

DENARGO MARKET METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**DENAGO MARKET METROPOLITAN DISTRICT NO. 3
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 23,660,295	\$ 224,778
REVENUES			
Property taxes	141,371	653,557	673,708
Specific ownership taxes	8,000	32,677	33,685
Interest income	103,022	513,000	23,000
Other revenue	-	888,347	21,846,943
IGA Revenue - District No. 2	38,642	1,876,298	1,798,882
Loan issuance proceeds	32,265,000	-	-
Total revenues	<u>32,556,035</u>	<u>3,963,879</u>	<u>24,376,218</u>
TRANSFERS IN	<u>8,234,633</u>	-	-
Total funds available	<u>40,790,668</u>	<u>27,624,174</u>	<u>24,600,996</u>
EXPENDITURES			
General Fund	149,457	147,404	157,000
Debt Service Fund	8,234,633	2,251,992	2,300,000
Capital Projects Fund	511,650	25,000,000	21,841,800
Total expenditures	<u>8,895,740</u>	<u>27,399,396</u>	<u>24,298,800</u>
TRANSFERS OUT	<u>8,234,633</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>17,130,373</u>	<u>27,399,396</u>	<u>24,298,800</u>
ENDING FUND BALANCES	<u>\$ 23,660,295</u>	<u>\$ 224,778</u>	<u>\$ 302,196</u>

**DENAGO MARKET METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Vacant land	\$ 14,135,340	\$ 13,231,150	\$ 13,630,550
State assessed	600	360	8,920
Personal property	1,110	-	-
Certified Assessed Value	\$ 14,137,050	\$ 13,231,510	\$ 13,639,470

MILL LEVY

General	10.000	10.394	10.394
Debt Service	0.000	39.000	39.000
Total mill levy	10.000	49.394	49.394

PROPERTY TAXES

General	\$ 141,371	\$ 137,528	\$ 141,769
Debt Service	-	516,029	531,939
Levied property taxes	141,371	653,557	673,708
Budgeted property taxes	\$ 141,371	\$ 653,557	\$ 673,708

BUDGETED PROPERTY TAXES

General	\$ 141,371	\$ 137,528	\$ 141,769
Debt Service	-	516,029	531,939
	\$ 141,371	\$ 653,557	\$ 673,708

**DENAGO MARKET METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	141,371	137,528	141,769
Specific ownership taxes	8,000	6,876	7,088
Interest income	86	3,000	3,000
Other revenue	-	-	5,143
Total revenues	<u>149,457</u>	<u>147,404</u>	<u>157,000</u>
Total funds available	<u>149,457</u>	<u>147,404</u>	<u>157,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	1,414	1,375	1,418
Contingency	-	-	5,143
IGA Expenditure - District No. 1	148,043	146,029	150,439
Total expenditures	<u>149,457</u>	<u>147,404</u>	<u>157,000</u>
Total expenditures and transfers out requiring appropriation	<u>149,457</u>	<u>147,404</u>	<u>157,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DENAGO MARKET METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 38,642	\$ 224,778
REVENUES			
Property taxes	-	516,029	531,939
Specific ownership taxes	-	25,801	26,597
Interest income	-	20,000	20,000
IGA Revenue - District No. 2	38,642	1,876,298	1,798,882
Total revenues	<u>38,642</u>	<u>2,438,128</u>	<u>2,377,418</u>
TRANSFERS IN			
Transfers from other funds	<u>8,234,633</u>	-	-
Total funds available	<u>8,273,275</u>	<u>2,476,770</u>	<u>2,602,196</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	-	5,160	5,319
Paying agent fees	-	3,000	3,000
IGA Expenditure - District No. 2	8,234,633	-	-
Contingency	-	-	72,837
Debt Service			
Loan Interest 2023A-1	-	1,289,299	1,208,306
Loan Principal 2023A-1	-	57,000	123,000
Loan Interest 2023A-2	-	859,533	805,538
Loan Principal 2023A-2	-	38,000	82,000
Total expenditures	<u>8,234,633</u>	<u>2,251,992</u>	<u>2,300,000</u>
Total expenditures and transfers out requiring appropriation	<u>8,234,633</u>	<u>2,251,992</u>	<u>2,300,000</u>
ENDING FUND BALANCES	<u>\$ 38,642</u>	<u>\$ 224,778</u>	<u>\$ 302,196</u>

**DENAGO MARKET METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ 23,621,653	\$ -
REVENUES			
Interest income	102,936	490,000	-
Other revenue	-	888,347	21,841,800
Loan issuance proceeds	32,265,000	-	-
Total revenues	<u>32,367,936</u>	<u>1,378,347</u>	<u>21,841,800</u>
Total funds available	<u>32,367,936</u>	<u>25,000,000</u>	<u>21,841,800</u>
EXPENDITURES			
General and Administrative			
Bond issue costs	511,650	-	-
Contingency	-	888,347	-
Capital Projects			
IGA Expenditure - District No. 1	-	24,111,653	21,841,800
Total expenditures	<u>511,650</u>	<u>25,000,000</u>	<u>21,841,800</u>
TRANSFERS OUT			
Transfers to other fund	<u>8,234,633</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>8,746,283</u>	<u>25,000,000</u>	<u>21,841,800</u>
ENDING FUND BALANCES	<u>\$ 23,621,653</u>	<u>\$ -</u>	<u>\$ -</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City and County of Denver, on June 30, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on March 8, 2010. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, traffic, safety, transportation, and mosquito control.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally 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.

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (Continued)

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 5% of the property taxes collected.

Expenditures

County Treasurer Fees

County Treasurer's fees have been computed at 1% of property tax collections.

Transfer to Other Districts

Pursuant to a Memorandum of Understanding entered into on October 29, 2010, and amended on August 22, 2016 by and among the District, District No. 1 and District No. 2, the Districts are obligated to impose an operations mill levy and remit property taxes derived from such mill levy, to District No. 1 to fund the Districts' services provided by District No. 1.

Debt and Leases

On November 8, 2023, the District and District No. 2 entered into a Loan Agreement for Series 2023A-1 Limited Tax General Obligation Refunding and Improvement Note in the principal amount of \$19,359,000 and Series 2023A-2 Limited Tax General Obligation Refunding and Improvement Loan Agreement in the principal amount of \$12,906,000.

Proceeds from the Series 2023A-1 & 2023A-2 Loan will be used to: (i) prepay District No. 2's 2016 Notes, and as a part of the prepayment, for the District to pay Payment Obligations with respect to the Financed Public Improvements that were financed with the proceeds of the 2016 Notes; (ii) finance or reimburse additional public improvements to the portion of the Development that is within the boundaries of the District and District No. 2; and (iii) pay the costs of issuance.

The Series 2023A-1 & 2023A-2 Loans bear interest at 6.26%, payable semi-annually on June 1 and December 1, beginning on June 1, 2024. Principal payments are due on December 1, beginning on December 1, 2024. The Series 2023A-1 & 2023A-2 Loan matures on December 1, 2030.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Fund

Emergency Reserve

Pursuant to the MOU, District No. 1 has provided for Emergency Reserves for District No. 1-3; therefore, and Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$19,359,000

**Limited Tax General Obligation Refunding and Improvement Loan
Series 2023A-1 NBH Loan
Dated November 3, 2023
Principal due December 1
Interest Rate 6.260% Payable
June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/1/2025	\$ -	\$ 604,153	\$ 604,153
12/1/2025	123,000	604,153	727,153
6/1/2026	-	600,303	600,303
12/1/2026	159,000	600,303	759,303
6/1/2027	-	595,326	595,326
12/1/2027	168,000	595,326	763,326
6/1/2028	-	590,068	590,068
12/1/2028	207,000	590,068	797,068
6/1/2029	-	583,589	583,589
12/1/2029	219,000	583,589	802,589
6/1/2030	-	576,734	576,734
12/1/2030	18,426,000	576,734	19,002,734
	<u>\$ 19,302,000</u>	<u>\$ 7,100,342</u>	<u>\$ 26,402,342</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$12,906,000

**Limited Tax General Obligation Refunding and Improvement Loan
Series 2023A-2 MidWestOne Loan**

Dated November 3, 2023

Principal due December 1

Interest Rate 6.260% Payable

June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/1/2025	\$ -	\$ 402,769	\$ 402,769
12/1/2025	82,000	402,769	484,769
6/1/2026	-	400,202	400,202
12/1/2026	106,000	400,202	506,202
6/1/2027	-	396,884	396,884
12/1/2027	112,000	396,884	508,884
6/1/2028	-	393,378	393,378
12/1/2028	138,000	393,378	531,378
6/1/2029	-	389,059	389,059
12/1/2029	146,000	389,059	535,059
6/1/2030	-	384,489	384,489
12/1/2030	12,284,000	384,489	12,668,489
	<u>\$ 12,868,000</u>	<u>\$ 4,733,562</u>	<u>\$ 17,601,562</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$32,265,000

**Limited Tax General Obligation Refunding and Improvement Loan
Series 2023A-1 and 2023A-2**

Dated November 3, 2023

Principal due December 1

Interest Rate 6.260% Payable

June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/1/2025	\$ -	\$ 1,006,921	\$ 1,006,921
12/1/2025	205,000	1,006,921	1,211,921
6/1/2026	-	1,000,505	1,000,505
12/1/2026	265,000	1,000,505	1,265,505
6/1/2027	-	992,210	992,210
12/1/2027	280,000	992,210	1,272,210
6/1/2028	-	983,446	983,446
12/1/2028	345,000	983,446	1,328,446
6/1/2029	-	972,648	972,648
12/1/2029	365,000	972,648	1,337,648
6/1/2030	-	961,223	961,223
12/1/2030	30,710,000	961,223	31,671,223
	<u>\$ 32,170,000</u>	<u>\$ 11,833,905</u>	<u>\$ 44,003,905</u>