

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2018

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2018 budget and budget message for NORTH RANGE METROPOLITAN DISTRICT NO. 3 in Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2017. If there are any questions on the budget, please contact

CliftonLarsonAllen LLP
Attn: Denise Denslow, District Manager
8390 E. Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Telephone number: 303-779-4525

I, Denise Denslow, District Manager of the North Range Metropolitan District No. 3 hereby certify that the attached is a true and correct copy of the 2018 budget.

By:



Denise Denslow, District Manager

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS
(2018)

The Board of Directors of North Range Metropolitan District No. 3 (the "Board"), Commerce City, Adams County, Colorado (the "District") held a regular meeting at 17910 E. Parkside Drive North, Commerce City, Colorado, on Tuesday, November 7, 2017, at the hour of 6:30 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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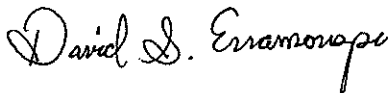
NOTICE AS TO PROPOSED 2018 BUDGET

**PROOF OF PUBLICATION
COMMERCE CITY SENTINEL
EXPRESS
ADAMS COUNTY
STATE OF COLORADO**

I, Beth Potter, do solemnly swear that I am the Publisher of the **Commerce City Sentinel Express** the same is a weekly newspaper printed and published in the County of Adams, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said county of Adams for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the act of March 3, 1879, or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of **ONE consecutive insertion(s)** and that the first publication of said notice was in the issue of newspaper, dated **24th day of October 2017** the last on the **24th day of October 2017**



Publisher, Subscribed and sworn before me,
this 26th day of October 2017



Notary Public.

**DAVID S. ERRAMOUSPE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #20154027149
MY COMMISSION EXPIRES 7/10/2019**

**NOTICE OF PUBLIC HEARING ON
THE PROPOSED 2018
BUDGET AND NOTICE OF
PUBLIC HEARING ON THE
AMENDED 2017 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2018 budget has been submitted to the Board of Directors (the "Board") of the **NORTH RANGE METROPOLITAN DISTRICT NO. 3** (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2017 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado, where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held at 17910 E. Parkside Drive North, Commerce City, Colorado, on Tuesday, November 7, 2017 at 6:30 P.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTORS:
NORTH RANGE METROPOLITAN DISTRICT NO. 3

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

Published in the Commerce City Sentinel Express on October 24, 2017

#170375

Thereupon, Director Price introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2018 AND ENDING ON THE LAST DAY OF DECEMBER 2018.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel 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 on November 7, 2017, interested electors were given the opportunity to file or register any objections to said proposed budget and no written objections were filed prior to the public hearing; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-101, *et seq.*, C.R.S., as applicable, and Article X, § 20 of the Colorado Constitution.

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

Section 1. Summary of 2018 Revenues and 2018 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2018, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2018. 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 2 shall be deemed ratified by the Board.

Section 3. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2018 budget year, there is hereby levied a tax of 24.764 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2018 budget year, there is hereby levied a tax of 63.541 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2018 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. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2018 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 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 Adams 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 and balances remaining, as specifically allocated in the budget attached hereto and incorporated herein, are hereby appropriated for the purposes thereof and no other.

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.

The foregoing Resolution was seconded by Director Custer.

[Remainder of page intentionally left blank.]

ADOPTED THIS 7th DAY OF NOVEMBER 2017.

NORTH RANGE METROPOLITAN DISTRICT NO. 3



Officer of District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District



STATE OF COLORADO
COUNTY OF ADAMS
NORTH RANGE 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 at a District meeting held on Tuesday, November 7, 2017, at 17910 E. Parkside Drive North, Commerce City, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of November 2017.

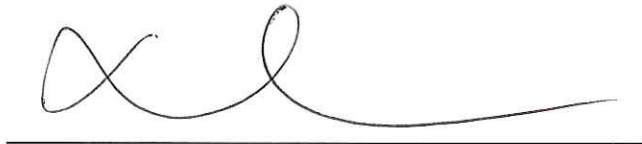


EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
North Range Metropolitan District No. 3
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of North Range Metropolitan District No. 3 for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, and the actual comparative information for the year ending December 31, 2016, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to North Range Metropolitan District No. 3.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 6, 2017

**NORTH RANGE METROPOLITAN DISTRICT NO. 3
SUMMARY
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 4,887	\$ 4,888	\$ 300
REVENUES			
1 Property taxes	30,478	29,675	36,122
2 Specific ownership taxes	2,512	2,850	3,960
Total revenues	32,990	32,525	40,082
Total funds available	37,877	37,413	40,382
EXPENDITURES			
General and administration			
3 County Treasurer's fees	457	125	152
4 Transfer to Reunion	32,532	13,585	10,926
Debt service			
5 County Treasurer's fees	-	320	353
6 MLEPA payment to Reunion	-	23,083	28,499
Total expenditures	32,989	37,113	39,930
Total expenditures and transfers out requiring appropriation	32,989	37,113	39,930
ENDING FUND BALANCES	\$ 4,888	\$ 300	\$ 452
EMERGENCY RESERVE	\$ 1,000	\$ 300	\$ 400
TOTAL RESERVE	\$ 1,000	\$ 300	\$ 400

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

NORTH RANGE METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

12/6/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
ASSESSED VALUATION - ADAMS			
Agricultural	\$ 10	\$ 10	\$ 20
Personal Property	381,100	370,700	403,650
State Assessed	480	810	5,390
Certified Assessed Value	<u>\$ 381,590</u>	<u>\$ 371,520</u>	<u>\$ 409,060</u>
MILL LEVY			
GENERAL FUND	79.870	22.400	24.764
DEBT SERVICE FUND	-	57.475	63.541
Total Mill Levy	<u>79.870</u>	<u>79.875</u>	<u>88.305</u>
PROPERTY TAXES			
GENERAL FUND	\$ 30,478	\$ 8,322	\$ 10,130
DEBT SERVICE FUND	-	21,353	25,992
Budgeted Property Taxes	<u>\$ 30,478</u>	<u>\$ 29,675</u>	<u>\$ 36,122</u>
BUDGETED PROPERTY TAXES			
GENERAL FUND	\$ 30,478	\$ 8,322	\$ 10,130
DEBT SERVICE FUND	-	21,353	25,992
	<u>\$ 30,478</u>	<u>\$ 29,675</u>	<u>\$ 36,122</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

NORTH RANGE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,

12/6/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ 4,887	\$ 4,888	\$ 300
REVENUES			
1 Property taxes	30,478	8,322	10,130
2 Specific ownership taxes	2,512	800	1,100
Total revenues	32,990	9,122	11,230
Total funds available	37,877	14,010	11,530
EXPENDITURES			
General and administration			
3 County Treasurer's fees	457	125	152
4 Transfer to Reunion	32,532	13,585	10,926
Total expenditures	32,989	13,710	11,078
Total expenditures and transfers out requiring appropriation	32,989	13,710	11,078
ENDING FUND BALANCES	\$ 4,888	\$ 300	\$ 452
EMERGENCY RESERVE	\$ 1,000	\$ 300	\$ 400
TOTAL RESERVE	\$ 1,000	\$ 300	\$ 400

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

NORTH RANGE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
FORECASTED 2018 BUDGET AS ADOPTED
WITH 2016 ACTUAL AND 2017 ESTIMATED
For the Years Ended and Ending December 31,

12/6/2017

	ACTUAL 2016	ESTIMATED 2017	ADOPTED 2018
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
1 Property taxes	-	21,353	25,992
2 Specific ownership taxes	-	2,050	2,860
Total revenues	-	23,403	28,852
Total funds available	-	23,403	28,852
EXPENDITURES			
3 County Treasurer's fees	-	320	353
4 MLEPA payment to Reunion	-	23,083	28,499
Total expenditures	-	23,403	28,852
Total expenditures and transfers out requiring appropriation	-	23,403	28,852
ENDING FUND BALANCES	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**NORTH RANGE METROPOLITAN DISTRICT NO. 3
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

North Range Metropolitan District No.3 (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado was organized by Court Order and Decree of the District Court on December 27, 2000, and is governed pursuant to provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District was organized in conjunction with North Range Metropolitan Districts Nos. 1, 2, 4, and 5 (collectively "NRMD's"), and the Reunion Metropolitan District ("Reunion"). Reunion and the NRMD's have entered into intergovernmental agreements whereby Reunion provides the construction for street improvements, storm drainage improvements, safety protection facilities, parks and recreation facilities and water and wastewater improvements. The service plan anticipates that Reunion will be responsible for managing the construction, operation, and maintenance of such improvements and facilities and that the NRMD's will provide the necessary funding to Reunion.

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.

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 calculation of the taxes levied is displayed on page 3 of the Budget at the adopted total mill levy..

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 11% of the property taxes collected by the General Fund.

Expenditures

Intergovernmental expenditure - Operations

Pursuant to intergovernmental agreements, the District will remit revenues to Reunion in order to pay the Districts operational cost which may include legal, management, accounting, insurance, and meeting expenses.

**NORTH RANGE METROPOLITAN DISTRICT NO. 3
2018 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

MLEPA payment to Reunion

On June 3, 2016, the District entered into a Mill Levy Equalization and Pledge Agreement (MLEPA) with Reunion, District No. 1, District No. 2, and District No. 4 (collectively, the “MLEPA Districts” and individually, a “MLEPA District”) in order to promote the integrated plan of development set forth in the Service Plans for the MLEPA Districts. The MLEPA is intended to ensure an equitable allocation among the MLEPA Districts of the costs of acquiring, installing, constructing, designing, administering, financing, operating, and maintaining streets, water, sanitation and various other public improvements (collectively, the “Public Improvements”) and services, as well as covenant enforcement services within Reunion.

Pursuant to the MLEPA, each applicable North Range District agrees to impose an Equalization Mill Levy consisting of the Debt Service Mill Levy plus the Operations and Maintenance Mill Levy in order to pay the Developer Debt, the Senior Bonds (Series 2016A and 2016B), and the operations and maintenance costs of the Districts. The MLEPA generally defines the term “Developer Debt” as (i) amounts owed to the Developer by any applicable North Range District for advancing of guaranty payments on the Senior Bonds, for the provision of Public Improvements or for advancing of amounts to fund operations shortfalls and (ii) any other repayment obligations incurred by the MLEPA Districts in connection with advances made by the Developer to the MLEPA Districts for the purpose of paying the costs of designing, acquiring, installing, and constructing the Public Improvements or paying the operations and maintenance costs of the MLEPA Districts.

The District has levied the required operations and debt services mill levies under the MLEPA and will transfer Surplus Debt Mill Levy Revenues to Reunion.

Debt and Leases

The District has neither outstanding debt nor leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams County, Colorado.

On behalf of the North Range Metropolitan District No. 3,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the North Range Metropolitan District No. 3

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 409,060 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 409,060 (NET^G 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: 12/07/2017 for budget/fiscal year 2018.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>24.764</u> mills	\$ <u>10,130</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	24.764 mills	\$ 10,130
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>63.541</u> mills	\$ <u>25,992</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	88.305 mills	\$ 36,122

Contact person: (print) Sarah Hunsche Daytime phone: (303) 779-5710
Signed: *Sarah Hunsche* Title: Accountant for the District

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) 864-7720.

¹ 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.
² 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^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: Debt repayment
Title: Mill Levy Equalization and Pledge Agreement
Date: June 3, 2016
Principal Amount: n/a
Maturity Date: n/a
Levy: 63.541
Revenue: \$25,992

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.