

**FITZSIMONS VILLAGE
METROPOLITAN DISTRICT NO. 3**

2023 ANNUAL REPORT

1. **BOUNDARY CHANGES MADE OR PROPOSED:** No boundary changes were made or proposed in 2023.
2. **INTERGOVERNMENTAL AGREEMENTS:** There were no intergovernmental agreements in 2023.
3. **COPIES OF DISTRICT’S RULES AND REGULATIONS:** The District approved a Joint Resolution Regarding the Imposition of Facilities Fees on 4/19/10; a Joint Operations and Maintenance Fee Resolution on 9/8/11; a First Amended and Restated Joint Operations and Maintenance Fee Resolution on 8/13/14; and a Joint Resolution Regarding the Imposition of Facilities Fees on 8/13/14.
4. **SUMMARY OF ANY LITIGATION:** In 2018, the District, Fitzsimons Village Metropolitan District Nos. 2 and 3, the Aurora Urban Renewal Authority, and the City of Aurora filed suit against the Arapahoe County Assessor and the Colorado State Property Tax Administrator (“the Defendants”) arising from a tax dispute over the tax increment financing (the “TIF Litigation”). The District was dismissed from involvement in the TIF Litigation as the result of a motion to dismiss granted in favor of the Defendants on June 18, 2019. The Court granted summary judgment on June 10, 2020. Corporex Colorado LLC and Fitzsimons Village Metropolitan District Nos. 1-3 initiated an appeal of the Court’s ruling before the Colorado Court of Appeals in July 2020. An appellate decision was entered on January 6, 2022, affirming the court in part, reversing the court in part, and remanding the case to the District Court. The Court of Appeals decision was reviewed by the Colorado Supreme Court and oral argument was held in September 2023. The Colorado Supreme Court issued an opinion in January 2024.
4. **STATUS OF THE DISTRICT’S CONSTRUCTION OF THE PUBLIC IMPROVEMENTS:** Construction on the structured parking facility located within District No. 3 was completed in early 2024. The structured parking facility is being constructed by District No. 1 and will be owned and operated by District No. 1, with funding being provided in coordination with District No. 3. Construction on the Promenade Park commenced in 2023 and is expected to be completed in 2024.
5. **LIST OF ALL FACILITIES AND IMPROVEMENTS CONSTRUCTED BY THE DISTRICT THAT HAVE BEEN DEDICATED TO AND ACCEPTED BY THE CITY:** There was no construction or dedication of Public Improvements to the City in 2023.
6. **ASSESSED VALUATION:** Please see Certification of Valuation (See Exhibit A).
7. **CURRENT YEAR BUDGET:** Please see 2024 Budget (See Exhibit B).
8. **AUDIT / AUDIT EXEMPTIONS:** The District’s 2023 Audit is not complete and can be found on the State Auditor’s website once available.

9. NOTICE OF ANY UNCURED EVENTS OF DEFAULT: None.

10. ANY INABILITY OF THE DISTRICT TO PAY ITS OBLIGATIONS: None.

EXHIBIT A



PK Kaiser, MBA, MS

Assessor

December 6, 2023

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4600
TDD: Relay-711
Fax:303-797-1295
www.arapahoegov.com/assessor
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AUTH 4323 FITZSIMONS VILLAGE METRO
DIST #3
CLIFTON LARSON ALLEN LLP
C/O ANNA JONES
8390 E CRESCENT PKY STE 300
GREENWOOD VILLAGE CO 80111

Code # 4323

CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2023 of:

\$4,822,050

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity YES NO

Date: December 6, 2023

NAME OF TAX ENTITY: FITZSIMONS VLG METRO DIST #3

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	1,839,214
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	4,822,050
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	1,923,338
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	2,898,712
5. NEW CONSTRUCTION: *	5.	\$	3,155,938
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

- ‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec 20(8)(b), Colo. Constitution
- * New construction is defined as: Taxable real property structures and the personal property connected with the structure.
- ≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
- Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	54,673,073
ADDITIONS TO TAXABLE REAL PROPERTY			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	43,784,080
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	0

- ¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
- * Construction is defined as newly constructed taxable real property structures.
- § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:			
1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:			
HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	0
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.			

EXHIBIT B

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

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

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 22,882,915	\$ 20,658,597	\$ 6,186,834
REVENUES			
Developer advance	50,000	10,000	11,935
Property taxes	80,936	82,764	137,213
Property Taxes - ARI	1,799	1,839	3,090
Specific ownership taxes	5,499	3,508	14,004
Operations and maintenance fee	62,604	62,918	63,233
Public improvement fees	280,185	-	-
PIF - Debt Service	27,173	91,800	123,500
Transfer from Fitzsimons Village No. 1 - AURA	902,572	-	-
AURA Funding - Lodger Tax	-	283,681	365,000
AURA Funding - Property Tax	-	590,881	675,000
AURA Funding - Sales Tax	-	83,868	135,000
Transfer from AURA - ARI Property Taxes	4,501	4,365	3,915
Transfer from AURA - TIF Property Taxes	113,851	43,647	39,151
Transfer from Fitzsimons Village No. 1 - Taxes	-	8,598	7,208
Transfer from Fitzsimons Village No. 2 - Taxes	68,858	69,107	66,829
Interest income	338,043	695,000	307,000
Total revenues	<u>1,936,021</u>	<u>2,031,976</u>	<u>1,952,078</u>
TRANSFERS IN	<u>23,492</u>	<u>1,170,950</u>	<u>403,656</u>
Total funds available	<u>24,842,428</u>	<u>23,861,523</u>	<u>8,542,568</u>
EXPENDITURES			
General Fund	63,260	83,023	100,000
Special Revenue Fund	49,835	40,500	125,000
Debt Service Fund - Series 2021A-1	2,406,081	1,674,966	1,678,000
Debt Service Fund - Series 2021A-2	-	555,250	558,000
Capital Projects Fund	1,641,163	14,150,000	1,986,055
Total expenditures	<u>4,160,339</u>	<u>16,503,739</u>	<u>4,447,055</u>
TRANSFERS OUT	<u>23,492</u>	<u>1,170,950</u>	<u>403,656</u>
Total expenditures and transfers out requiring appropriation	<u>4,183,831</u>	<u>17,674,689</u>	<u>4,850,711</u>
ENDING FUND BALANCES	<u>\$ 20,658,597</u>	<u>\$ 6,186,834</u>	<u>\$ 3,691,857</u>
EMERGENCY RESERVE	\$ 2,200	\$ 2,400	\$ 2,600
DEBT SERVICE RESERVE	3,687,298	3,687,298	3,687,298
SURPLUS FUND RESERVE	726,964	521,602	1,959
CAPITALIZED INTEREST RESERVE	573,917	-	-
TOTAL RESERVE	<u>\$ 4,990,379</u>	<u>\$ 4,211,300</u>	<u>\$ 3,691,857</u>

No assurance provided. See summary of significant assumptions.

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

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Residential - Multi Family	\$ -	\$ -	\$ 3,355,360
Commercial	-	-	334,800
State assessed	-	3,890	70
Vacant land	1,893,480	1,935,407	946,598
Personal property	-	-	185,222
	<u>1,893,480</u>	<u>1,939,297</u>	<u>4,822,050</u>
Adjustments (TIF)	(94,920)	(100,086)	(1,923,338)
Certified Assessed Value	<u>\$ 1,798,560</u>	<u>\$ 1,839,211</u>	<u>\$ 2,898,712</u>
MILL LEVY			
General	10.000	10.000	10.000
Debt Service	35.000	35.000	37.336
ARI	1.000	1.000	1.066
Total mill levy	<u>46.000</u>	<u>46.000</u>	<u>48.402</u>
PROPERTY TAXES			
General	\$ 17,986	\$ 18,392	\$ 28,987
Debt Service	62,950	64,372	108,226
ARI	1,799	1,839	3,090
Levied property taxes	<u>82,735</u>	<u>84,603</u>	<u>140,303</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 82,735</u>	<u>\$ 84,603</u>	<u>\$ 140,303</u>
BUDGETED PROPERTY TAXES			
General	\$ 17,986	\$ 18,392	\$ 28,987
Debt Service	62,950	64,372	108,226
ARI	1,799	1,839	3,090
Budgeted property taxes	<u>\$ 82,735</u>	<u>\$ 84,603</u>	<u>\$ 140,303</u>

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

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (26,118)	\$ 31,170	\$ 36,268
REVENUES			
Developer advance	50,000	10,000	11,935
Property taxes	17,986	18,392	28,987
Specific ownership taxes	1,315	1,280	3,202
Property Taxes - ARI	1,799	1,839	3,090
Interest income	159	-	-
Transfer from Fitzsimons Village No. 1 - Taxes	-	8,598	7,208
Transfer from AURA - ARI Property Taxes	4,501	4,365	3,915
Transfer from AURA - TIF Property Taxes	44,788	43,647	39,151
Total revenues	<u>120,548</u>	<u>88,121</u>	<u>97,488</u>
Total funds available	<u>94,430</u>	<u>119,291</u>	<u>133,756</u>
EXPENDITURES			
General and administrative			
Accounting	36,750	36,750	40,425
ARI Payment	1,771	1,811	3,044
Auditing	3,250	4,600	6,500
County Treasurer's fee	299	307	481
Dues and membership	428	349	550
Insurance	3,681	3,749	4,500
District management	1,100	22,000	24,500
District Management - Unbudgeted	1,607	-	-
Legal	8,657	7,500	10,000
Miscellaneous	872	1,500	4,169
PIF collection fees	-	-	500
Payment to ARTA - ARI Property Taxes	4,501	4,365	5,331
Election	344	92	-
Total expenditures	<u>63,260</u>	<u>83,023</u>	<u>100,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>31,156</u>
Total expenditures and transfers out requiring appropriation	<u>63,260</u>	<u>83,023</u>	<u>131,156</u>
ENDING FUND BALANCES	<u>\$ 31,170</u>	<u>\$ 36,268</u>	<u>\$ 2,600</u>
EMERGENCY RESERVE	<u>\$ 2,200</u>	<u>\$ 2,400</u>	<u>\$ 2,600</u>
TOTAL RESERVE	<u>\$ 2,200</u>	<u>\$ 2,400</u>	<u>\$ 2,600</u>

No assurance provided. See summary of significant assumptions.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (4,576)	\$ 8,193	\$ 30,611
REVENUES			
Operations and maintenance fee	62,604	62,918	63,233
Total revenues	<u>62,604</u>	<u>62,918</u>	<u>63,233</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>31,156</u>
Total funds available	<u>58,028</u>	<u>71,111</u>	<u>125,000</u>
EXPENDITURES			
Operations and maintenance			
Landscaping	11,429	10,500	15,000
Repairs and maintenance	-	5,000	50,000
Snow removal	38,406	25,000	60,000
Total expenditures	<u>49,835</u>	<u>40,500</u>	<u>125,000</u>
Total expenditures and transfers out requiring appropriation	<u>49,835</u>	<u>40,500</u>	<u>125,000</u>
ENDING FUND BALANCES	<u>\$ 8,193</u>	<u>\$ 30,611</u>	<u>\$ -</u>

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - SERIES 2021A-1
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 5,913,609	\$ 4,988,179	\$ 3,421,400
REVENUES			
Property taxes	62,950	64,372	108,226
Specific ownership taxes	4,184	2,228	10,802
Public improvement fees	280,185	-	-
Interest income	89,158	185,000	170,000
Transfer from Fitzsimons Village No. 1 - AURA	902,572	-	-
AURA Funding - Lodger Tax	-	283,681	365,000
AURA Funding - Property Tax	-	590,881	675,000
AURA Funding - Sales Tax	-	83,868	135,000
Transfer from AURA - TIF Property Taxes	69,063	-	-
Transfer from Fitzsimons Village No. 1 - PIF	27,173	-	-
Transfer from Fitzsimons Village No. 2 - Taxes	68,858	69,107	66,829
Total revenues	1,504,143	1,279,137	1,530,857
Total funds available	7,417,752	6,267,316	4,952,257
EXPENDITURES			
General and administrative			
County Treasurer's fee	952	966	1,623
Paying agent fees	4,000	7,000	7,000
Contingency	-	-	2,377
Debt Service			
Bond Interest - 2021A-1 Bonds	2,051,881	1,667,000	1,667,000
Transfers to Fitzsimons No. 1 - PIF	280,185	-	-
Transfers to Fitzsimons No. 1 - TIF Prop Tax	69,063	-	-
Total expenditures	2,406,081	1,674,966	1,678,000
TRANSFERS OUT			
Transfers to other fund	23,492	1,170,950	372,500
Total expenditures and transfers out requiring appropriation	2,429,573	2,845,916	2,050,500
ENDING FUND BALANCES	\$ 4,988,179	\$ 3,421,400	\$ 2,901,757
DEBT SERVICE RESERVE	\$ 3,687,298	\$ 2,899,798	\$ 2,899,798
SURPLUS FUND RESERVE	726,964	521,602	1,959
CAPITALIZED INTEREST RESERVE	573,917	-	-
TOTAL RESERVE	\$ 4,988,179	\$ 3,421,400	\$ 2,901,757

No assurance provided. See summary of significant assumptions.

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - SERIES 2021A-2
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 787,500
REVENUES			
PIF - Debt Service	-	91,800	123,500
Interest income	-	80,000	62,000
Total revenues	-	171,800	185,500
TRANSFERS IN			
Transfers from other funds	-	1,170,950	372,500
Total funds available	-	1,342,750	1,345,500
EXPENDITURES			
General and administrative			
Paying agent fees	-	4,000	4,000
Contingency	-	-	2,750
Debt Service			
Bond Interest - 2021A-2 Bonds	-	551,250	551,250
Total expenditures	-	555,250	558,000
Total expenditures and transfers out requiring appropriation	-	555,250	558,000
ENDING FUND BALANCES	\$ -	\$ 787,500	\$ 787,500
DEBT SERVICE RESERVE	\$ -	\$ 787,500	\$ 787,500
SURPLUS FUND RESERVE	-	-	-
TOTAL RESERVE	\$ -	\$ 787,500	\$ 787,500

FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/31/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 17,000,000	\$ 15,631,055	\$ 1,911,055
REVENUES			
Interest income	248,726	430,000	75,000
Total revenues	248,726	430,000	75,000
TRANSFERS IN			
Transfers from other funds	23,492	-	-
Total funds available	17,272,218	16,061,055	1,986,055
EXPENDITURES			
Transfers to Fitzsimons Village No. 1	1,641,163	14,150,000	1,986,055
Total expenditures	1,641,163	14,150,000	1,986,055
Total expenditures and transfers out requiring appropriation	1,641,163	14,150,000	1,986,055
ENDING FUND BALANCES	\$ 15,631,055	\$ 1,911,055	\$ -

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized in July 2006 for the purpose of financing and providing public improvements and related operations and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sewer, transportation and mosquito control. When appropriate, these improvements will be dedicated to the City of Aurora, Arapahoe County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District was organized in conjunction with two other related districts, Fitzsimons Village Metropolitan District No. 1 (District No. 1) and Fitzsimons Village Metropolitan District No. 2 (District No. 2). The District's service area is located within the City of Aurora, Arapahoe County, Colorado.

On May 2, 2006, District voters approved general obligation indebtedness of \$382,440,000 for street improvements, \$382,440,000 for parks and recreation, \$382,440,000 for water facilities, \$382,440,000 for sanitation system, \$382,440,000 for transportation, \$382,440,000 for mosquito control, \$382,440,000 for traffic and safety, \$382,440,000 for fire protection facilities or services, \$382,440,000 for television relay and translation facilities, \$5,000,000 for operations and maintenance, \$382,440,000 for intergovernmental contracts and \$382,449,000 for debt refunding. The District's service plan prohibits the District from providing fire protection and television relay and transmission facilities and services unless they are provided pursuant to an agreement with the City of Aurora. The election also approved an increase in ad valorem property taxes of up to \$5,000,000 annually and allows the District to collect fees of up to \$382,440,000 annually for operations and maintenance. The District's service plan limits total debt issuance to no more than \$382,440,000.

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 materials.

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

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%			

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the mill levy adopted 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 6% of the property taxes when calculated using the current year's gross taxable assessed valuation.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

O&M Fee Pledge

Pursuant to the Fitzsimons Village Metropolitan District Nos. 1 – 3 Joint Operations and Maintenance Fee Resolution, an operations and maintenance fee is imposed on all applicable property located in all Districts' boundaries. For commercial property, the fee was initially set at a rate of \$0.01002 per square foot per month. For residential property, the fee was initially set at a rate of \$1.12 per residential unit per month. The fee rates shall increase on January 1 annually thereafter.

On August 13, 2014, Districts Nos. 1 – 3 amended the resolution to increase the fee rates starting in 2015. With the Phase 2 project (hotel, conference center, and parking structure) and future Phase 3 project, the Districts' operation and maintenance costs (benefitting the entire Fitzsimons Village) will increase, hence the need for the fee rate increase.

Transfer from Aurora Urban Renewal Authority (AURA) – ARI Property Taxes

Pursuant to the District's Service Plan, if it collects a debt service mill levy, the District is required to impose a 1.000 mill levy to finance the planning, designing, permitting, construction, and acquisition of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements, which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time.

Transfer from Aurora Urban Renewal Authority (AURA) – TIF Property Taxes

Pursuant to an intergovernmental agreement, the District anticipates receiving TIF property taxes from Aurora Urban Renewal Authority (AURA).

Aurora Urban Renewal Authority (AURA) Revenues

The District, the Developer and the Aurora Urban Renewal Authority (AURA) have entered into an agreement in which AURA will remit TIF Revenues (Pledged Lodger's Tax Revenues, Pledged Property Tax Revenues, Pledged Sales Tax Revenues and Pledged Use Tax Revenues) to the District to be used for the payment of principal and interest on the bonds issued for the construction of public improvements within the boundaries of District No. 2. The TIF Revenues are pledged to the 2021 Bonds issued by the District on December 28, 2021.

Transfer from District No.1 – Taxes

Pursuant to certain agreements, District No. 1 remits to the District net tax revenues to cover its share of the operations and maintenance costs.

Transfer from District No. 2 - Taxes

Pursuant to a Capital Pledge Agreement with Fitzsimons Village Metropolitan District No. 2, the District anticipates receiving net tax revenues from District No. 2 towards payment of the 2021 Bonds issued by the District on December 28, 2021.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General, Administrative, Operations and Maintenance Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District's administrative viability such as accounting, legal, management, membership dues, insurance, meetings and other administrative expenditures. Estimated operating expenditures related to landscaping, snow removal, and repairs and maintenance are included in the Special Revenue Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Payment to ARTA – ARI Property Taxes

During 2024, revenues collected from AURA related to the ARI mill levy will be disbursed for the benefit of the Aurora Regional Improvement Authority, pursuant to the District's Service Plan.

Debt Service

Principal and interest payments are provided based on the debt amortization schedules from the Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 and the Taxable Parking/Limited General Obligation and Special Revenue Bonds, Series 2021A-2. See debt service schedules attached.

Transfers to District No. 1

Pursuant to a certain intergovernmental agreement, the District will transfer to District No. 1 approximately \$1,986,055 to pay for capital outlay expenditures.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District issued Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2021A-1 (the “2021A-1 Bonds”) and Taxable Parking/Limited Tax General Obligation and Special Revenue Bonds, Series 2021A-2 (the “2021A-2 Taxable Bonds” and, together with the 2021A-1 Bonds, the “Bonds”) on December 28, 2021, in the par amounts of \$40,040,000 for the 2021A-1 Bonds and \$7,875,000 for the 2021A-2 Taxable Bonds.

Use of Proceeds

Proceeds from the sale of the 2021A-1 Bonds were used for the purposes of:

- (a) currently refunding District No. 1’s Tax Increment/Public Improvement Fee Supported Junior Revenue Bonds, Series 2010B (the “2010B Bonds”) and District No. 1’s Refunding Tax Increment/Public Improvement Fee Supported Revenue Bonds, Series 2020 (the “2020 Bonds” and, together with the 2010B Bonds, the “Refunded Bonds”);
- (b) financing public improvements, including a portion of the costs of a parking structure;
- (c) funding a portion of interest to accrue on the Series 2021A-1 Bonds;
- (d) funding the Reserve Fund; and
- (e) paying costs incurred in connection with the issuance of the 2021A-1 Bonds and the refunding of the Refunded Bonds.

Proceeds from the sale of the 2021A-2 Taxable Bonds were used for the purposes of:

- (a) financing public improvements, including a portion of the costs of a parking structure;
- (b) funding a portion of interest to accrue on the 2021A-2 Taxable Bonds;
- (c) funding the Taxable Reserve Fund; and
- (d) paying costs incurred in connection with the issuance of the 2021A-2 Taxable Bonds.

Bonds Details

The 2021A-1 Bonds and the 2021A-2 Taxable Bonds bear interest at rates ranging from 4.00% to 4.25%, and 7.00%, respectively, payable semiannually on June 1 and December 1, beginning on June 1, 2022, to the extent of available 2021A-1 Pledged Revenue with respect to the 2021A-1 Bonds and 2021A-2 Pledged Revenue with respect to the 2021A-2 Taxable Bonds. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2025 for the 2021A-1 Bonds and the 2021A-2 Taxable Bonds. The last maturity of the 2021A-1 Bonds is on December 1, 2055 and the 2021A-2 Taxable Bonds mature on December 1, 2041.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and is to continue to bear interest at the rate then borne by the Bond. To the extent interest on the Bonds is not paid when due, such interest shall compound on each June 1 and December 1, at the rate then borne by the Bonds.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

Pledged Revenue

The Bonds are secured by and payable solely from the revenues pledged in accordance with the applicable Indenture. Both the 2021A-1 Pledged Revenue and the 2021A-2 Pledged Revenue include the Shared Pledged Revenue.

A portion of the 2021A-1 Pledged Revenue and the 2021A-2 Pledged Revenue consist of revenues of District No. 1 and District No. 2, which are pledged by such Districts to the District in accordance with Capital Pledge Agreements.

2021A-1 Pledged Revenue

The 2021A-1 Pledged Revenue (securing payment of the Series 2021A-1 Bonds) additionally includes the District No. 3 PIF Revenues, the District No. 2 Capital Fees and the District No. 3 Capital Fees.

2021A-2 Pledged Revenue

The 2021A-2 Pledged Revenue (securing payment of the Series 2021A-2 Taxable Bonds) additionally includes the Parking Fees of District No. 1, and the District No. 2 PIF Revenues.

Shared Pledged Revenue

The Shared Pledged Revenue includes the District No. 1 Shared Pledged Revenue and the District Nos. 2 and 3 Shared Pledged Revenue. Generally, Shared Pledged Revenue is anticipated to be applied to the payment of the Series 2021A-2 Taxable Bonds only in the event that Parking Fees and District No. 2 PIF Revenues on deposit with the Trustee as of May 15 and November 15 are not anticipated to be sufficient to pay debt service on the Series 2021A-2 Taxable Bonds when due on the succeeding June 1 and December 1, respectively.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Required Mill Levy

District No. 2 and the District have covenanted to levy the Required Mill Levy generally meaning an ad valorem mill levy imposed upon all taxable property of District No. 2 and the District each year in an amount which would generate Property Tax Revenues (including any payments in lieu of taxes relating to such Property Tax Revenues) in the succeeding calendar year equal to the sum of (a) with respect to the Series 2021A-1 Bonds an amount equal to the Annual Tax-Exempt Financing Costs, plus (b) with respect to the Series 2021A-2 Taxable Bonds, an amount equal to the Annual Net Taxable Financing Costs, but (i) not in excess of 50.000 mills (subject to adjustment), and (ii) for so long as the Tax-Exempt Surplus Fund and the Taxable Surplus Fund are required to be maintained and are not fully funded to the Tax-Exempt Maximum Surplus Amount or Taxable Maximum Surplus Amount, respectively, the Required Mill Levy is to be not less than 35.000 mills (subject to adjustment).

Mill levies to be imposed for debt service by District No. 2 and the District are subject to adjustment for changes in the method of calculating assessed valuation on or after January 1, 2022, at which time the residential assessment rate was 7.15%. Such mill levies may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Boards in good faith so that to the extent possible, the actual tax revenues generated by such mill levy, as so adjusted, are neither diminished nor enhanced as a result of such changes. The minimum and maximum mill levies at December 31, 2023 for collection in 2024 were 35.000 and 50.000 mills, respectively.

A portion of Property Tax Revenues resulting from imposition of the Required Mill Levy by District No. 2 and the District will, for a period of time, constitute tax increment revenues initially payable to AURA in accordance with the Urban Renewal Law. AURA has agreed to remit such incremental property tax revenues to District No. 1 or the District in accordance with the 2008 Public Finance Agreement.

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserve. This reserve must be at least 3% of fiscal year spending.

This information is an integral part of the accompanying budget.

**Fitzsimons Village Metropolitan District No. 3
Schedule of Long-Term Obligations**

	Balance at December 31, 2022*	Additions*	Repayments*	Balance at December 31, 2023*	Additions*	Repayments*	Balance at December 31, 2024*
Limited Tax G.O. and Special Revenue Refunding and Improvement Bonds, Series 2021A-1	\$ 40,040,000	\$ -	\$ 1,667,000	\$ 38,373,000	\$ -	\$ 1,667,000	\$ 36,706,000
Taxable Parking/Limited Tax G.O. and Special Revenue Bonds, Series 2021A-2	7,875,000	-	-	7,875,000	-	-	7,875,000
Bond Premium - Series 2021A-1	40,104	-	1,801	38,303	-	1,801	36,502
Bond Discount - Series 2021A-2	(147,613)	10,689	-	(136,924)	10,689	-	(126,235)
Total Bonds Payable	<u>47,807,491</u>	<u>10,689</u>	<u>1,668,801</u>	<u>46,149,379</u>	<u>10,689</u>	<u>1,668,801</u>	<u>44,491,267</u>
Developer Advances - O&M	124,403	10,000	-	134,403	11,935	-	146,338
Developer Advances - O&M Interest	28,057	9,657	-	37,714	9,848	-	47,562
Total	<u>\$ 47,959,951</u>	<u>\$ 30,346</u>	<u>\$ 1,668,801</u>	<u>\$ 46,321,496</u>	<u>\$ 32,472</u>	<u>\$ 1,668,801</u>	<u>\$ 44,685,167</u>

* Estimate

No assurance provided. See summary of significant assumptions.

**FITZSIMONS VILLAGE METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY**

\$40,040,000

**Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds
Series 2021A-1**

Dated December 28, 2021

Principal Due December 1

4.00% - 4.25% Interest Payable June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	-	1,667,000	1,667,000
2025	1,965,000	1,667,000	3,632,000
2026	1,815,000	1,588,400	3,403,400
2027	120,000	1,515,800	1,635,800
2028	430,000	1,511,000	1,941,000
2029	455,000	1,493,800	1,948,800
2030	515,000	1,475,600	1,990,600
2031	535,000	1,455,000	1,990,000
2032	595,000	1,433,600	2,028,600
2033	620,000	1,409,800	2,029,800
2034	685,000	1,385,000	2,070,000
2035	710,000	1,357,600	2,067,600
2036	780,000	1,329,200	2,109,200
2037	810,000	1,298,000	2,108,000
2038	885,000	1,265,600	2,150,600
2039	920,000	1,230,200	2,150,200
2040	1,000,000	1,193,400	2,193,400
2041	1,040,000	1,153,400	2,193,400
2042	1,125,000	1,111,800	2,236,800
2043	1,175,000	1,063,988	2,238,988
2044	1,270,000	1,014,050	2,284,050
2045	1,325,000	960,075	2,285,075
2046	1,425,000	903,763	2,328,763
2047	1,485,000	843,200	2,328,200
2048	1,595,000	780,088	2,375,088
2049	1,665,000	712,300	2,377,300
2050	1,780,000	641,538	2,421,538
2051	1,855,000	565,888	2,420,888
2052	1,985,000	487,050	2,472,050
2053	2,070,000	402,688	2,472,688
2054	2,205,000	314,713	2,519,713
2055	5,200,000	221,000	5,421,000
	<u>\$ 40,040,000</u>	<u>\$ 35,451,538</u>	<u>\$ 75,491,538</u>