

RESOLUTION NO. 2023-11-02

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIVER MILE METROPOLITAN DISTRICT NO. 3, CITY AND COUNTY OF DENVER, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2024

A. The Board of Directors of The River Mile Metropolitan District No. 3 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body by October 15, 2023 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2023, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues 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 RIVER MILE METROPOLITAN DISTRICT NO. 3, CITY AND COUNTY OF DENVER, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.


3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 16, 2023.

**THE RIVER MILE METROPOLITAN
DISTRICT NO. 3**

By: 
President

Attest: 
By: _____
Secretary

EXHIBIT A

Budget

THE RIVER MILE METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	92,400	92,868	109,754
Specific ownership taxes	4,684	4,644	5,488
Interest income	258	2,130	2,738
Other revenue	-	-	3,020
Total revenues	<u>97,342</u>	<u>99,642</u>	<u>121,000</u>
Total funds available	<u>97,342</u>	<u>99,642</u>	<u>121,000</u>
EXPENDITURES			
General Fund	16,188	16,602	20,000
Debt Service Fund	81,154	83,040	101,000
Total expenditures	<u>97,342</u>	<u>99,642</u>	<u>121,000</u>
Total expenditures and transfers out requiring appropriation	<u>97,342</u>	<u>99,642</u>	<u>121,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Commercial	\$ 1,539,470	\$ 1,539,470	\$ 1,753,910
State assessed	500	8,300	10,090
	<u>1,539,970</u>	<u>1,547,770</u>	<u>1,764,000</u>
Adjustments	30	30	30
Certified Assessed Value	<u><u>\$ 1,540,000</u></u>	<u><u>\$ 1,547,800</u></u>	<u><u>\$ 1,764,030</u></u>
MILL LEVY			
General	10.000	10.000	10.000
Debt Service	50.000	50.000	52.218
Total mill levy	<u><u>60.000</u></u>	<u><u>60.000</u></u>	<u><u>62.218</u></u>
PROPERTY TAXES			
General	\$ 15,400	\$ 15,478	\$ 17,640
Debt Service	77,000	77,390	92,114
Levied property taxes	<u>92,400</u>	<u>92,868</u>	<u>109,754</u>
Budgeted property taxes	<u><u>\$ 92,400</u></u>	<u><u>\$ 92,868</u></u>	<u><u>\$ 109,754</u></u>
BUDGETED PROPERTY TAXES			
General	\$ 15,400	\$ 15,478	\$ 17,640
Debt Service	77,000	77,390	92,114
	<u><u>\$ 92,400</u></u>	<u><u>\$ 92,868</u></u>	<u><u>\$ 109,754</u></u>

No assurance provided. See summary of significant assumptions.

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	15,400	15,478	17,640
Specific ownership taxes	781	774	882
Interest income	7	350	456
Other revenue	-	-	1,022
Total revenues	<u>16,188</u>	<u>16,602</u>	<u>20,000</u>
Total funds available	<u>16,188</u>	<u>16,602</u>	<u>20,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	154	155	176
Contingency	-	-	1,022
Transfers to other districts	16,034	16,447	18,802
Total expenditures	<u>16,188</u>	<u>16,602</u>	<u>20,000</u>
Total expenditures and transfers out requiring appropriation	<u>16,188</u>	<u>16,602</u>	<u>20,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	77,000	77,390	92,114
Specific ownership taxes	3,903	3,870	4,606
Interest income	251	1,780	2,282
Other revenue	-	-	1,998
Total revenues	81,154	83,040	101,000
Total funds available	81,154	83,040	101,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	770	774	921
Contingency	-	-	1,998
Debt Service			
Transfers to other districts	80,384	82,266	98,081
Total expenditures	81,154	83,040	101,000
Total expenditures and transfers out requiring appropriation	81,154	83,040	101,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on February 14, 2019 by order and decree of the District Court for the City and County of Denver, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the City and County of Denver, Colorado.

The River Mile Metropolitan District No. 3 was organized in conjunction with five other metropolitan districts, The River Mile Metropolitan District Nos. 1,2,4,5 and The River Mile Platte Valley Metropolitan District. The River Mile Metropolitan District No. 1 (the Management District) was organized to finance, construct, own, manage, and operate district improvements, including streets, traffic and safety protection, water, limited sewer and storm drainage, transportation, mosquito control, and park and recreation improvements for the use and benefit of the inhabitants and taxpayers of the District. The River Mile Metropolitan District Nos. 2 – 5 and The River Mile Platte Valley Metropolitan District were organized to generate revenue to pay the costs of the district improvements.

On November 6, 2018, the District's voters authorized general obligation indebtedness of \$8,645,000,000. This includes \$6,650,000,000 for District improvements, \$665,000,000 for operating and maintenance debt, \$665,000,000 for refunding debt and \$665,000,000 for intergovernmental agreements as debt. The District's Service Plan authorized the district to impose a combined mill levy not to exceed 60 mills for the payment of debt and operating and maintenance expenses.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

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.

Pursuant to the Service Plan, the District is allowed to adjust its maximum Required Mill Levy of 50.000 mills for changes in the ratio of actual to assessed value of property within the District. As of December 31, 2024, the adjusted maximum mill levy for debt service is 52.218 mills.

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
2024 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.

For property tax collection year 2024, SB22-238 and SB23B-001 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%		

Specific Ownership Tax

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 5.000% of the property taxes collected by the District.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.000% of property tax collections

Transfer to Other Districts

Pursuant to a Facilities Funding, Construction and Operation Agreement (FFCOA) with the Management District, The River Mile Metropolitan District No. 2 and No. 3 are, among other things, obligated to impose an Operations mill levy and remit property taxes derived from such mill levy, to the Management District to pay their respective Allocated Management Costs.

**THE RIVER MILE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no outstanding debt. The District has no capital or operating leases.

Reserve

Emergency Reserve

Pursuant to the FFCOA, District No. 1 has provided for Emergency Reserves for District Nos. 1, 2 and 3; therefore, an Emergency Reserve is not reflected in the District's Budget.

Capital Pledge Agreement

On May 31, 2019, the District, The River Mile Metropolitan District Nos. 1 and 2, and Compass Mortgage Corporation entered into a Capital Pledge Agreements whereby the District and The River Mile Metropolitan District No. 2 agreed to impose the Required Mill Levy (as defined therein) and pledge the property tax revenue and specific ownership tax revenue therefore to The River Mile Metropolitan District No. 1 for the payment of its loan.

This information is an integral part of the accompanying budget.

I, Keirstin Beck, hereby certify that I am the duly appointed Secretary of The River Mile Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of The River Mile Metropolitan District No. 3 held on November 16, 2023.



Secretary