

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2016

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

Attached are the 2015 budget and budget message for COLFAX BUSINESS IMPROVEMENT DISTRICT in Denver County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2015. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 500
Greenwood Village, CO 80111
Telephone number: 303-779-4525

I, Denise Denslow, District Manager, hereby certify that the attached is a true and correct copy of the 2016 budget.

By: 
Denise Denslow, District Manager

RESOLUTION NO. 2015-11-01

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE COLFAX BUSINESS IMPROVEMENT DISTRICT, DENVER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2016, AND ENDING ON THE LAST DAY OF DECEMBER, 2016

WHEREAS, the Board of Directors of Colfax Business Improvement District (the "District") has appointed Schilling & Company, Inc. to prepare and submit a proposed budget to the Board of Directors of the District at the proper time; and

WHEREAS, the budget was submitted to the Board of Directors of the District on or before October 15, 2015, for its consideration;

WHEREAS, upon due and proper notice published on November 4, 2015 in accordance with the law; said proposed budget was open for inspection by the public at a designated place: the office of CliftonLarsonAllen LLP, located at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, and interested electors of the District were given the opportunity to file or register any objections to the proposed budget; and a public hearing was held on November 10, 2015 at 10:00 a.m., at UMB, 1635 E. Colfax Avenue Denver, Colorado 80218; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or were planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

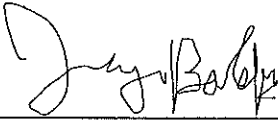
NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the Colfax Business Improvement District, Denver County, Colorado:

Section 1. That the budget as submitted, amended, and summarized by fund and attached hereto as Exhibit A, is hereby approved and adopted as the Budget of the Colfax Business Improvement District for the year 2016.

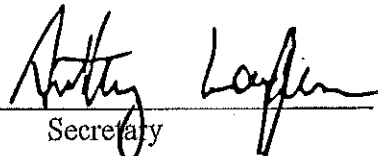
Section 2. That the 2016 Budget hereby approved and adopted shall be signed by the President and Secretary of the District, made a part of the public records of the District and filed in accordance with applicable law.

APPROVED AND ADOPTED this 10th day of November, 2015, by a vote of 6 for and 0 against.

COLFAX BUSINESS IMPROVEMENT
DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: 
President

ATTEST:

By: 
Secretary



SEAL

EXHIBIT A
COLFAX BUSINESS IMPROVEMENT DISTRICT
2016 BUDGET

RESOLUTON NO. 2015-11-02

**RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS
FUNDS IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW,
FOR THE COLFAX BUSINESS IMPROVEMENT DISTRICT,
DENVER COUNTY, COLORADO,
FOR THE 2016 BUDGET YEAR**

WHEREAS, the Board of Directors of Colfax Business Improvement District (the "District") has adopted the annual budget in accordance with the Local Government Budget Law, on November 10, 2015; and

WHEREAS, the Board of Directors of the District has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District;

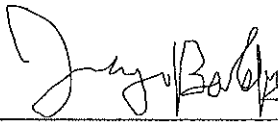
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colfax Business Improvement District, Denver County, Colorado:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated:

General Fund \$ 504,450

APPROVED AND ADOPTED this 10th day of November, 2015 by a vote of 6 for and 0 against.

COLFAX BUSINESS IMPROVEMENT
DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: 
President

ATTEST:

By: 
Secretary



SEAL

RESOLUTION NO. 2015-11-03

**A RESOLUTION LEVYING PROPERTY TAXES FOR YEAR 2015 FOR COLLECTION
IN 2016, TO HELP DEFRAID THE COSTS OF GOVERNMENT
FOR THE COLFAX BUSINESS IMPROVEMENT DISTRICT,
DENVER COUNTY, COLORADO,
FOR THE 2016 BUDGET YEAR**

WHEREAS, the Board of Directors of the Colfax Business Improvement District has adopted the annual budget, in accordance with the Local Government Budget Law of Colorado, on November 10, 2015; and

WHEREAS, the 2015 valuation for assessment for the Colfax Business Improvement District (the "District"), as certified by the Denver County Assessor is \$55,631,620; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$440,157; and

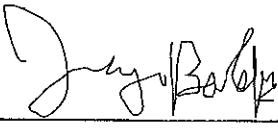
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colfax Business Improvement District, Denver County, Colorado:

Section 1. That for the purpose of meeting all general operating expenses of the District during the 2016 budget year, there is hereby levied a tax of 7.912 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015 which includes a mill levy of .066 for refunds and abatements.

Section 2. That the District Manager is hereby authorized and directed to immediately certify to the Board of County Commissioners of Denver County, State of Colorado (the "Board of County Commissioners"), the mill levies for the District as hereinabove determined and set, or be authorized and directed to certify to the Board of County Commissioners the mill levies for the District as hereinabove determined and set, but as recalculated as needed based upon the final (December) certification of valuation from the Denver County Assessor in order to comply with any applicable revenue and other budgetary limits.

APPROVED AND ADOPTED this 10th day of November, 2015, by a vote of 6 or and 0 against.

COLFAX BUSINESS IMPROVEMENT
DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: 
President

ATTEST:

By: 
Secretary



SEAL



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Colfax Business Improvement District
Denver County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances of the General Fund of the Colfax Business Improvement District for the year ending December 31, 2016, including forecasted estimates of comparative information for the year ending December 31, 2015, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenues, expenditures and fund balances or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2014 is presented for comparative purposes only. Such information is taken from the compiled financial statements of the Colfax Business Improvement District for the year ended December 31, 2014. Schilling & Company, Inc. compiled the financial statements for the year ended December 31, 2014, which were dated February 3, 2015.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to the Colfax Business Improvement District.

SCHILLING & COMPANY, INC.

Schilling & Company, Inc.
January 11, 2016

**COLFAX BUSINESS IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
FORECASTED 2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2014</u>	<u>BUDGET 2015</u>	<u>ADOPTED BUDGET 2016</u>
Assessed Valuation			
Denver County	<u>\$ 45,187,100</u>	<u>\$ 44,996,820</u>	<u>\$ 55,631,620</u>
Mill Levy			
General Fund	7.846	7.846	7.846
Refunds and abatements	0.209	0.159	0.066
Total mill levy	<u>8.055</u>	<u>8.005</u>	<u>7.912</u>
Anticipated Tax Revenue			
Denver County	<u>\$ 363,982</u>	<u>\$ 360,200</u>	<u>\$ 440,157</u>

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

COLFAX BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
FORECASTED 2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2014	ESTIMATED 2015	ADOPTED BUDGET 2016
Beginning Funds Available	\$ 247,316	\$ 284,005	\$ 347,572
Revenue			
Property Taxes	357,562	353,000	440,157
Specific Ownership Taxes	24,731	25,319	30,800
Interest Income	1,057	639	500
Root 40 Music Fest	20,000	-	-
Victorian Holiday Home Tour reimb.	350	-	-
Advertising revenue	1,350	-	-
Grant - pedestrian lights	-	-	-
Insurance Proceeds	6,107	-	-
Total Revenue	<u>411,157</u>	<u>378,958</u>	<u>471,457</u>
Expenditures			
Community Program:			
Community Director contract	-	38,999	53,560
Community Director benefits	-	4,500	6,180
Public information coordinator	-	5,760	20,000
Professional development	-	-	5,000
Safety support contributions	-	2,500	2,500
Special project - Safety Pilot Program	-	-	30,000
Total community program	<u>-</u>	<u>51,759</u>	<u>117,240</u>
Administrative			
Economic development director	94,500	-	-
EDD - liability insurance	927	-	-
EDD - professional development	1,175	-	-
Administrative contract	15,438	-	-
District management	19,729	22,709	18,000
Insurance	7,633	6,916	7,500
Audit	3,200	-	-
Accounting	11,129	12,993	11,000
Legal fees	-	-	1,000
Office supplies	143	700	700
Printing and reproduction	1,905	5,072	5,072
Postage and delivery	513	4,996	4,996
Copier lease	2,987	-	-
Copier maintenance	-	720	750
Rent	11,877	13,000	13,000
Telephone/internet	2,067	2,300	2,300
Board meeting expense	398	-	-
Dues and subscriptions	1,938	2,000	2,000
Website maintenance/hosting	2,865	2,500	600
Treasurer's fees	3,586	3,538	6,602
Miscellaneous	1,108	538	1,500
Total administrative	<u>183,118</u>	<u>77,982</u>	<u>75,020</u>
District maintenance			
Landscape contract:			
General maintenance/trash removal	86,890	119,694	117,400
Streetscape maintenance	5,005	6,935	13,000
Banner maintenance	-	-	6,000
Graffiti removal	13,060	-	-
Supplemental tree watering	3,960	-	-
	<u>108,915</u>	<u>126,629</u>	<u>136,400</u>
Utilities	9,125	9,445	9,600
Street light maintenance	8,185	9,722	4,500
Miscellaneous - repairs/supplies	-	2,000	600
Total district maintenance	<u>126,225</u>	<u>147,796</u>	<u>151,100</u>

(continued)

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

COLFAX BUSINESS IMPROVEMENT DISTRICT
GENERAL FUND
FORECASTED 2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,

(continued)

	ACTUAL 2014	ESTIMATED 2015	ADOPTED BUDGET 2016
Marketing			
Advertising	13,272	6,155	6,060
Banners	-	15,000	20,000
Graphic design/printing: map brochure	-	9,264	6,000
Donations	-	500	3,000
Meetings/entertainment	2,341	3,000	3,400
Website Redesign	-	-	5,000
Miscellaneous	6,951	1,935	2,000
Total marketing	<u>22,564</u>	<u>35,854</u>	<u>45,460</u>
Other Programs			
Root 40 Music Fest - 2014	512	-	-
Contribution to UCCF - 2014 Music Fest	40,000	-	-
UCCF Wellness Festival	49	-	-
Grant expense	2,000	2,000	2,000
Total other programs	<u>42,561</u>	<u>2,000</u>	<u>2,000</u>
Capital outlay			
Façade improvement grants	-	-	20,000
Master Street Design	-	-	75,000
Street Improvements	-	-	25,000
Pedestrian lights - replace sodium	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>120,000</u>
Contingency	-	-	10,000
Total Expenditures	<u>374,468</u>	<u>315,391</u>	<u>520,820</u>
Emergency Reserve	-	-	14,144
Total Expenditures requiring appropriation	<u>374,468</u>	<u>315,391</u>	<u>534,964</u>
Net Change in Funds Available	<u>36,689</u>	<u>63,567</u>	<u>(63,507)</u>
Ending Funds Available	<u>\$ 284,005</u>	<u>\$ 347,572</u>	<u>\$ 284,065</u>
Emergency Reserves	<u>\$ 12,000</u>	<u>\$ 11,369</u>	<u>\$ 14,144</u>

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

**COLFAX BUSINESS IMPROVEMENT DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2016 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

Colfax Business Improvement District (the District), a quasi-municipal corporation was organized by ordinance of the City and County of Denver (the City) in 1989 and is governed pursuant to the provision of the Colorado Business Improvement Act (Title 31). The District's service area is located within the boundaries of the City and County of Denver in the general area of East 16th Avenue on the north, East 14th Avenue on the south, the alley east of Josephine Street on the east and Grant Street (south of Colfax Avenue) and the alley between Sherman Street and Grant Street (north of Colfax Avenue) on the west. The District was organized for the purpose of designing, constructing and installing public improvements; maintenance of improvements, management development activities, organization, promotion, marketing, and management of public events, security for businesses and public areas located within the District, snow removal and refuse collection.

On November 7, 2000 a majority of the District's voters passed a ballot question that authorizes the District to collect, retain and spend all revenues and other funds received from any source, including the District's existing general operating property tax rate of 7.846 mills, which rate shall not be increased without voter approval, commencing January 1, 2000 and continuing thereafter until repealed as a voter-approved revenue change, without limitation under Article X, Section 20 of the Colorado Constitution or any other law and as a permanent waiver of the 5.5% limitation under Section 29-1-301, C.R.S.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. Forecasted revenues are also decreased by an estimate of expected abatements.

The following schedule summarizes forecasted property tax revenues:

<u>General Fund</u>	<u>Mills Levied</u>	<u>Assessed Valuation</u>	<u>Levied Revenues</u>	<u>Est. Abate./ Collections</u>	<u>Budgeted Revenues</u>
2007	7.846	\$ 34,936,430	\$ 274,111	\$ -	\$ 274,111
2008	7.846	\$ 42,747,150	\$ 335,394	\$ -	\$ 335,394
2009	7.846	\$ 42,313,110	\$ 331,989	\$ -	\$ 331,989
2010	7.846	\$ 50,324,580	\$ 394,847	\$ -	\$ 394,847
2011	7.846	\$ 48,477,260	\$ 380,353	\$ 4,557	\$ 384,910
2012	7.846	\$ 45,204,250	\$ 354,673	\$ 14,420	\$ 369,093
2013	7.846	\$ 44,582,210	\$ 349,792	\$ 9,095	\$ 358,887
2014	7.846	\$ 45,187,100	\$ 354,538	\$ 9,444	\$ 363,982
2015	7.846	\$ 44,996,820	\$ 353,045	\$ 7,155	\$ 360,200
2016	7.846	\$ 55,631,620	\$ 436,486	\$ 3,671	\$ 440,157

EXPENDITURES

District expenditures are forecasted based on prior years' amounts expended adjusted for known variations. The District has budgeted inflationary increases for 2016.

Capital Outlay

The District is anticipating incurring \$120,000 in capital outlay for master streetscape design and improvements and façade improvement grants.

DEBT AND LEASES

The District has no outstanding debt.

RESERVES

The District will provide for an emergency reserve fund to at least 3% of fiscal year spending for 2016, as defined under TABOR.

This information is an integral part of the accompanying forecasted budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of City and County of Denver, Colorado.

On behalf of the Colfax Business Improvement District,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Colfax Business Improvement District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 55,631,620 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 55,631,620 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: December 15, 2015 for budget/fiscal year 2016.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>7.846</u> mills	\$ <u>436,486</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	7.846 mills	\$ 436,486
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	<u>.066</u> mills	\$ <u>3,671</u>
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	7.912 mills	\$ 440,157

Contact person: Dawn A. Schilling Daytime phone: 720-348-1086
Signed: Dawn A. Schilling Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**NOTICE AS TO PROPOSED BUDGET
AND
NOTICE CONCERNING BUDGET AMENDMENT**

NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2016 has been submitted to the Colfax Business Improvement District ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at UMB Bank, 1635 E. Colfax Avenue, Denver, Colorado, at 10:00 a.m. on Tuesday, November 10, 2015.

NOTICE IS FURTHER GIVEN that an amendment to the 2015 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District.

A copy of the proposed 2016 budget and the amended 2015 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Suite 500, Greenwood Village, Colorado. Any interested elector within the District may, at any time prior to final adoption of the 2016 budget and the amended 2015 budget, file or register any objections thereto.

Dated: October 26, 2015

COLFAX BUSINESS IMPROVEMENT DISTRICT

By: /s/ Denise Denslow
District Manager

*Publish In: Life on Capitol Hill
Publish On: November 4, 2015*