LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2014

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2014 budget and budget message for BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 12, 2013. If there are any questions on the budget, please contact

Lisa A. Johnson
141 Union Boulevard, Suite 150
Lakewood, CO 80228
Telephone number: (303) 987-8035

I, Lisa A. Johnson, District Mgr of the Beebe Draw Farms Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2014 budget.

By: _____
Name

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

2014 Budget Message

Introduction

The budget reflects the projected spending plan for the 2014 fiscal year based on available revenues. This budget provides for the annual debt service on the District's general obligation debt as well as the general operation of the District.

The current District's assessed value decreased by 32.3% to $8,194,940 in 2013 while the assessed value of the property associated with the debt decreased by 30.3% to $40,768,951. The District's mill levy remains at 40.000 mills for tax collection in the 2014 fiscal year with 35.000 mills certified to the General Fund and 5.000 mills certified to the Debt Service Fund.

The District was formed in 1986 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements within the District and Beebe Draw Farms Metropolitan District No. 2.

Budgetary Basis of Accounting

The District uses Funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. The District's General Fund and Debt Service Funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services and other expenses related to statutory operations of a local government. The General Fund transfers to Beebe Draw Farms Authority all annual revenues net of certain operating expenditures under the Authority Establishment Agreement.

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes administrative costs associated with debt issues. The primary source of revenue comes from property taxes and specific ownership taxes. In 2012, the District entered into a tax-free loan that refunded the Series 1998 General Obligation Bonds. Below is a summary of the District's revised long term debt obligation.

Summary of Long Term Debt

Beebe Draw Farms Metropolitan District No. 1

$1,090,000 - Series 2012 Tax-Free Loan Refunding

Maturity of Bonds for the Year(s) Ended December 31,	Principal	Interest	Total
2014	185,000	20,634	205,634
2015	190,000	16,416	206,416
2016	195,000	12,084	207,084
2017	195,000	7,638	202,638
2018	140,000	3,192	143,192
Totals	$ 905,000	$ 59,964	$ 964,964

Conservation Trust Fund is used to account for disbursements of allocated state lottery revenue from the Colorado Department of Local Affairs, based on the District's census. The funds are restricted until such time as the District incurs expenditures for allowable public improvements, including acquisition, development or maintenance of public areas.

Emergency Reserve

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

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1
Assessed Value, Property Tax and Mill Levy Information

	2012 Actual	2013 Adopted Budget	2014 Adopted Budget
Assessed Valuation			
Current District	$ 6,738,450	$ 12,109,790	$ 8,194,940
1998 Debt Property	44,419,120	58,458,070	40,768,951
Mill Levy			
General Fund	35.000	36.000	35.000
Debt Service Fund	5.000	4.000	5.000
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	40.000	40.000	40.000
Property Taxes			
General Fund	$ 235,846	$ 435,952	$ 286,823
Debt Service Fund	-	-	-
Debt Service Fund-Dist 2	-	-	-
1998 Debt Property	222,096	233,832	203,845
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	**$ 457,942**	**$ 669,784**	**$ 490,668**

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

GENERAL FUND
2014 ADOPTED BUDGET
with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 Actual	2013 Adopted Budget	2013 Estimated	2014 Adopted Budget
150100 **BEGINNING FUND BALANCE**	-	-	-	7,901
REVENUE				
151000 Property Taxes	235,862	435,952	435,952	286,823
151500 Specific Ownership Taxes	36,380	40,187	36,000	29,440
156000 Interest	58	25	25	25
157500 Other Income	-	-	7,901	-
Total Revenue	272,300	476,164	479,878	316,288
Total Funds Available	272,300	476,164	479,878	324,189
EXPENDITURES				
161000 Treasurer's Fee	3,538	6,539	6,539	4,302
161400 Accounting	5,061	2,500	4,000	2,500
161500 Audit Fees	5,907	6,000	4,143	6,000
162000 Director's Fees	1,500	1,000	1,000	1,000
162500 Payroll Taxes	115	77	77	77
163500 Election Costs	8,295	-	-	10,000
164800 Miscellaneous	1,798	1,500	1,500	1,500
167000 Insurance and Bonds	3,684	4,000	3,831	4,000
167900 Statutory Compliance	50	-	-	-
168000 Management	7,090	2,500	2,500	2,500
168605 Directors Fees	(772)	-	-	-
168615 Legal	2,830	3,500	2,000	3,500
Total O&M Expenditures	39,097	27,616	25,590	35,379
Total Available for Distribution	233,203	448,548	454,288	288,810
169010 Trans. to Auth. - Infrastruct.	136,065	274,209	283,908	146,771
169020 Trans. to Auth. - Amenities	34,016	68,552	70,977	36,693
169030 Transfer to Authority - O&M	63,122	91,502	91,502	87,719
179500 Contingency	-	-	-	-
Total Other	233,203	434,263	446,387	271,183
Total Expenditures	272,300	461,879	471,977	306,562
169600 Emergency Reserves	-	14,285	-	9,726
Total Expenditures Requiring Appropriation	272,300	476,164	471,977	316,288
ENDING FUND BALANCE	-	-	7,901	7,901

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

DEBT SERVICE FUND
2014 ADOPTED BUDGET
with 2012 Actual, 2013 Adopted, 2013 Amended and 2013 Estimated

	2012 Actual	2013 Adopted Budget	2013 Amended Budget	2013 Estimated	2014 Adopted Budget
BEGINNING FUND BALANCE	34,019	43,346	53,737	53,737	78,469
REVENUE					
Property Taxes	224,790	233,832	233,832	233,832	203,845
Debt proceeds	1,090,000	-	-	-	-
Interest	1,653	50	50	30	30
Total Revenue	1,316,443	233,882	233,882	233,862	203,875
Total Funds Available	1,350,462	277,228	287,619	287,599	282,344
EXPENDITURES					
Bond Interest	91,026	19,467	19,398	19,398	20,634
Bond Principal	1,125,000	185,000	185,000	185,000	185,000
Treasurer's Fee	3,372	3,507	3,507	3,507	3,058
Paying Agent Fees	-	150	150	150	150
Bond Issuance Cost	77,326	-	1,075	1,075	-
Total General and Administrative	1,296,725	208,124	209,130	209,130	208,842
Total Expenditures	1,296,725	208,124	209,130	209,130	208,842
Total Expenditures Requiring Appropriation	1,296,725	208,124	209,130	209,130	208,842
ENDING FUND BALANCE	53,737	69,104	78,489	78,469	73,502

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

CONSERVATION TRUST FUND
2014 ADOPTED BUDGET
with 2012 Actual, 2013 Adopted, and 2013 Estimated

	2012 Actual	2013 Adopted Budget	2013 Estimated	2014 Adopted Budget
BEGINNING FUND BALANCE	4,036	4,537	4,317	4,817
REVENUE				
Interest	1	-	-	-
CTF Revenue	280	500	500	500
Total Revenue	281	500	500	500
Total Funds Available	4,317	5,037	4,817	5,317
EXPENDITURES				
Transfer to Dist. No. 2	-	-	-	-
Total Expenditures	-	-	-	-
Total Expenditures	-	-	-	-
Total Expenditures Requiring Appropriation	-	-	-	-
ENDING FUND BALANCE	4,317	5,037	4,817	5,317