

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

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

1/6/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	106,488	271,397	140,354
Specific ownership taxes	7,458	21,528	7,017
Interest Income	203	750	450
Other Revenue	-	-	21,579
Total revenues	114,149	293,675	169,400
Total funds available	114,149	293,675	169,400
EXPENDITURES			
General Fund	26,342	67,746	44,100
Debt Service Fund	87,807	225,929	125,300
Total expenditures	114,149	293,675	169,400
Total expenditures and transfers out requiring appropriation	114,149	293,675	169,400
ENDING FUND BALANCES	\$ -	\$ -	\$ -

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

1/6/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Commercial	\$ 1,236,100	\$ 5,309,770	\$ 1,164,400
Vacant land	402,290	1,025,440	875,260
Personal property	-	3,980	4,290
Certified Assessed Value	<u>\$ 1,638,390</u>	<u>\$ 6,339,190</u>	<u>\$ 2,043,950</u>

MILL LEVY

General	15.000	15.673	15.846
Debt Service	50.000	52.245	52.822
Total mill levy	<u>65.000</u>	<u>67.918</u>	<u>68.668</u>

PROPERTY TAXES

General	\$ 24,576	\$ 99,354	\$ 32,388
Debt Service	81,920	331,191	107,966
Levied property taxes	<u>106,496</u>	<u>430,545</u>	<u>140,354</u>
Adjustments to actual/rounding	(8)	-	-
Refunds and abatements	-	(159,148)	-
Budgeted property taxes	<u>\$ 106,488</u>	<u>\$ 271,397</u>	<u>\$ 140,354</u>

BUDGETED PROPERTY TAXES

General	\$ 24,574	\$ 62,629	\$ 32,388
Debt Service	81,914	208,768	107,966
	<u>\$ 106,488</u>	<u>\$ 271,397</u>	<u>\$ 140,354</u>

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

1/6/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	24,574	62,628	32,388
Specific ownership taxes	1,721	4,968	1,619
Interest Income	47	150	150
Other Revenue	-	-	9,943
Total revenues	26,342	67,746	44,100
Total funds available	26,342	67,746	44,100
EXPENDITURES			
County Treasurer's Fee	246	626	324
Miscellaneous	-	836	-
Contingency	-	-	9,943
IGA expenditures LHMD1	26,096	66,284	33,833
Total expenditures	26,342	67,746	44,100
Total expenditures and transfers out requiring appropriation	26,342	67,746	44,100
ENDING FUND BALANCES	\$ -	\$ -	\$ -

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

1/6/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	81,914	208,769	107,966
Specific ownership taxes	5,737	16,560	5,398
Interest Income	156	600	300
Other Revenue	-	-	11,636
Total revenues	87,807	225,929	125,300
Total funds available	87,807	225,929	125,300
EXPENDITURES			
County Treasurer's Fee	819	2,088	1,080
Miscellaneous	-	2,786	-
Contingency	-	-	11,636
IGA expenditures LHCA	86,988	221,055	112,584
Total expenditures	87,807	225,929	125,300
Total expenditures and transfers out requiring appropriation	87,807	225,929	125,300
ENDING FUND BALANCES	\$ -	\$ -	\$ -

LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Loretto Heights Metropolitan District No. 3 (District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree 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 and County of Denver on August 26, 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

Loretto Heights Metropolitan Districts Nos. 1-5 and Loretto Heights Programming Metropolitan District are expected to work together to provide for the acquisition, construction, and financing of the public improvements and the administration and operations for the Development.

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 the requirements of Colorado Revised Statutes section 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 may impose an Operating Mill Levy of up to 65.000 mills, until the District imposes a Debt Mill Levy. Once the District imposes a Debt Mill Levy, the District's Operating Mill Levy cannot exceed 15.000 mills. The Debt Mill Levy shall not exceed 50.000 mills. The Programming District has the authority to levy 20.000 mills for the purpose of operating and maintaining the Programming District's facilities and services. The District has the authority to impose an additional Regional Mill Levy of 5 mills. The Regional Mill Levy shall not exceed a term of 25 years from December 31 of the tax collection year after which the Regional Mill Levy was first imposed. The District's Aggregate Mill Levy maximum is 85.000 mills (15 for Operations, 50 for Debt Service, and 20 for the Programming District), and does not include the Regional Mill Levy. All of these mill levies can be adjusted for any changes in the assessment ratios from the time of the service plan approval, August 26, 2019.

**LORETTO HEIGHTS METROPOLITAN DISTRICT NO. 3
2025 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 2025, SB22-238, SB23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual values 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 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 5.00% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense and other administrative expenses.

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

Expenditures (Continued)

Intergovernmental expenditures

The District is obligated to impose a mill levy, not to exceed 15 mills, subject to certain adjustments, and remit property taxes derived from such mill levy, together a portion of specific ownership taxes applicable to property within the District to the Managing District, District No. 1, for the payment of administrative and operations expenses.

On June 23, 2021, the District, Loretto Heights Metropolitan District No. 2-4 and Loretto Heights Community Authority, and UMB Bank entered into capital pledge agreements whereby the Districts agreed to impose the required mill levy (as defined therein) and pledge the debt service property tax revenue and specific ownership tax revenue therefore to Loretto Heights Community Authority for pay for the payment of its 2021 Bonds.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. The District has not provided for an emergency reserve equal to at least 3% of fiscal spending for 2025, as defined under TABOR, as net tax revenue is transferred to District No. 1 which provides for the required reserve.

This information is an integral part of the accompanying budget.