

**ANNUAL INFORMATION REPORT
for the year 2021
DENARGO MARKET METROPOLITAN DISTRICT NO. 3 (the “District”)**

- (i) A copy of the 2022 Budget is attached hereto as **Exhibit A**.
- (ii) There were no improvements constructed by the District in 2021.
- (iii) The District was inactive during 2021. No 2021 Application for Exemption from Audit was required to be completed or filed.
- (iv) The total debt authorized is \$25,615,500. In 2010, Denargo Market Metropolitan District No. 1 (“District No. 1”) issued a Subordinate Nonrevolving Line of Credit Note, Series 2010 in the amount of \$22,612,000, as reissued to Denargo Market Development, LLC on December 2015 and Amended and Restated on September 29, 2016 (“Reissued Denargo 1 Note”). All of the amounts outstanding under the Reissued Denargo 1 Note were paid with the proceeds from Denargo Market Metropolitan District No. 2’s (“District No. 2” and collectively with District No. 1 and the District, the “Districts”) issuance of its Limited Tax (Convertible to Unlimited Tax) General Improvement Loan and Taxable Limited Tax (Convertible to Unlimited Tax) General Obligation Advancing Improvement Loan (collectively “District No. 2’s 2016 Loan”). Per the District’s Service Plan, the maximum amount of debt that the District can issue is \$22,612,500 without prior written approval from the City and County of Denver. No debt has been issued by the District.
- (v) The names and terms of the members of the Board of Directors and Officers as of December 31, 2021 were as follows:

Laura Newman	President	May 2023
Donald D. Cabrera	Treasurer	May 2023
Todd T. Wenskoski	Assistant Secretary	May 2022
David H. Smith	Assistant Secretary	May 2022
Jeffrey D. Jones	Assistant Secretary	May 2022
Matt Cohrs	Secretary	N/A

- (vi) The District did not adopt Bylaws or Rules and Regulations in 2021.
- (vii) The District did not enter into any intergovernmental agreements in 2021.
- (viii) There were no new contracts for services or construction entered into during 2021.
- (ix) There are no credit enhancements.
- (x) See response at item iv above. The District does not have any outstanding bonded indebtedness.
- (xi) A copy of the Service Plan approved March 8, 2010 was attached to the 2011 Annual Report.

(xii) The District's contact information is listed below:

c/o Special District Management Services, Inc.
Attn: Ann Finn
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835

(xiii) There are no changes in proposed development assumptions that will impact the financial projections at this time.

EXHIBIT A

DENARGO MARKET METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

DENARGO MARKET METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

4/20/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ 30	\$ 30	\$ 30
Certified Assessed Value	\$ 30	\$ 30	\$ 30
MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -
BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

DENARGO MARKET METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

4/20/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer Advance	-	-	-
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
General and administrative	-	-	-
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation, was formed in June 2010, and is governed pursuant to provisions of the Colorado Special District Act. 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, television relay and translation, 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.

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.

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 6% of the property taxes collected.

Expenditures

Developer Advance

The District is in the development stage. As such, the portion of the capital expenditures is expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and meeting expense.

Debt and Leases

The District doesn't have any debt or leases.

Reserve Fund

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under the TABOR Amendment.

This information is an integral part of the accompanying budget.