

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2023

The Board of Directors of The Plaza Metropolitan District No. 3 (the “**Board**”), City of Lakewood, Jefferson County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 16, 2022, at the hour of 4:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2023 BUDGET

The Denver Post, LLC

PUBLISHER'S AFFIDAVIT

City and County of Denver)
State of Colorado)
)

The undersigned **Nicole Maestas** being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of The Denver Post, LLC, publisher of The Denver Post and Your Hub.
2. The Denver Post and Your Hub are newspapers of general circulation that have been published continuously and without interruption for at least fifty-two weeks in Denver County and meet the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in Your Hub for West Jeffco (including the counties of Jefferson, Arapahoe, Arvada, Denver, Lakewood, Gilpin, Clear Creek, and Westminster) on the following date(s):

November 3, 2022

Nicole Maestas
Signature

NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGET AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of THE PLAZA METROPOLITAN DISTRICT NO. 3 (the "District"), will hold a meeting via teleconference on November 16, 2022 at 4:00 P.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/88125393016?pwd=R00yd2lrZZdyN0U0ZTE0NDRUZHoxZz09>
Meeting ID: 881 2539 3016
Passcode: 671269
Call-In Number: 1-720-707-2699

Subscribed and sworn to before me this 4 day of November, 2022.

Rosann R Wunsch
Notary Public

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

ROSANN R WUNSCH
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20024002315
MY COMMISSION EXPIRES FEBRUARY 26, 2026

(SEAL)

BY ORDER OF THE BOARD OF DIRECTORS:

THE PLAZA METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado

/s/ **WHITE BEAR ANKELE TANAKA & WALDRON**
Attorneys at Law

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of 26.353 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Jefferson County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 16, 2022.

DISTRICT:

**THE PLAZA METROPOLITAN DISTRICT
NO. 3**, a quasi-municipal corporation and political
subdivision of the State of Colorado

By: 

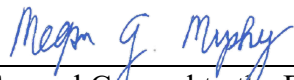
Officer of the District

Attest:

By: 
James D Wells (Dec 5, 2022 20:38 CST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF JEFFERSON
THE PLAZA METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Wednesday, November 16, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5th day of
December _____, 2022.


James D Wells (Dec 5, 2022 20:38 CST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**THE PLAZA METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023**

**THE PLAZA METROPOLITAN DISTRICT NO. 3
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 5,448	\$ 4,227	\$ -
REVENUES			
Property taxes	121,698	134,548	132,761
Specific ownership tax	51,906	51,117	50,952
Interest income	-	350	500
Other revenue	-	-	10,000
Total revenues	<u>173,604</u>	<u>186,015</u>	<u>194,213</u>
Total funds available	<u>179,052</u>	<u>190,242</u>	<u>194,213</u>
EXPENDITURES			
Debt Service Fund	174,825	190,242	194,213
Total expenditures	<u>174,825</u>	<u>190,242</u>	<u>194,213</u>
Total expenditures and transfers out requiring appropriation	<u>174,825</u>	<u>190,242</u>	<u>194,213</u>
ENDING FUND BALANCES	<u>\$ 4,227</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Residential Single - Family	\$ 25,494,649	\$ 27,566,230	\$ 13,218,832
Residential Multi- Family	-	-	13,283,283
Commercial	277,722	257,178	237,626
State assessed	572,828	567,810	436,451
Vacant land	444,512	444,512	444,512
	<u>26,789,711</u>	<u>28,835,730</u>	<u>27,620,704</u>
Adjustments	(21,779,284)	(23,483,164)	(22,582,924)
Certified Assessed Value	<u>\$ 5,010,427</u>	<u>\$ 5,352,566</u>	<u>\$ 5,037,780</u>
MILL LEVY			
Debt Service	25.324	25.324	26.353
Total mill levy	<u>25.324</u>	<u>25.324</u>	<u>26.353</u>
PROPERTY TAXES			
Debt Service	\$ 126,884	\$ 135,548	\$ 132,761
Levied property taxes	126,884	135,548	132,761
Adjustments to actual/rounding	(5,186)	-	-
Budgeted property taxes	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>
BUDGETED PROPERTY TAXES			
Debt Service	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>
	<u>\$ 121,698</u>	<u>\$ 135,548</u>	<u>\$ 132,761</u>

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
General and administrative			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -
AVAILABLE FOR OPERATIONS	-	-	-
TOTAL RESERVE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 5,448	\$ 4,227	\$ -
REVENUES			
Property taxes	121,698	134,548	132,761
Specific ownership tax	51,906	51,117	50,952
Interest income	-	350	500
Other revenue	-	-	10,000
Total revenues	173,604	186,015	194,213
Total funds available	179,052	190,242	194,213
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,876	2,018	1,991
Transfers to Plaza Metro District No. 1	172,949	188,224	182,222
Contingency	-	-	10,000
Debt Service			
Total expenditures	174,825	190,242	194,213
Total expenditures and transfers out requiring appropriation	174,825	190,242	194,213
ENDING FUND BALANCE	\$ 4,227	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on November 16, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 1 and Plaza Metropolitan District No. 2. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 6, 2001, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-10 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.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 20 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and for tax collection year 2022 the ratio was at 7.15%.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

Due to this ratio change, the District's mill levy was increased to 26.353 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at 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 7% of the property taxes collected on the gross Assessed Value.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

Expenditures

Administrative Expenditures

All administrative functions for the District are to be performed by District No. 1.

County Treasurer's Fees

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

Transfers to Other Districts

The District anticipates transferring all tax revenue in the total amount of \$182,222 to District No. 1's debt service fund.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

Debt and Leases

The District has no debt issued and has no operating or capital leases.

This information is an integral part of the accompanying budget.