

**BNC METROPOLITAN DISTRICT NO. 3**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2022**

**BNC METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31, 2022**

12/2/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 5,732	\$ 4,037,451	\$ 4,052,118
REVENUES			
Property taxes	3,338	2,746	38,823
Specific ownership tax	245	274	2,718
Interest income	390	1,200	3,500
Developer advance	5,906	60,773	4,056,910
Transfer from BNC MD No. 1	3,359,885	-	-
Transfer from BNC MD No. 2	694,556	-	-
Total revenues	4,064,320	64,993	4,101,951
Total funds available	4,070,052	4,102,444	8,154,069
EXPENDITURES			
General Fund	30,013	50,326	63,000
Capital Projects Fund	2,588	-	8,089,146
Total expenditures	32,601	50,326	8,152,146
Total expenditures and transfers out requiring appropriation	32,601	50,326	8,152,146
ENDING FUND BALANCES	\$ 4,037,451	\$ 4,052,118	\$ 1,923
EMERGENCY RESERVE	\$ 22	\$ 150	\$ 1,200

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

12/2/21

ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
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**ASSESSED VALUATION**

Agricultural	\$ 3,860	\$ 3,860	\$ 1,980
State assessed	2,810	1,500	5,390
Personal property	40,930	33,790	546,180
Certified Assessed Value	<u>\$ 47,600</u>	<u>\$ 39,150</u>	<u>\$ 553,550</u>

**MILL LEVY**

General	70.135	70.135	70.135
Total mill levy	<u>70.135</u>	<u>70.135</u>	<u>70.135</u>

**PROPERTY TAXES**

General	\$ 3,338	\$ 2,746	\$ 38,823
Levied property taxes	<u>3,338</u>	<u>2,746</u>	<u>38,823</u>
Budgeted property taxes	<u>\$ 3,338</u>	<u>\$ 2,746</u>	<u>\$ 38,823</u>

**BUDGETED PROPERTY TAXES**

General	<b>\$ 3,338</b>	<b>\$ 2,746</b>	<b>\$ 38,823</b>
	<b><u>\$ 3,338</u></b>	<b><u>\$ 2,746</u></b>	<b><u>\$ 38,823</u></b>

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

12/2/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 8,057	\$ (12,467)	\$ 1,000
REVENUES			
Property taxes	3,338	2,746	38,823
Specific ownership tax	245	274	2,718
Developer advance	5,906	60,773	22,382
Total revenues	9,489	63,793	63,923
Total funds available	17,546	51,326	64,923
EXPENDITURES			
General and administrative			
Accounting	9,646	13,000	15,000
Auditing	-	5,000	6,000
County Treasurer's fee	50	41	583
Dues and licenses	313	309	400
Insurance and bonds	3,160	2,976	4,000
District management	8,445	11,000	15,000
Legal services	7,307	18,000	19,000
Miscellaneous	46	-	-
Election expense	1,046	-	1,000
Contingency	-	-	2,017
Total expenditures	30,013	50,326	63,000
Total expenditures and transfers out requiring appropriation	30,013	50,326	63,000
ENDING FUND BALANCE	\$ (12,467)	\$ 1,000	\$ 1,923
EMERGENCY RESERVE	\$ 22	\$ 150	\$ 1,200

**BNC METROPOLITAN DISTRICT NO. 3  
CAPITAL PROJECTS FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31, 2022**

12/2/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (2,325)	\$ 4,049,918	\$ 4,051,118
REVENUES			
Interest income	390	1,200	3,500
Developer advance	-	-	4,034,528
Transfer from BNC MD No. 1	3,359,885	-	-
Transfer from BNC MD No. 2	694,556	-	-
Total revenues	4,054,831	1,200	4,038,028
Total funds available	4,052,506	4,051,118	8,089,146
EXPENDITURES			
General and Administrative			
Accounting	-	-	5,000
Repay developer advance	-	-	4,034,528
Engineering	2,588	-	15,000
Capital outlay	-	-	4,034,618
Total expenditures	2,588	-	8,089,146
Total expenditures and transfers out requiring appropriation	2,588	-	8,089,146
ENDING FUND BALANCE	\$ 4,049,918	\$ 4,051,118	\$ -

**BNC METROPOLITAN DISTRICT NO. 3  
2022 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.

**Revenue**

**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 Property Tax Summary page of the budget at the adopted total mill levy of 70.135 mills.

**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 7% of the property taxes collected.

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

**Revenue (continued)**

**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.

**Transfers from BNC Metropolitan District Nos. 1 and 2**

Pursuant to the Intergovernmental Agreement (IGA), BNC Metropolitan District No. 1 & BNC Metropolitan District No. 2 will transfer amounts necessary to the District to complete public improvements for the District.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .1%.

**Expenditures**

**General and administrative 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.

**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.

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

**Debt and Leases**

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

	Balance -			Balance -			Balance -
	December 31,			December 31,			December 31,
	2020	Additions	Reductions	2021*	Additions	Reductions	2022*
Developer Advances:							
Operations	\$ 171,141	\$ 60,773	\$ -	\$ 231,914	\$ 22,382	\$ -	\$ 254,296
Capital	-	-	-	-	4,034,528	4,034,528	-
Accrued Interest on							
Developer Advances:							
Operations	108,930	15,311	-	124,241	19,664	-	143,905
Total	<u>\$ 280,071</u>	<u>\$ 76,084</u>	<u>\$ -</u>	<u>\$ 356,155</u>	<u>\$ 4,076,574</u>	<u>\$ 4,034,528.00</u>	<u>\$ 398,201</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 2022, as defined under TABOR.

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