

RAINDANCE METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**RAINDANCE METROPOLITAN DISTRICT NO. 3
SUMMARY
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	\$ 2,522,804	\$ 2,816,408	\$ 3,040,386
REVENUES			
Property taxes	1,032,670	1,171,813	1,848,166
Specific ownership taxes	60,469	49,167	73,927
Net investment income	(30,647)	110,020	110,000
Facilities fees	257,500	17,500	17,500
Other revenue	-	-	1,000
Total revenues	<u>1,319,992</u>	<u>1,348,500</u>	<u>2,050,593</u>
Total funds available	<u>3,842,796</u>	<u>4,164,908</u>	<u>5,090,979</u>
EXPENDITURES			
General Fund	55,146	54,522	1,000
Debt Service Fund	971,242	1,070,000	1,970,000
Total expenditures	<u>1,026,388</u>	<u>1,124,522</u>	<u>1,971,000</u>
ENDING FUND BALANCES	<u>\$ 2,816,408</u>	<u>\$ 3,040,386</u>	<u>\$ 3,119,978</u>
2018 A Senior Reserve Fund	1,423,675	1,423,675	1,423,675
2018A Senior Surplus Fund	1,392,728	1,616,706	1,645,000
Reserve for Future Debt Service	-	-	51,298
TOTAL RESERVE	<u>\$ 2,816,403</u>	<u>\$ 3,040,381</u>	<u>\$ 3,119,973</u>

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

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Residential	\$ 18,622,820	\$ 24,764,800	\$ 34,882,620
Commercial	337,640	365,920	523,800
Agricultural	4,530	4,120	4,020
State assessed	780	2,280	2,570
Vacant land	5,228,920	1,035,360	2,143,820
Personal property	142,530	272,100	279,750
Minerals	3,030	-	-
	<u>24,340,250</u>	<u>26,444,580</u>	<u>37,836,580</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 24,340,250</u>	<u>\$ 26,444,580</u>	<u>\$ 37,836,580</u>
 MILL LEVY			
General	2.116	1.967	0.000
Debt Service	40.264	42.333	48.846
Total mill levy	<u>42.380</u>	<u>44.300</u>	<u>48.846</u>
 PROPERTY TAXES			
General	51,504	52,016	-
Debt Service	980,036	1,119,478	1,848,166
Levied property taxes	<u>1,031,540</u>	<u>1,171,494</u>	<u>1,848,166</u>
Adjustments to actual/rounding	1,130	319	-
Budgeted property taxes	<u>\$ 1,032,670</u>	<u>\$ 1,171,813</u>	<u>\$ 1,848,166</u>
 BUDGETED PROPERTY TAXES			
General	\$ 52,107	\$ 52,335	\$ -
Debt Service	\$ 980,563	\$ 1,119,478	\$ 1,848,166
	<u>\$ 1,032,670</u>	<u>\$ 1,171,813</u>	<u>\$ 1,848,166</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
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	\$ 5	\$ 5	\$ 5
REVENUES			
Property taxes	52,107	52,335	-
Specific ownership taxes	3,019	2,167	-
Net investment income	20	20	-
Other revenue	-	-	1,000
Total revenues	<u>55,146</u>	<u>54,522</u>	<u>1,000</u>
Total funds available	<u>55,151</u>	<u>54,527</u>	<u>1,005</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	773	777	-
Contingency	-	-	1,000
Transfer to District No.1	54,373	53,745	-
Total expenditures	<u>55,146</u>	<u>54,522</u>	<u>1,000</u>
Total expenditures and transfers out requiring appropriation	<u>55,146</u>	<u>54,522</u>	<u>1,000</u>
ENDING FUND BALANCES	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
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	\$ 2,522,799	\$ 2,816,403	\$ 3,040,381
REVENUES			
Property taxes	980,563	1,119,478	1,848,166
Specific ownership taxes	57,450	47,000	73,927
Net investment income	(30,667)	110,000	110,000
Facilities fees	257,500	17,500	17,500
Total revenues	<u>1,264,846</u>	<u>1,293,978</u>	<u>2,049,593</u>
Total funds available	<u>3,787,645</u>	<u>4,110,381</u>	<u>5,089,974</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	14,714	16,792	27,722
Miscellaneous	20	20	20
Paying agent fees	6,000	6,000	6,000
Investment advisory fee	4,633	6,000	6,000
Bond Interest - Series 2018A	945,875	945,875	941,275
Bond Principal - Series 2018A	-	80,000	195,000
Bond Interest - Series 2018B	-	-	785,000
Contingency	-	15,313	8,983
Total expenditures	<u>971,242</u>	<u>1,070,000</u>	<u>1,970,000</u>
Total expenditures and transfers out requiring appropriation	<u>971,242</u>	<u>1,070,000</u>	<u>1,970,000</u>
ENDING FUND BALANCES	<u>\$ 2,816,403</u>	<u>\$ 3,040,381</u>	<u>\$ 3,119,973</u>
2018 A Senior Reserve Fund	\$ 1,423,675	\$ 1,423,675	\$ 1,423,675
2018A Senior Surplus Fund	1,392,728	1,616,706	1,645,000
Reserve for Future Debt Service	-	-	51,298
TOTAL RESERVE	<u>\$ 2,816,403</u>	<u>\$ 3,040,381</u>	<u>\$ 3,119,973</u>

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

Services Provided

Raindance Metropolitan District No. 3's (the District) organization was approved by eligible electors of the District at an election held on May 6, 2014. The District was organized by order of the District Court in and for Weld County on June 6, 2014. The formation of the District was approved by the Town of Windsor, Colorado in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District, Raindance Metropolitan District No. 1, Raindance Metropolitan District No. 2, and Raindance Metropolitan District No. 4 on March 24, 2014. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

At a special election of the eligible electors of the District on May 6, 2014, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

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.

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.

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.

**RAINDANCE 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 adopted mill levy imposed 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 4% of the property taxes collected.

Capital Facilities Fees

The District imposes a Capital Facilities Fee in the amount of \$2,500 per single family detached unit, single family attached and apartment units, which is due and payable on or before a building permit is issued by the County. For the calendar year 2024, the District anticipates to collect fees on 7 units.

RAINDANCE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Transfer to Raindance Metropolitan District No. 1

Raindance Metropolitan District No. 1 (District No. 1) will provide certain operation, maintenance and administrative services benefitting the District, Raindance Metropolitan District No. 2 and Raindance Metropolitan District No. 4 (collectively, "Districts"). The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to District No. 1. For 2024, the District did not impose an operations mill levy as District No. 1 has sufficient funds to pay for such costs.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2018A Bonds and the Series 2018B Bonds (discussed under Debt and Leases).

Debt and Leases

On May 17, 2018, the District issued \$16,450,000 in Limited Tax General Obligation Bonds, Series 2018A. The Bonds are limited tax general obligations of the District payable solely from Pledged Revenues, which include Senior Property Tax Revenues, Senior Specific Ownership Tax Revenues, and Capital Facilities Fees. The Bonds are due December 1, 2047, with an interest rate of 5.75%, paid semiannually on June 1 and December 1. Beginning on December 1, 2023, the Bonds are subject to mandatory sinking fund redemption at a price equal to the principal amount plus accrued interest to the redemption date.

Also on May 17, 2018, the District issued \$2,840,000 in Subordinate Limited Tax General Obligation Bonds, Series 2018B. The Bonds are subordinate limited tax general obligations of the District payable solely from Pledged Revenues, which include Subordinate Property Tax Revenues, Subordinate Specific Ownership Tax Revenues, and Subordinate Capital Facilities Fees. The Bonds are due December 1, 2047, with an interest rate of 8.125%, payable annually on December 15 from, and to the extent of, Subordinate Pledge Revenue available. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

The Series 2018A and Series 2018B Bonds were issued to finance certain public improvements, fund the Reserve Fund, fund capitalized interest for payment of a portion of the bond interest, and pay the costs of issuing the Bonds.

The District has no capital nor operating lease.

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

Debt and Leases (Continued)

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advances - Operations	\$ 5	\$ -	\$ -	\$ 5
Limited Tax General Obligation Bonds:				
Series 2018A	16,450,000	-	80,000	16,370,000
Series 2018B	2,840,000	-	-	2,840,000
Total	<u>\$ 19,290,005</u>	<u>\$ -</u>	<u>\$ 80,000</u>	<u>\$ 19,210,005</u>

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024
Developer Advances - Operations	\$ 5	\$ -	\$ -	\$ 5
Limited Tax General Obligation Bonds:				
Series 2018A	16,370,000	-	195,000	16,175,000
Series 2018B	2,840,000	-	-	2,840,000
Total	<u>\$ 19,210,005</u>	<u>\$ -</u>	<u>- \$ 80,000</u>	<u>\$ 19,015,005</u>

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to RainDance Metropolitan District No. 1, which pays for all Districts' operations and maintenance costs, and which provides for the required reserve amount, an Emergency Reserve is not reflected in the District's budget.

Debt Service Reserves

The District maintains the following reserves as required with the issuance of the Bonds: (i) Senior Reserve Fund, funded from bond proceeds, in the amount of \$1,423,675, and (ii) Senior Surplus Fund, to be funded from pledged revenues, up to a maximum amount of \$1,645,000.

This information is an integral part of the accompanying budget.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$16,450,000 Limited Tax General Obligation Bonds Series 2018A Interest 5.75% Dated May 17, 2018 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2024	\$ 195,000	\$ 941,275	\$ 1,136,275
2025	215,000	930,063	1,145,063
2026	250,000	917,700	1,167,700
2027	265,000	903,325	1,168,325
2028	300,000	888,088	1,188,088
2029	320,000	870,838	1,190,838
2030	360,000	852,438	1,212,438
2031	380,000	831,738	1,211,738
2032	430,000	809,888	1,239,888
2033	455,000	785,163	1,240,163
2034	505,000	759,000	1,264,000
2035	535,000	729,963	1,264,963
2036	590,000	699,200	1,289,200
2037	620,000	665,275	1,285,275
2038	685,000	629,625	1,314,625
2039	725,000	590,238	1,315,238
2040	790,000	548,550	1,338,550
2041	835,000	503,125	1,338,125
2042	910,000	455,113	1,365,113
2043	965,000	402,788	1,367,788
2044	1,045,000	347,300	1,392,300
2045	1,105,000	287,213	1,392,213
2046	1,200,000	223,675	1,423,675
2047	2,690,000	154,675	2,844,675
	\$ 16,370,000	\$ 15,726,250	\$ 32,096,250