

2018-19

BIENNIAL BUDGET



Commerce
CITY
COLORADO



NORTHERN INFRASTRUCTURE GID

2018-2019 BIENNIAL BUDGET

October 16, 2017

President and Members of the Board

City of Commerce City Northern Infrastructure General Improvement District (NIGID)

SECTION 1: Introduction

The proposed budget beginning January 1, 2018 and ending on December 31, 2018 is hereby submitted.

As required by Colorado statutes, this proposed budget is in balance with anticipated and existing revenues equal to or greater than the 2018 proposed expenditures.

SECTION 2: Certification of Mill Levy and Assessed Valuation

The assessed valuation of the NIGID as estimated by the Adams County Assessor's Office on August 25, 2017 is \$270,411,670. A final valuation is to be received from the County Assessor no later than December 10, 2017.

For the 2017 fiscal year, it is proposed that the mill levy be certified at 27.00 mills, which will generate a district property tax of \$7,314,255. This is the nineteenth year that the NIGID has received an assessed valuation and the nineteenth year that a property tax mill levy is proposed.

SECTION 3: Authorization and Issuance of District Limited General Obligation Bond Series 1998

On November 4, 1997, the electors of the NIGID approved the issuance of bonds for two purposes, one of which was for \$5,000,000 for the financing of water improvements and one of which was for \$10,000,000 for the financing of sewer improvements for a total authorization of \$15,000,000.

On June 2, 1998, the NIGID issued a limited general obligation bond issue in the par amount of \$11,500,000 of the authorized \$15,000,000 for the water and sewer improvements project. These bonds were privately placed with Consumer Services, Inc., a division of United Power, Incorporated. In addition to the bond proceeds, the City of Commerce City and the South Adams County Water and Sanitation District provided for a reimbursable loan of \$1,000,000 and \$500,000 respectively. The bonds carried a coupon rate of 8.750% with the initial debt service payment being made on December 1, 1998, and a term ending December 1, 2017. This debt is solely the responsibility of the NIGID with no financial responsibilities of the City of Commerce City.

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SECTION 4: Authorization and Issuance of General Obligation Variable Rate Refunding Bonds Series 2002

On January 8, 2002, the NIGID issued General Obligation Variable Rate Refunding Bonds Series 2002 in the amount of \$14,140,000 with A+ rated bonds. The refunding bonds were for the purpose of refinancing the 1998 Limited General Obligation Bond, Series 1998 held by Consumer Services, Inc., a division of United Power, Incorporated and to repay a December 2000 Loan to the District from various property owners in the District in the aggregate amount of \$22,752. The new bonds were all purchased by a single buyer at an interest rate of 1.75% for year 2002. We were able to obtain this interest rate with the issuance of a Letter of Credit (LOC) and with the annual remarketing of the bonds. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond. The Series 1998 Bonds and the Developer Loan were redeemed and paid on January 15, 2002, the date of issuance of the Bonds (plus accrued interest on the Series 1998 Bonds). In 2004, \$1,850,000 of the bonds were called early and retired. And in 2006, \$2,100,000 of the bonds were called early and retired.

SECTION 5: Authorization to Increase Debt

On November 1, 2005, the electors of the NIGID approved the debt be increased \$79,900,000 for improvements to East 104th Avenue and other street improvements as deemed necessary for the benefit of the District. The first \$44,400,000 in bonds was issued in 2006 and the remainder to be issued as determined.

SECTION 6: Authorization and Issuance of General Obligation Variable Rate Bonds, Series 2006

On February 15, 2006, the NIGID issued General Obligation Variable Rate Bonds Series 2006 in the amount of \$44,400,000 with AA rated bonds to be used to construct street improvements and to pay the costs of issuing the Bonds. The Bonds were structured to bear interest in the weekly mode. The adjusted interest rate for any Bond in the weekly mode was the rate of interest per annum determined by the Remarketing Agent on and as of each Wednesday. The adjusted interest rate could not exceed the maximum rate. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond.

SECTION 7: Authorization and Issuance of General Obligation Variable Rate Bonds, Series 2008

On June 26, 2008, the NIGID issued General Obligation Variable Rate Bonds Series 2008 in the amount of \$35,500,000 with AA rated bonds to be used to construct street improvements and to pay the costs of issuing the Bonds. The Bonds were structured to bear interest in the weekly mode. The adjusted interest rate for any Bond in the weekly mode was the rate of interest per annum determined by the Remarketing Agent on and as of each Wednesday. The adjusted interest rate could not exceed the maximum rate. The net interest cost was calculated to be approximately 4% over the 30-year term of the bond.

SECTION 8: Remarketing of General Obligation Variable Rate Refunding Bonds Series 2002 and Refinancing of General Obligation Variable Rate Bonds, Series 2006, and General Obligation Variable Rate Bonds, Series 2008

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On February 02, 2013, the NIGID remarketed the General Obligation Variable Rate Refunding Bonds Series 2002 and refinanced the General Obligation Variable Rate Bonds, Series 2006, and General Obligation Variable Rate Bonds, Series 2008 fix the interest rate on all of the bonds. The true interest cost of the bonds was calculated to be 3.645104% over the 30-year term of the bond.

Section 9: The 2018 Budget Process

The proposed 2018 budget expenditures total \$7,852,118 including bond interest payments plus additional operational costs. NIGID revenues for 2018 are estimated at 7,852,118

The proposed budget is scheduled for public hearing on Monday, October 16, 2017 with a continuation of the public hearing to November 6, 2017. Following the November 6th public hearing, the NIGID budget is scheduled for adoption and certification of the mill levy. The NIGID does not have any authorized staff.

Respectfully Submitted

Sheryl L. Carstens, Treasurer to the Board

NORTHERN INFRASTRUCTURE GID

SUMMARY OF RESOURCES AND REQUIREMENTS BY FUND - 2018

GENERAL IMPROVEMENT DISTRICT

		2018 Budget
<u>Resources</u>		
Revenues		\$ 7,838,978
Total Resources		\$ 7,838,978
<u>Requirements</u>		
Administrative Cost		\$ 106,100
Transfers To:		
02 General Improvement District Debt		\$ 748,506
13 General Improvement District Debt		\$ 4,623,792
Fund Balance		\$ 2,178,580
Transfer To CIPP		\$ 182,000
Total Requirements		\$ 7,838,978

GENERAL IMPROVEMENT DISTRICT DEBT

		2018 Budget
<u>Resources</u>		
Transfers From		
02 General Improvement District Fund		\$ 748,506
13 General Improvement District Fund		4,623,792
Total Resources		\$ 5,372,298
<u>Requirements</u>		
02 Administrative Costs		\$ 7,750
13 Administrative Costs		50,500
02 Interest		285,756
13 Interest		3,138,292
02 Principal		455,000
13 Principal		1,435,000
Total Requirements		\$ 5,372,298

NORTHERN INFRASTRUCTURE GID

SUMMARY OF RESOURCES AND REQUIREMENTS BY FUND - 2019

GENERAL IMPROVEMENT DISTRICT

	2019 Plan
<u>Resources</u>	
Revenue	\$ 7,935,474
Total Resources	\$ 7,935,474
<u>Requirements</u>	
Administrative Costs	\$ 87,500
Transfers To:	
02 General Improvement District Debt	\$ 750,446
13 General Improvement District Debt	\$ 4,743,825
Fund Balance	\$ 2,166,243
Transfer To CIPP	\$ 187,460
Total Requirements	\$ 7,935,474

GENERAL IMPROVEMENT DISTRICT DEBT

	2019 Plan
<u>Resources</u>	
Transfers From	
02 General Improvement District Fund	\$ 750,446
13 General Improvement District Fund	4,743,825
Total Resources	\$ 5,494,271
<u>Requirements</u>	
02 Administrative Costs	\$ 7,890
13 Administrative Costs	51,409
02 Interest	267,556
13 Interest	3,072,416
02 Principal	475,000
13 Principal	1,620,000
Total Requirements	\$ 5,494,271

NORTHERN INFRASTRUCTURE GID

2018-2019 BIENNIAL BUDGET

Revenues		<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Adopted</u>	<u>2017 Estimated</u>	<u>2018 Budget</u>	<u>2019 Plan</u>
Account Number	Description						
190-420-000	Earnings On Investments	54,051	12,545	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
190-445-001	Property Tax	4,572,537	5,688,423	5,802,470	5,770,743	7,301,115	7,396,029
190-445-003	Specific Ownership Tax	393,019	464,635	580,247	354,975	400,000	400,000
190-482-001	Sale Of Assets Water Rights	101,650	125,000	-	-	-	-
190-490-002	One Time Fee	-	-	-	127,520	37,101	37,769
190-490-003	Capacity Fee	8,126	25,274	25,000	-	50,762	51,676
190-489-000	Bond Proceeds	-	-	-	-	-	-
190-586-003	Bond Misc Net Premium	-	-	-	-	-	-
190-590-000	Transfer From Fund Balance	8,592,604	1,016,254	-	-	-	-
190-595-000	Transfers In	-	40,000	-	-	-	-
Total Available Revenues		\$13,721,988	\$ 7,372,130	\$ 6,457,717	\$ 6,253,238	\$7,838,978	\$7,935,474
Expenditures							
190-731-026	Outside Services Project Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
190-731-062	Recording/Advertising Fees	-	-	100	-	100	100
190-731-006	Auditing Fees	9,500	13,030	15,000	-	15,000	15,000
190-731-086	Legal Fees	-	-	1,000	-	1,000	1,000
190-740-000	Property Tax Collection Fees	68,603	85,358	70,000	-	90,000	-
190-751-001	Project Expense - Water Acq Fee	-	-	-	-	-	-
190-751-003	Project Expense - Water Rights Sold	79,999	97,329	-	-	-	-
190-790-000	Unclassified Expense	-	-	-	-	-	-
190-790-006	Unclassified Expense Closing Costs	-	-	-	-	-	-
190-790-019	Unclassified Expense Bond Escrow Agent	-	-	-	-	-	-
190-784-000	Insurance Premiums	-	-	5,000	86,566	-	71,400
190-891-000	Transfer To Fund 195 - 2002	733,306	737,506	740,907	740,907	748,506	750,446
190-891-000	Transfer To Fund 195 - 2013	4,237,491	4,345,041	4,506,542	4,506,542	4,623,792	4,743,825
190-891-000	Transfer To Fund 191 - NIGID Construction Fund	8,463,088	2,093,865	-	-	-	-
190-891-000	Transfer To CIPP Fund	130,000	-	-	-	182,000	187,460
190-891-001	Transfer To Fund Balance	-	-	1,119,168	919,223	2,178,580	2,166,243
Total Expenditures		13,721,988	7,372,130	6,457,717	6,253,238	7,838,978	7,935,474
Net Position		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Revenues		<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Adopted</u>	<u>2017 Estimated</u>	2018 Budget	2019 Plan
Account Number	Description						
		\$ -	\$ -	\$ -	\$ -	-	\$ -
195-420-008	Interest/Us Bank 2002	-	-	-	-	-	-
195-420-026	Interest/Us Bank 2013						
195-595-000	Transfer From Fund 190/2002	733,306	737,506	745,907	737,507	748,506	750,446
195-595-000	Transfer From Fund 190/2013	4,237,491	4,345,541	4,506,542	4,345,542	4,623,792	4,743,825
		<u>4,237,491</u>	<u>4,345,541</u>	<u>4,506,542</u>	<u>4,345,542</u>	<u>4,623,792</u>	<u>4,743,825</u>
	Total Available Revenues	<u>\$ 4,970,798</u>	<u>\$ 5,083,048</u>	<u>\$ 5,252,449</u>	<u>\$ 5,083,049</u>	5,372,298	<u>\$ 5,494,271</u>
Expenditures							
195-731-090	2002 Outside Services	\$ -	\$ -	\$ 5,000	\$ -	5,000	\$ 5,090
195-731-205	2013 Outside Services	-	-	50,000	-	50,000	50,900
195-790-007	2002 Unclassified Expense	2,750	2,750	2,750	2,750	2,750	2,800
195-790-020	2013 Unclassified Expense	500	500	500	500	500	509
195-792-001	2002 Bond Principal Payments	395,000	415,000	435,000	415,000	455,000	475,000
195-792-005	2013 Bond Principal Payments	965,000	1,100,000	1,255,000	1,100,000	1,435,000	1,620,000
195-793-001	2002 Bond Interest Payments	335,556	319,756	303,157	319,757	285,756	267,556
195-793-005	2013 Bond Interest Payments	3,271,991	3,245,041	3,201,042	3,245,042	3,138,292	3,072,416
		<u>3,271,991</u>	<u>3,245,041</u>	<u>3,201,042</u>	<u>3,245,042</u>	<u>3,138,292</u>	<u>3,072,416</u>
	Total Expenditures	<u>\$ 4,970,798</u>	<u>\$ 5,083,048</u>	<u>\$ 5,252,449</u>	<u>\$ 5,083,049</u>	5,372,298	<u>\$ 5,494,271</u>
	Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>

NORTHERN INFRASTRUCTURE GID

BOND DEBT SERVICE SERIES 2013

<u>Period Ending</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
6/1/2013			1,112,363.75	1,112,363.75	
12/1/2013	1,340,000	3.000%	1,668,545.63	3,008,545.63	4,120,909.38
6/1/2014			1,648,445.63	1,648,445.63	
12/1/2014	830,000	3.000%	1,648,445.63	2,478,445.63	4,126,891.26
6/1/2015			1,635,995.63	1,635,995.63	
12/1/2015	965,000	** %	1,635,995.63	2,600,995.63	4,236,991.26
6/1/2016			1,622,520.63	1,622,520.63	
12/1/2016	1,100,000	4.000%	1,622,520.63	2,722,520.63	4,345,041.26
6/1/2017			1,600,520.63	1,600,520.63	
12/1/2017	1,255,000	5.000%	1,600,520.63	2,855,520.63	4,456,041.26
6/1/2018			1,569,145.63	1,569,145.63	
12/1/2018	1,435,000	** %	1,569,145.63	3,004,145.63	4,573,291.26
6/1/2019			1,536,208.13	1,536,208.13	
12/1/2019	1,620,000	5.000%	1,536,208.13	3,156,208.13	4,692,416.26
6/1/2020			1,495,708.13	1,495,708.13	
12/1/2020	1,825,000	5.000%	1,495,708.13	3,320,708.13	4,816,416.26
6/1/2021			1,450,083.13	1,450,083.13	
12/1/2021	2,050,000	5.000%	1,450,083.13	3,500,083.13	4,950,166.26
6/1/2022			1,398,833.13	1,398,833.13	
12/1/2022	2,285,000	5.000%	1,398,833.13	3,683,833.13	5,082,666.26
6/1/2023			1,341,708.13	1,341,708.13	
12/1/2023	2,395,000	5.000%	1,341,708.13	3,736,708.13	5,078,416.26
6/1/2024			1,281,833.13	1,281,833.13	
12/1/2024	2,515,000	5.000%	1,281,833.13	3,796,833.13	5,078,666.26
6/1/2025			1,218,958.13	1,218,958.13	
12/1/2025	2,640,000	5.000%	1,218,958.13	3,858,958.13	5,077,916.26
6/1/2026			1,152,958.13	1,152,958.13	
12/1/2026	2,770,000	5.000%	1,152,958.13	3,922,958.13	5,075,916.26
6/1/2027			1,083,708.13	1,083,708.13	
12/1/2027	2,915,000	5.000%	1,083,708.13	3,998,708.13	5,082,416.26
6/1/2028			1,010,833.13	1,010,833.13	
12/1/2028	3,060,000	5.000%	1,010,833.13	4,070,833.13	5,081,666.26
6/1/2029			934,333.13	934,333.13	
12/1/2029	3,210,000	5.000%	934,333.13	4,144,333.13	5,078,666.26
6/1/2030			854,083.13	854,083.13	
12/1/2030	3,370,000	5.000%	854,083.13	4,224,083.13	5,078,166.26
6/1/2031			769,833.13	769,833.13	
12/1/2031	3,540,000	5.000%	769,833.13	4,309,833.13	5,079,666.26
6/1/2032			681,333.13	681,333.13	
12/1/2032	4,455,000	** %	681,333.13	5,136,333.13	5,817,666.26
6/1/2033			570,526.88	570,526.88	
12/1/2033	4,680,000	3.500%	570,526.88	5,250,526.88	5,821,053.76
6/1/2034			488,626.88	488,626.88	
12/1/2034	4,845,000	3.500%	488,626.88	5,333,626.88	5,822,253.76
6/1/2035			403,839.38	403,839.38	
12/1/2035	5,010,000	3.600%	403,839.38	5,413,839.38	5,817,678.76
6/1/2036			313,659.38	313,659.38	
12/1/2036	5,195,000	3.625%	313,659.38	5,508,659.38	5,822,318.76
6/1/2037			219,500.00	219,500.00	
12/1/2037	5,380,000	4.000%	219,500.00	5,599,500.00	5,819,000.00
6/1/2038			111,900.00	111,900.00	
12/1/2038	5,595,000	4.000%	111,900.00	5,706,900.00	5,818,800.00
	<u>76,280,000</u>		<u>55,571,098.36</u>	<u>\$ 131,851,098.36</u>	<u>\$ 131,851,098.36</u>

NORTHERN INFRASTRUCTURE GID

BOND DEBT SERVICE SERIES 2002

<u>Period Ending</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
6/30/2013			121,185.42	121,185.42	
12/1/2013	325,000	4.000%	181,778.13	506,778.13	627,963.55
6/1/2014			175,278.13	175,278.13	
12/1/2014	375,000	4.000%	175,278.13	550,278.13	725,556.26
6/1/2015			167,778.13	167,778.13	
12/1/2015	395,000	4.000%	167,778.13	562,778.13	730,556.26
6/1/2016			159,878.13	159,878.13	
12/1/2016	415,000	4.000%	159,878.13	574,878.13	734,756.26
6/1/2017			151,578.13	151,578.13	
12/1/2017	435,000	4.000%	151,578.13	586,578.13	738,156.26
6/1/2018			142,878.13	142,878.13	
12/1/2018	455,000	4.000%	142,878.13	597,878.13	740,756.26
6/1/2019			133,778.13	133,778.13	
12/1/2019	475,000	4.000%	133,778.13	608,778.13	742,556.26
6/1/2020			124,278.13	124,278.13	
12/1/2020	495,000	4.000%	124,278.13	619,278.13	743,556.26
6/1/2021			114,378.13	114,378.13	
12/1/2021	510,000	4.000%	114,378.13	624,378.13	738,756.26
6/1/2022			104,178.13	104,178.13	
12/1/2022	530,000	5.000%	104,178.13	634,178.13	738,356.26
6/1/2023			90,928.13	90,928.13	
12/1/2023	560,000	3.125%	90,928.13	650,928.13	741,856.26
6/1/2024			82,178.13	82,178.13	
12/1/2024	575,000	3.125%	82,178.13	657,178.13	739,356.26
6/1/2025			73,193.75	73,193.75	
12/1/2025	595,000	3.125%	73,193.75	668,193.75	741,387.50
6/1/2026			63,896.88	63,896.88	
12/1/2026	615,000	3.125%	63,896.88	678,896.88	742,793.76
6/1/2027			54,287.50	54,287.50	
12/1/2027	630,000	3.125%	54,287.50	684,287.50	738,575.00
6/1/2028			44,443.75	44,443.75	
12/1/2028	650,000	3.250%	44,443.75	694,443.75	738,887.50
6/1/2029			33,881.25	33,881.25	
12/1/2029	675,000	3.250%	33,881.25	708,881.25	742,762.50
6/1/2030			22,912.50	22,912.50	
12/1/2030	695,000	3.250%	22,912.50	717,912.50	740,825.00
6/1/2031			11,618.75	11,618.75	
12/1/2031	715,000	3.250%	11,618.75	726,618.75	738,237.50
	\$ 10,120,000		\$ 3,805,651.17	\$ 13,925,651.17	\$ 13,925,651.17

