

**BNC METROPOLITAN DISTRICT NO. 3**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2025**

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

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 9,441,398	\$ 4,306,867	\$ 22,555
REVENUES			
Property taxes	4,984	37,517	234,429
Specific ownership taxes	484	1,557	14,066
Interest income	419,675	160,508	600
Developer advance	7,022,682	94,500	109,100
Other revenue	-	957	-
Total revenues	7,447,825	295,039	358,195
TRANSFERS IN	-	6	-
Total funds available	16,889,223	4,601,912	380,750
EXPENDITURES			
General Fund	94,063	89,247	155,000
Debt Service Fund	-	7,500	224,198
Capital Projects Fund	12,488,293	4,482,604	-
Total expenditures	12,582,356	4,579,351	379,198
TRANSFERS OUT	-	6	-
Total expenditures and transfers out requiring appropriation	12,582,356	4,579,357	379,198
ENDING FUND BALANCES	\$ 4,306,867	\$ 22,555	\$ 1,552
EMERGENCY RESERVE	\$ 1,246	\$ 400	\$ 1,500

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

1/23/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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**ASSESSED VALUATION**

Residential	\$ -	\$ -	\$ 1,341,880
Agricultural	4,090	2,850	2,850
State assessed	4,340	4,770	5,670
Vacant land	-	403,460	917,120
Personal property	62,640	123,840	163,560
Certified Assessed Value	<u>\$ 71,070</u>	<u>\$ 534,920</u>	<u>\$ 2,431,080</u>

**MILL LEVY**

General	70.135	18.148	18.148
Debt Service	0.000	51.987	78.282
Total mill levy	<u>70.135</u>	<u>70.135</u>	<u>96.430</u>

**PROPERTY TAXES**

General	\$ 4,984	\$ 9,708	\$ 44,119
Debt Service	-	27,809	190,310
Budgeted property taxes	<u>\$ 4,984</u>	<u>\$ 37,517</u>	<u>\$ 234,429</u>

**BUDGETED PROPERTY TAXES**

General	\$ 4,984	\$ 9,708	\$ 44,119
Debt Service	-	27,809	190,310
	<u>\$ 4,984</u>	<u>\$ 37,517</u>	<u>\$ 234,429</u>

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

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ (9,648)	\$ (15,743)	\$ 586
REVENUES			
Property taxes	4,984	9,708	44,119
Specific ownership taxes	484	403	2,647
Interest income	-	8	100
Developer advance	82,500	94,500	109,100
Other revenue	-	957	-
Total revenues	87,968	105,576	155,966
Total funds available	78,320	89,833	156,552
EXPENDITURES			
General and administrative			
Accounting	25,748	15,000	20,000
Auditing	6,100	6,700	8,000
County Treasurer's fees	75	149	662
Directors' fees	500	200	200
Dues and membership	311	406	500
Insurance	3,271	3,792	5,000
District management	15,906	17,000	18,000
Legal	27,085	30,000	25,000
Legal - Special Counsel	13,164	15,000	15,000
Miscellaneous	975	1,000	1,000
Election	928	-	5,000
Contingency	-	-	1,538
Operations and maintenance			
Landscaping	-	-	30,000
Repairs and maintenance	-	-	1,000
Pest control	-	-	1,000
Pet waste service	-	-	1,500
Snow removal	-	-	6,000
Water/ irrigation	-	-	11,400
Electricity	-	-	1,200
Storm drainage maintenance	-	-	3,000
Total expenditures	94,063	89,247	155,000
Total expenditures and transfers out requiring appropriation	94,063	89,247	155,000
ENDING FUND BALANCES	\$ (15,743)	\$ 586	\$ 1,552
EMERGENCY RESERVE	\$ 1,246	\$ 400	\$ 1,500

No assurance provided. See summary of significant assumptions.

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

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 21,969
REVENUES			
Property taxes	-	27,809	190,310
Specific ownership taxes	-	1,154	11,419
Interest income	-	500	500
Total revenues	-	29,463	202,229
TRANSFERS IN			
Transfers from other funds	-	6	-
Total funds available	-	29,469	224,198
EXPENDITURES			
General and administrative			
County Treasurer's fees	-	428	2,855
Paying agent fees	-	7,000	7,000
Contingency	-	72	343
Debt Service			
Bond interest - Series 2022A	-	-	214,000
Total expenditures	-	7,500	224,198
Total expenditures and transfers out requiring appropriation	-	7,500	224,198
ENDING FUND BALANCES	\$ -	\$ 21,969	\$ -

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

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 9,451,046	\$ 4,322,610	\$ -
REVENUES			
Interest income	419,675	160,000	-
Developer advance	6,940,182	-	-
Total revenues	7,359,857	160,000	-
Total funds available	16,810,903	4,482,610	-
EXPENDITURES			
General and Administrative			
Bond issue costs	31,050	-	-
Engineering	8,828	165	-
IGA expenditure - District Nos. 1 and 2	-	747,702	-
Capital Projects			
Repay Developer advance	5,508,233	-	-
Capital outlay	6,940,182	3,734,737	-
Total expenditures	12,488,293	4,482,604	-
TRANSFERS OUT			
Transfers to other fund	-	6	-
Total expenditures and transfers out requiring appropriation	12,488,293	4,482,610	-
ENDING FUND BALANCES	\$ 4,322,610	\$ -	\$ -

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

**Services Provided**

The District, a quasi-municipal corporation, was formed by Court Order issued on January 8, 2004 and recorded on January 27, 2004 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Commerce City, Adams County, 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.

On November 4, 2003, voters of the District elected to approve general obligation indebtedness not to exceed \$60,000,000 at an interest rate not to exceed 15%. They also passed an election question to increase property taxes \$500,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, retain and spend all revenue, other than ad valorem taxes, without regard to any limitations under TABOR.

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.

The District is required to impose a maximum Required Mill Levy of 78.282 mills for collection in 2025. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

The calculation of the taxes levied is displayed on Property Tax Summary page of the budget at the adopted total mill levy of 96.430 mills.

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

**Revenues (continued)**

**Property Taxes (continued)**

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>		<b>Actual Value Reduction</b>	<b>Amount</b>
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 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.

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also 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.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.5%.

**Expenditures**

**Administrative and Operating Expenditures**

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Operations and maintenance expenditures related to streetscape, landscaping, snow removal, and utilities are also included.



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

**Expenditures (continued)**

**County Treasurer's Fees**

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

**Capital Outlay**

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

On December 29, 2022 the District issued the Limited Tax General Obligation Bonds, Series 2022A (the "Senior Bonds") and Subordinate Cash Flow Bonds, Series 2022B (the "Subordinate Bonds"), in the respective amounts of \$11,815,297.50 and \$4,790,000.

Proceeds of the Senior and Subordinate Bonds will be used for the purpose of paying Project Costs, which are the costs attributing to the acquisition, construction, and installation of approved public facilities and costs of issuing the Senior and Subordinate Bonds.

The District has outstanding Developer advances. The anticipated Developer advances are as follows:

	Balance - December 31, 2023	Additions	Reductions	Balance - December 31, 2024*	Additions	Reductions	Balance - December 31, 2025*
Developer Advances:							
Operations	\$ 323,641	\$ 94,500	\$ -	\$ 418,141	\$ 109,100	\$ -	\$ 527,241
Capital	1,816,253	-	-	1,816,253	-	-	1,816,253
Accrued Interest on Developer Advances:							
Operations	164,224	29,671	-	193,895	37,815	-	231,711
Capital	3,981	145,300	-	149,281	145,300	-	294,581
Total	<u>\$ 2,308,099</u>	<u>\$ 269,472</u>	<u>\$ -</u>	<u>\$ 2,577,571</u>	<u>\$ 292,216</u>	<u>\$ -</u>	<u>\$ 2,869,786</u>

\*Estimated balances

**Reserves**

**Emergency Reserve Funds**

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending for 2025, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**BNC METROPOLITAN DISTRICT NO. 3**

\$11,815,297.50 (Value at Issuance)  
 \$12,750,000 (Value at Conversion Date)  
 General Obligation Limited Tax  
 Convertible Capital Appreciation Bonds  
 Series 2022A  
 Dated December 29, 2022  
 Interest Rate 4.00%  
 Principal Due December 1  
 Interest Payable June 1 and December 1

<u>Year Ending December 31.</u>	<u>Value at Issuance</u>	<u>Accretion</u>	<u>Accreted Value</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	\$11,815,297.50			\$ -	\$ 510,000	\$ 510,000
2025				180,000	510,000	690,000
2026				200,000	502,800	702,800
2027				225,000	494,800	719,800
2028				230,000	485,800	715,800
2029				255,000	476,600	731,600
2030				265,000	466,400	731,400
2031				290,000	455,800	745,800
2032				305,000	444,200	749,200
2033				330,000	432,000	762,000
2034				345,000	418,800	763,800
2035				375,000	405,000	780,000
2036				390,000	390,000	780,000
2037				420,000	374,400	794,400
2038				435,000	357,600	792,600
2039				470,000	340,200	810,200
2040				490,000	321,400	811,400
2041				525,000	301,800	826,800
2042				545,000	280,800	825,800
2043				585,000	259,000	844,000
2044				605,000	235,600	840,600
2045				650,000	211,400	861,400
2046				675,000	185,400	860,400
2047				720,000	158,400	878,400
2048				745,000	129,600	874,600
2049				795,000	99,800	894,800
2050				825,000	68,000	893,000
2051				875,000	35,000	910,000
2052						
Total				<u>\$ 12,750,000</u>	<u>\$ 9,350,600</u>	<u>\$ 22,100,600</u>

No assurance provided. See summary of significant assumptions.