

## **3<sup>RD</sup> & HAVANA METROPOLITAN DISTRICT**

### **2022 ANNUAL REPORT**

Pursuant to Section VIII of the Service Plan for 3<sup>rd</sup> & Havana Metropolitan District, the District is required to submit an annual report to the Manager of the Office of Development Assistance of the City Manager's Office no later than August 1 of each year.

**For the year ending December 31, 2022, the District makes the following report:**

**1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.**

The District had no changes to the boundaries during 2022.

**2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.**

The District did not enter into any intergovernmental agreements in 2022.

**3. Copies of the District's rules and regulations, if any as of December 31 of the prior year.**

The District did not adopt any Rules and Regulations in 2022.

**4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.**

The District has had no litigation which involves the District Public Improvements as of December 31, 2022.

**5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.**

The District did not construct any Public Improvements during 2022 but anticipates continuing construction in 2023.

**6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

The District did not dedicate any facilities or improvements to the City in 2022.

**7. The assessed valuation of the District for the current year.**

The District's assessed valuation for 2023 was \$2,736,614

**8. Current year budget including a description of the Public Improvements to be constructed in such year.**

The District's 2023 budget is attached hereto as **Exhibit A**.

**9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The District's 2022 Audit will be provide upon completion.

**10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

The District has not had any uncured events of default during 2022.

**11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

The District has had no inability to pay its obligations during 2022.

The foregoing Annual Report and accompanying exhibits are submitted this 20th day of July, 2023.

/s/ Russell W. Dykstra

Russell W. Dykstra, Counsel for the District

**Exhibit A**  
**(2023 Budget)**

**RESOLUTION**  
**TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,**  
**AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY**  
**3<sup>rd</sup> AND HAVANA METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE 3<sup>RD</sup> AND HAVANA METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the 3<sup>rd</sup> and Havana Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 1, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 3,5220 ; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ 0 ; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 17,942 ; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ 352 ; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ 0 ; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ 0 ; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Arapahoe County is \$ 352,211 ; and

WHEREAS, at an election held on May 2, 2000, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 3<sup>rd</sup> AND HAVANA METROPOLITAN DISTRICT OF ARAPAHOE COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the 3<sup>rd</sup> and Havana Metropolitan District for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of \_\_\_\_\_ mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 10 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 50.941 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 1 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Arapahoe County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Arapahoe County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 1<sup>st</sup> day of November, 2022.

3<sup>RD</sup> AND HAVANA METROPOLITAN  
DISTRICT



---

President

ATTEST:



---

Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES



**3<sup>rd</sup> & HAVANA METROPOLITAN DISTRICT**  
**2023**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2023 budget for the 3<sup>rd</sup> & Havana Metropolitan District.

The 3<sup>rd</sup> & Havana Metropolitan District has adopted budgets for three separate funds, a General Fund to provide for general operating expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the general obligation bonds to be issued by the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the district in 2023 will be property taxes, developer advances, and use tax revenue. The district intends to impose a 61.941 mill levy on all property within the district for 2023, of which 10.000 mills will be dedicated to the General Fund and 50.941 mills will be dedicated to the Debt Service Fund. 1.000 mill of the 10.000 mills is restricted for regional improvements per an intergovernmental agreement with the City of Aurora.

**3rd & Havana Metropolitan District**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 33,680	\$ 21,253	\$ 24	\$ 24	\$ 8,127
Revenues:					
Property taxes	2,770	4,013	1,608	3,200	3,522
Specific ownership taxes	1,051	200	816	1,600	176
Property taxes ARI	277	401	161	300	352
Specific ownership taxes ARI	105	21	82	150	19
TIF Revenue	-	22,120	-	22,120	23,486
Interest income	149	-	13	20	-
Developer advances	5,679	-	11,331	11,331	1,430
Total revenues	<u>10,031</u>	<u>26,755</u>	<u>14,011</u>	<u>38,721</u>	<u>28,985</u>
Total funds available	<u>43,711</u>	<u>48,008</u>	<u>14,035</u>	<u>38,745</u>	<u>37,112</u>
Expenditures:					
Accounting / audit	16,912	10,000	3,792	12,500	10,000
Election	-	5,000	1,607	1,650	2,500
Engineering	-	-	3,775	7,550	8,000
Insurance/ SDA Dues	2,928	2,500	2,797	2,800	2,750
Legal	23,407	10,000	1,743	5,500	9,000
Management	392	1,500	-	-	1,500
Miscellaneous	24	2,000	52	120	500
ARI Mill levy	-	416	240	445	366
Treasurer's Fees	44	60	24	48	53
Treasurer's Fees - ARI	4	6	5	5	5
Contingency	-	15,582	-	-	1,398
Emergency Reserve	-	944	-	-	1,040
Total expenditures	<u>43,711</u>	<u>48,008</u>	<u>14,035</u>	<u>30,618</u>	<u>37,112</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,127</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 2,646,950</u>			<u>\$ 2,736,614</u>
TIF Assessed value		<u>\$ 2,245,702</u>			<u>\$ 2,384,403</u>
Net Assessed value		<u>\$ 401,248</u>			<u>\$ 352,211</u>
Mill Levy		<u>10.000</u>			<u>10.000</u>
ARI Mill levy		<u>1.000</u>			<u>1.000</u>

**3rd & Havana Metropolitan District**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	<u>\$ 13,797,342</u>	<u>\$ -</u>	<u>\$ 3,010,324</u>	<u>\$ 3,010,324</u>	<u>\$ 3,040,324</u>
Revenues:					
Interest income	<u>715</u>	<u>-</u>	<u>455</u>	<u>30,000</u>	<u>60,000</u>
Total revenues	<u>715</u>	<u>-</u>	<u>455</u>	<u>30,000</u>	<u>60,000</u>
Total funds available	<u>13,798,057</u>	<u>-</u>	<u>3,010,779</u>	<u>3,040,324</u>	<u>3,100,324</u>
Expenditures:					
Capital expenditures	<u>10,787,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,100,000</u>
Total expenditures	<u>10,787,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,100,000</u>
Ending fund balance	<u>\$ 3,010,324</u>	<u>\$ -</u>	<u>\$ 3,010,779</u>	<u>\$ 3,040,324</u>	<u>\$ 324</u>

**3rd & Havana Metropolitan District**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual 6/30/2022	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 3,843,810	\$ 4,039,502	\$ 2,791,362	\$ 2,791,362	\$ 2,158,100
Revenues:					
Property taxes	13,573	20,440	8,191	16,200	17,942
Specific ownership taxes	5,151	1,635	4,158	8,200	1,435
Tif property taxes	-	191,229	-	191,229	203,040
PIF Revenue	-	17,391	-	17,391	20,000
Sales tax revenue	-	102,922	-	102,922	103,000
Use tax revenue	-	330,093	-	330,093	335,000
Interest income	<u>2,105</u>	<u>-</u>	<u>5,794</u>	<u>11,000</u>	<u>-</u>
Total revenues	<u>20,829</u>	<u>663,710</u>	<u>18,143</u>	<u>677,035</u>	<u>680,417</u>
Total funds available	<u>3,864,639</u>	<u>4,703,211</u>	<u>2,809,505</u>	<u>3,468,397</u>	<u>2,838,517</u>
Expenditures:					
Bond interest expense	1,073,063	1,073,063	536,531	1,073,063	1,393,063
Bond interest expense	-	217,636	-	217,636	-
Bond principal	-	-	-	-	320,000
Treasurer's fees	214	307	121	250	269
URA collection fees	-	12,000	-	12,000	12,000
PIF Collection fee	-	348	-	348	348
Trustee / paying agent fees	<u>-</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
Total expenditures	<u>1,073,277</u>	<u>1,310,354</u>	<u>543,652</u>	<u>1,310,297</u>	<u>1,732,680</u>
Ending fund balance	<u>\$ 2,791,362</u>	<u>\$ 3,392,858</u>	<u>\$ 2,265,853</u>	<u>\$ 2,158,100</u>	<u>\$ 1,105,838</u>
Assessed valuation		<u>\$ 2,646,950</u>			<u>\$ 2,736,614</u>
TIF Assessed value		<u>\$ 2,245,702</u>			<u>\$ 2,384,403</u>
Net Assessed value		<u>\$ 401,248</u>			<u>\$ 352,211</u>
Mill Levy		<u>50.941</u>			<u>50.941</u>
TIF increment mill levy		<u>86.450</u>			<u>86.450</u>
Total District Mill Levy		<u>61.941</u>			<u>61.941</u>
Reserve fund		<u>\$ 1,696,524</u>			<u>\$ 1,696,524</u>

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Arapahoe County, Colorado.

On behalf of the 3<sup>rd</sup> & Havana Metropolitan District,  
(taxing entity)<sup>A</sup>

the Board of Directors,  
(governing body)<sup>B</sup>

of the 3<sup>rd</sup> & Havana Metropolitan District,  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,736,614 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 352,211 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

**Submitted:** \_\_\_\_\_ for budget/fiscal year 2023.  
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	10.000 mills	\$ 3,522
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b>10.000</b> mills	<b>\$ 3,522</b>
3. General Obligation Bonds and Interest <sup>J</sup>	50.941 mills	\$ 17,942
4. Contractual Obligations <sup>K</sup>	1.000 mills	\$ 352
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
<b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	<b>61.941</b> mills	<b>\$ 21,816</b>

Contact person: Diane K Wheeler Daytime phone: (303) 689-0833

Signed: Diane K Wheeler Title: District Accountant

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.*

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- |    |                   |   |
|----|-------------------|---|
| 1. | Purpose of Issue: | \$21,150,000 Special Revenue and Tax Supported Senior Bonds     |
|    | Series:           | 2020A   |
|    | Date of Issue:    | August 20, 2020   |
|    | Coupon Rate:      | 4.500% and 5.250%   |
|    | Maturity Date:    | December 1, 2049  |
|    | Levy:             | 50.941  |
|    | Revenue:          | \$17,942  |
|    |                   |   |
| 2. | Purpose of Issue: | \$3,850,000 Special Revenue and Tax Supported Subordinate Bonds |
|    | Series:           | 2020B   |
|    | Date of Issue:    | August 20, 2020   |
|    | Coupon Rate:      | 7.750%  |
|    | Maturity Date:    | December 15, 2049   |
|    | Levy:             | 0.00  |
|    | Revenue:          | \$0   |

**CONTRACTS<sup>K</sup>:**

- |    |                      |                              |
|----|----------------------|------------------------------|
| 3. | Purpose of Contract: | Aurora Regional Improvements |
|    | Title:               | Aurora Regional Improvements |
|    | Date:                | N/A                          |
|    | Principal Amount:    | N/A                          |
|    | Maturity Date:       | N/A                          |
|    | Levy:                | 1.000                        |
|    | Revenue:             | \$352                        |
|    |                      |                              |
| 4. | Purpose of Contract: | _____                        |
|    | Title:               | _____                        |
|    | Date:                | _____                        |
|    | Principal Amount:    | _____                        |
|    | Maturity Date:       | _____                        |
|    | Levy:                | _____                        |
|    | Revenue:             | _____                        |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.