$5,100 is comprised of the emergency reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 10).

The restricted fund balance in the Debt Service Fund in the amount of \$185,006 is to be used exclusively for debt service requirements (see Note 4).

Assigned Fund Balance

The assigned fund balance in the Capital Projects Fund in the amount of \$95,735 is comprised of amounts assigned by the Board of Directors for the acquisition or improvement of capital assets.

The assigned fund balance in the General Fund in the amount of \$58,447 is for subsequent year's expenditures.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 6 - NET POSITION

The District's net position consists of two components – restricted and unrestricted.

Restricted net position includes amounts that are restricted for use either externally by creditors, grantors, contributors or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District's restricted net position at December 31, 2017, consists of \$5,100 for emergency reserves and \$170,387 to be used exclusively for debt service requirements.

In the government-wide financial statements, the District's unrestricted net position deficit as of December 31, 2017 totaled \$9,716,352 primarily due to capital improvements that were funded with long-term debt that have been dedicated to other entities, while the long-term debt remains an obligation of the District.

NOTE 7 - RELATED PARTIES

The members of the Board of Directors of the District, SBD, BPMD Nos. 3 and BPMD No. 6 are employees of, owners of, or otherwise associated with BPK, and/or the Bromley Companies, and/or BPK Commercial, LLC, and/or S3L Holdings, LLC, and/or District 5, LLC (herein referred to as the Affiliates) and may have conflicts of interest in dealing with the District. BPK is the current owner of part of the property previously owned in the District by Bromley Park Associates, L.L.C. The Bromley Companies was the holder of the advance and reimbursement agreements of 2004 and 2009 and the Series 2009A Note and is the current holder of the Series 2010A Note (see Note 4). Specific details of transactions with the Affiliates regarding organization, advances and debt are described elsewhere in these notes.

NOTE 8 - INTERGOVERNMENTAL AGREEMENTS

The agreements listed below relate to one or more of the Districts and are not all-inclusive. Per the District's service plan, the District will be subject to the terms of the Beebe Draw Wastewater Management Agreement regarding provision of sanitary sewer service. The District shall also be subject to the terms of the Storm Drainage Agreement with the City.

City of Brighton

Pursuant to the (1) Annexation Agreement, as amended by the first, second, third and fourth amendments, among BPK, the City, SBD, BPMD Nos. 2 and 3 and BC, (2) Agreement 2, among BPK, the City, Adams County, SBD, BPMD Nos. 2 and 3 and BC, and (3) the Interdistrict IGA, as amended, among SBD, BPMD Nos. 2 and 3 and BC (see Note 1), the parties have the following mutual responsibilities:

In general, the Districts and BPK or assignees are to install improvements and transfer the installed facilities, except for certain specified improvements, to the City for ownership, maintenance and operation.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 8 - INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Streets - Bromley Lane was improved by funding from the City, BPK and the Districts. The City is to reimburse BPK for certain sections over a five year period or require landowners to pay their pro rata share plus interest to the Districts when annexed to the City. The Districts are to pay for their certain sections when development dictates. In 2001, BC transferred the responsibility to plant and maintain the medians to the District.

Danube Street (or of such other designation as it may be re-named at the option of the City) is to be developed and installed, but if completed by BPK or the Districts, the City will reimburse the Districts for a portion of the costs incurred. The Districts agree to perform street reconstruction and asphalt overlays on all streets as requested from the City as long as the sales and use taxes are remitted by the City. Other streets are to be constructed by the Districts and transferred to the City for perpetual maintenance.

Water - On May 28, 1996, a third amendment to the Annexation Agreement was completed which stipulated that the City would provide water service to the Bromley Park Property to full development as determined under the Phase Master Plans under certain conditions. Of the City's water plant investment fee, \$300 is paid to or retained by SBD. In consideration of BPK (assigned the role of annexor in the Annexation Agreement) designing all irrigation systems after December 8, 1998, so that they are capable of being converted to a nonpotable water system, the City will provide water taps for certain public areas at no charge.

Sewer - The City is to provide sewage collection and treatment capacity to the full development of the BPK Property (also referred to as the Bromley Park Property). Pursuant to the fourth amendment to the Annexation Agreement, approved by the City on October 21, 1997 and entered into on November 4, 1997, the City has fulfilled its obligation to provide wastewater treatment facilities for the property draining into the Beebe Draw Basin by entering into the Beebe Draw Wastewater Agreement between the Town, SBD, BPMD Nos. 2 and 3, and BC dated November 4, 1997. The Town is the Wastewater Management Agency for the Beebe Draw Service Area. The Beebe Draw Wastewater Services Agreement was amended on August 14, 2009 (see below). Pursuant to the terms of the Interdistrict IGA, as amended, the District was designated as the entity to coordinate the financing, planning, construction, ownership, and maintenance of certain infrastructure including sewer for the Districts (see Note 1).

The City remains obligated to provide transmission and treatment service to the property draining into the South Platte Basin. SBD or BPK is obligated to install, at its expense, all sanitary sewer collection and transmission lines and facilities as stipulated in the Sanitary Sewer Master Plan regardless of drainage basin.

Storm Drainage - Pursuant to the Second Amendment to Annexation Agreement approved on November 11, 1994 and in consideration of BPK's payment of storm drainage fees, the City agreed to provide all offsite storm drainage improvements for the BPK Property. The third amendment to the Annexation Agreement entered into on May 28, 1996 provided for the ability of SBD, BPMD Nos. 2 and 3 and BC to undertake offsite storm drainage activities for property in the Beebe Draw Basin which would include being solely responsible for all offsite drainage for the Bromley Park Property within their boundaries (which is within the Beebe Draw Basin).

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 8 - INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

In such event, (1) SBD, BPMD Nos. 2 and 3 and BC would pay for offsite improvements, (2) the City would forego collecting drainage fees and reimbursement and (3) the drainage fees, as may be appropriate, would be collected by SBD, BPMD Nos. 2 and 3 and BC. As part of this undertaking, SBD, BPMD Nos. 2 and 3 and BC entered into the Interdistrict IGA, as amended, for the purpose of designating SBD to coordinate the financing, planning, construction, ownership and maintenance of certain infrastructure including storm drainage (see Note 1). The Districts and/or BPK are to construct all onsite storm drainage improvements.

Sales and Use Tax - Until the earlier of December 16, 2026, or the repayment of the Districts' outstanding debt related to the funding of facilities and services within the Districts' service area, the City agrees to remit annually one third (1/3) of the sales and use taxes (excluding the .75% recreation sales and use tax) generated and collected within the Bromley Park Property (as defined in the Second Amendment to Annexation Agreement) to SBD. The Sales and Use Tax IGA and the Interdistrict IGA, as amended, allow for the sharing of this revenue among SBD, BPMD Nos. 2 and 3 and BC. Pursuant to the Sales and Use Tax IGA, the use of funds is determined by the Board of Directors of SBD (See Note 1).

On February 3, 2010, the District and SBD entered into an Intergovernmental Agreement to Designate Funds to Support Bonds (2010 Agreement), which agreement was amended on March 31, 2010 with the First Amendment to Intergovernmental Agreement to Designate Funds to Support Bonds (2010 Amendment), to facilitate the issuance of the Series 2010 Bonds which would benefit all Districts. The 2010 Agreement provided that the portion of the sales tax revenue remitted to SBD by the City which was allocable to property within the District, would be deemed as designated revenue and provided to the District, after the issuance of the Series 2010 Bonds on April 1, 2010, for the purpose of making annual payments on the Series 2010 Bonds for as long as any portion of the Series 2010 Bonds remain outstanding. The 2010 Amendment redefined "designated revenue" to mean 30% of the sales tax revenue allocable to the District. Any of the designated sales tax revenue that was deemed not necessary by the District to make the bond payments was remitted back to SBD. During the year ended December 31, 2017, no funds were remitted back to SBD under this agreement.

Beebe Draw Wastewater Service Agreement

On November 4, 1997, SBD, BPMD Nos. 2 and 3, and BC entered into the Beebe Draw Wastewater Services Agreement with the City and the Town to provide a comprehensive program to finance, design, construct, acquire, operate, maintain and use wastewater treatment and discharge facilities serving properties within the Beebe Draw drainage basin. This agreement was amended on August 14, 2009 by the First Amended and Restated Beebe Draw Wastewater Service Agreement (2009 WSA) between the City, the Town and SBD. The terms of the 2009 WSA amended and restated the 1997 agreement in its entirety, redefined the Beebe Draw Service Area, addressed future annexations east of Interstate 76, redirected certain services to the City, outlined conditions for expansion of the treatment plant, provided general rules for wastewater treatment service, established provisions for capital funding using Plant Investment Fees (PIFs) and operation and maintenance funding, provided for the Lochbuie Sewer Board, outlined specific terms for the construction of additional infrastructure within the Town or City

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 8 - INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

by SBD (which is not anticipated) and provided for rates and charges to be imposed and collected. SBD is responsible for constructing and financing certain sewer lines and receives fees from all areas served by the lines, including property within the District. PIFs are due for connections to the sewer system for treatment facilities within the corporate limits of the Town to be paid directly by builders to the Town. Future expansion of the facilities will be coordinated under the terms of this agreement.

Further, under the agreement, the City and Town are to collect and remit to SBD certain fees equal to the greater of \$1,301.60 or 40% of the applicable PIF imposed by the Town for a sewer tap connection. These fees are applied toward payment of the SBD 2005 bonds and for other District purposes. SBD's sewer line connection fee at December 31, 2017 was \$1,301.60.

System Development, Infrastructure Fees and Infrastructure Support Fees

The District can impose certain system development and infrastructure fees. As of December 31, 2017, the fees that the District can impose per single-family equivalent as follows:

System development fee - \$2,128 per unit
Infrastructure fee - \$1,048 or \$1,853 per unit depending upon type of unit

In addition, the District imposes system development fees for commercial, office and industrial property at \$0.80, \$0.65 and \$0.32 per square foot of gross building area, respectively.

On February 10, 2011, the District's Board of Directors adopted a resolution authorizing the imposition of an infrastructure support fee. The fee is due and payable each year on the first day of August until a certificate of occupancy is issued for the lot. The fee shall be imposed but waived on a dollar-for-dollar basis to the extent that the owner of such undeveloped lot provides any developer advances to the District from August 2 of the year immediately preceding the imposition of the infrastructure support fee to August 1 of the year the infrastructure support fee is imposed. At December 31, 2017, the fee was \$975 per undeveloped lot and \$7,800 per acre for undeveloped lots designated for multi-family or non-residential use within the District.

The District has determined that the fee is not required for fiscal years 2017 and 2018 and will not be required until such time as the joint fee resolution is amended to impose an infrastructure support fee.

NOTE 9 - RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members.

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 9 - RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments, except Enterprises.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the District's eligible electors approve retention of such revenue.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 7, 2000, a majority of the District's electors authorized the District to increase taxes \$1,250,000 annually for District operations, maintenance, and other expenses with such taxes consisting of a mill levy imposed without limitation of rate and as a voter-approved revenue change without regard to limitations of TABOR and Section 29-1-301, C.R.S. The electors also authorized the District to collect, retain, and spend any revenue from sources other than ad valorem taxes annually without regard to any limitations imposed by TABOR. This authorization was re-voted on May 4, 2004, November 6, 2007 and November 4, 2014, by the eligible electors of the District.

This information is an integral part of the accompanying financial statements.

SUPPLEMENTAL INFORMATION

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2017

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 67,866	\$ 67,866	\$ 67,540	\$ (326)
Specific ownership taxes	5,400	5,400	6,554	1,154
Payment in lieu of taxes - PILOT	124,000	124,000	129,151	5,151
Tax sharing with South Beebe Draw Metropolitan District	92,000	92,000	118,844	26,844
Interest	100	100	207	107
Total revenues	<u>289,366</u>	<u>289,366</u>	<u>322,296</u>	<u>32,930</u>
EXPENDITURES				
<u>General</u>				
Audit	3,000	4,000	4,006	(6)
County treasurer fees	1,020	1,020	1,016	4
District management and accounting	4,000	9,000	6,643	2,357
Legal	3,500	13,000	11,398	1,602
<u>Debt Service</u>				
Bond principal	65,000	65,000	65,000	-
Bond interest	182,250	182,250	182,250	-
Paying agent fees	400	400	200	200
Total expenditures	<u>259,170</u>	<u>274,670</u>	<u>270,513</u>	<u>4,157</u>
NET CHANGE IN FUND BALANCE	30,196	14,696	51,783	37,087
FUND BALANCE - BEGINNING OF YEAR	<u>71,618</u>	<u>133,223</u>	<u>133,223</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 101,814</u>	<u>\$ 147,919</u>	<u>\$ 185,006</u>	<u>\$ 37,087</u>

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2017

	<u>Budget Amounts Original and Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING OF YEAR	<u>95,735</u>	<u>95,735</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 95,735</u>	<u>\$ 95,735</u>	<u>\$ -</u>

OTHER INFORMATION

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2017

\$3,000,000 Series 2010
General Obligation Bonds
Dated April 1, 2010
Interest Rate of 6.75%
Payable on June 1 and December 1
Principal Due December 1

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Payments</u>
2018	\$ 70,000	\$ 177,862	\$ 247,862
2019	75,000	173,138	248,138
2020	85,000	168,075	253,075
2021	95,000	162,338	257,338
2022	105,000	155,925	260,925
2023	110,000	148,837	258,837
2024	125,000	141,413	266,413
2025	135,000	132,975	267,975
2026	145,000	123,862	268,862
2027	155,000	114,075	269,075
2028	175,000	103,613	278,613
2029	185,000	91,800	276,800
2030	200,000	79,312	279,312
2031	215,000	65,813	280,813
2032	235,000	51,300	286,300
2033	250,000	35,438	285,438
2034	275,000	18,562	293,562
	<u>\$ 2,635,000</u>	<u>\$ 1,944,338</u>	<u>\$ 4,579,338</u>

BROMLEY PARK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED
December 31, 2017

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Total Property Taxes		Percentage Collected to Levied
			Levied	Collected	
2005	\$ 1,656,120	25.000	\$ 41,403	\$ 41,403	100.00%
2006	\$ 2,043,000	25.000	\$ 51,075	\$ 51,075	100.00%
2007	\$ 1,934,830	25.000	\$ 48,371	\$ 48,262	99.77%
2008	\$ 5,074,550	25.000	\$ 126,864	\$ 126,864	100.00%
2009	\$ 5,894,170	25.000	\$ 147,354	\$ 147,354	100.00%
2010	\$ 6,008,170	25.000	\$ 150,204	\$ 150,204	100.00%
2011	\$ 5,809,830	25.000	\$ 145,246	\$ 145,246	100.00%
2012	\$ 5,552,040	40.000	\$ 222,082	\$ 222,082	100.00%
2013	\$ 5,471,480	40.000	\$ 218,859	\$ 218,013	99.61%
2014	\$ 5,565,120	40.000	\$ 222,605	\$ 221,968	99.71%
2015	\$ 5,357,020	40.000	\$ 214,281	\$ 214,917	100.30%
2016	\$ 5,269,520	40.000	\$ 210,781	\$ 210,492	99.86%
2017	\$ 5,220,440	40.000	\$ 208,818	\$ 207,816	99.52%
Estimated for the year ending December 31, 2017	\$ 5,420,280	40.000	\$ 216,812		