

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2026**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 23,660,295	\$ 158,648	\$ 712,429
<b>REVENUES</b>			
Property taxes	653,557	673,708	694,599
Specific ownership taxes	31,447	36,679	31,257
Interest Income	399,465	27,244	22,877
Other Revenue	3,357	1,128	4,365
IGA Revenue - District No. 2	1,795,269	1,798,638	1,685,825
Total revenues	<u>2,883,095</u>	<u>2,537,397</u>	<u>2,438,923</u>
Total funds available	<u>26,543,390</u>	<u>2,696,045</u>	<u>3,151,352</u>
<b>EXPENDITURES</b>			
General Fund	150,062	159,223	225,000
Debt Service Fund	2,248,991	1,824,393	2,280,000
Capital Projects Fund	23,985,689	-	-
Total expenditures	<u>26,384,742</u>	<u>1,983,616</u>	<u>2,505,000</u>
requiring appropriation	<u>26,384,742</u>	<u>1,983,616</u>	<u>2,505,000</u>
ENDING FUND BALANCES	<u>\$ 158,648</u>	<u>\$ 712,429</u>	<u>\$ 646,352</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2026 BUDGET**  
**WITH 2024 ACTUAL AND 2025 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/29/26

ACTUAL	ESTIMATED	BUDGET
2024	2025	2026

**ASSESSED VALUATION**

Vacant land	\$ 13,231,150	\$ 13,630,550	\$ 12,933,200
Personal property	360	8,920	880
Certified Assessed Value	\$ 13,231,510	\$ 13,639,470	\$ 12,934,080

**MILL LEVY**

General	10.394	10.394	16.111
Debt Service	39.000	39.000	37.592
Total mill levy	49.394	49.394	53.703

**PROPERTY TAXES**

General	\$ 137,528	\$ 141,769	\$ 208,381
Debt Service	516,029	531,939	486,218
Levied property taxes	653,557	673,708	694,599
Budgeted property taxes	\$ 653,557	\$ 673,708	\$ 694,599

**BUDGETED PROPERTY TAXES**

General	\$ 137,528	\$ 141,769	\$ 208,381
Debt Service	516,029	531,939	486,218
	\$ 653,557	\$ 673,708	\$ 694,599

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Property taxes	137,528	141,769	208,381
Specific ownership taxes	6,617	10,082	9,377
Interest Income	2,560	6,244	2,877
Other Revenue	3,357	1,128	4,365
Total revenues	150,062	159,223	225,000
Total funds available	150,062	159,223	225,000
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's Fee	1,375	1,418	2,084
Contingency	-	-	4,365
IGA Expenditure - District No. 1	148,687	157,805	218,551
Total expenditures	150,062	159,223	225,000
Total expenditures and transfers out requiring appropriation	150,062	159,223	225,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**DEBT SERVICE FUND**  
**2026 BUDGET**  
**WITH 2024 ACTUAL AND 2025 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/29/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 38,642	\$ 158,648	\$ 712,429
<b>REVENUES</b>			
Property taxes	516,029	531,939	486,218
Specific ownership taxes	24,830	26,597	21,880
Interest Income	32,869	21,000	20,000
IGA Revenue - District No. 2	1,795,269	1,798,638	1,685,825
Total revenues	2,368,997	2,378,174	2,213,923
Total funds available	2,407,639	2,536,822	2,926,352
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's Fee	5,160	5,319	4,862
Paying agent fees	-	3,000	3,000
Contingency	-	-	6,129
Debt Service			
Loan Interest 2023A-1	1,289,299	1,208,306	1,200,605
Loan Principal 2023A-1	57,000	123,000	159,000
Loan Interest 2023A-2	859,532	402,768	800,404
Loan Principal 2023A-2	38,000	82,000	106,000
Total expenditures	2,248,991	1,824,393	2,280,000
Total expenditures and transfers out requiring appropriation	2,248,991	1,824,393	2,280,000
ENDING FUND BALANCES	\$ 158,648	\$ 712,429	\$ 646,352

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
2026 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.

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.

On May 6, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2025 and all future years.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

**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 4.5% 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

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**2026 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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  
2026 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.**