

LRMD Budgets 2018\_

<b>Lorson Ranch Metropolitan District No. 3</b>			
<b>Budget</b>			
<b>Year Ended 12/31/2018</b>			
	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Adopted</b>
<b>GENERAL FUND</b>			
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Property Tax - Operations	24,774	41,545	83,958
Property Tax - FMIC	24,774	20,357	-
Total Property Taxes	49,548	61,902	83,958
Specific Ownership Tax - Operations	5,699	8,872	9,235
Contingency Income	-	-	1,000
Total Specific Ownership Taxes	5,699	8,872	10,235
Total Revenues	55,247	70,774	94,193
<b>EXPENDITURES</b>			
County property tax collection fee - Operations	372	623	1,259
County property tax collection fee - FMIC	372	305	-
Total Expenditures	744	928	1,259
Intergovernment Expense District # 1 - Operations	30,101	49,794	91,934
Intergovernment Expense District # 1 - FMIC	24,402	20,052	-
Contingency Expense	-	-	1,000
Total Transfer to LRMD 1	54,503	69,846	92,934
Total Expenditures	55,247	70,774	94,193
Excess of Revenues over Expenditures	-	-	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

LRMD Budgets 2018\_

<b>Lorson Ranch Metropolitan District No. 3</b>			
<b>Budget</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Year Ended 12/31/2018</b>	<b>Actual</b>	<b>Estimated</b>	<b>Adopted</b>
<b>CAPITAL FUND</b>			
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Developer Advance		-	11,750,000
Bond Issuance			11,850,000
District Fees on lot sales			-
Total Revenues	-	-	23,600,000
<b>EXPENDITURES</b>			
Transfer To Lorson Ranch Metro District 1 Capital Fund			11,750,000
District 3 Public Infrastructure Costs			-
Transfer to District 1 Debt Service Fund to repay bond interest			-
Transfer to District 3 Debt Service Fund to repay bond interest			-
Bond Issue Costs			100,000
Repay Developer Advance			11,750,000
Repay Developer Interest			-
Total Expenditures	-	-	23,600,000
Excess of Revenues over Expenditures	-	-	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

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<b>Lorson Ranch Metropolitan District No. 3</b>			
<b>Budget</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Year Ended 12/31/2018</b>	<b>Actual</b>	<b>Estimated</b>	<b>Adopted</b>
<b>DEBT SERVICE FUND</b>			
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -
<b>REVENUES</b>			
Property Tax - Debt Service	123,869	207,726	424,284
Specific Ownership Tax - Debt Service	14,248	29,350	44,550
Transfer in from District 3 Capital Projects Fund			-
Contingency Income	-	-	1,500
Total Revenues	138,117	237,076	470,334
<b>EXPENDITURES</b>			
Bond Interest expense			355,500
County property tax collection fee	1,857	3,116	6,364
Total Expenditures	1,857	3,116	361,864
Intergovernment Expense District # 1 - Debt Service	136,260	233,960	106,970
Contingency Expense	-	-	1,500
Total Transfer to LRMD 1	136,260	233,960	108,470
Total Expenditures	138,117	237,076	470,334
Excess of Revenues over Expenditures	-	-	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ -	\$ -

<b>Lorson Ranch Metropolitan District Nos. 1-7</b>								
<b>Property Taxes</b>								
<b>Year Ended 12/31/2018</b>								
	Combined	District No. 1	District No. 2	District No. 3	District No. 4	District No. 5	District No. 6	District No. 7
Vacant Land Market Value	4,535,481	-	-	4,368,461	-	53,495	-	113,525
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	1,315,840	-	-	1,267,420	-	15,510	-	32,910
Residential Market Value	302,703,023		213,236,101	89,466,922				-
Percentage	7.96%		7.96%	7.96%				7.96%
Assessed Value	21,798,430		15,356,170	6,442,260				-
Commercial Market Value	19,801		11,723	8,078				
Percentage	29%		29%	29%				
Assessed Value	5,730		3,390	2,340				
Agricultural Market Value	38,374	122	122	9,893	16,359	2,167	7,827	1,884
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	3,450	40	40	2,870	4,730	640	2,280	560
Public Utility state value	2,183,861	92,000	858,276	313,000	211,724	291,103	250,689	167,069
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	633,320	26,680	248,900	90,770	61,400	84,420	72,700	48,450
Total Assessed Value	23,756,770	26,720	15,608,500	7,805,660	66,130	100,570	74,980	81,920
Mill Levy - General Operating & Capital		9.894	66.112	65.112	9.894	9.894	9.894	9.894
2017 Property Tax to be paid in 2018	\$ 1,543,617.37	\$ 264.37	\$ 1,031,909.00	\$ 508,242.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
<b>Tax based on Mill Levy for 2018</b>								
Capital - Debt	\$ 1,285,748.00	\$ -	\$ 861,464.00	\$ 424,284.00	\$ -	\$ -	\$ -	\$ -
General Operating	\$ 257,869.00	\$ 264.00	\$ 170,445.00	\$ 83,958.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
Total	\$ 1,543,617.00	\$ 264.00	\$ 1,031,909.00	\$ 508,242.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
<b>Mill Levy Charged for 2018 - Gallagherized</b>								
Capital - Debt			55.192	54.356		0		
General Operating		9.894	10.92	10.756	9.894	9.894	9.894	9.894
Repay FMIC 2017 tax								
Total		9.894	66.112	65.112	9.894	9.894	9.894	9.894

**Lorson Ranch Metropolitan District 3  
El Paso County, CO  
2018 Budget Narrative**

**GENERAL FUND**

**REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Operations and Maintenance at 10.756 mills. The mill levy was adjusted due to a change in the method of calculating the residential assessed valuation from 7.96% to 7.20%.
2. Specific ownership taxes are budgeted at 11% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
5. Contingency income is budgeted for possible additional specific ownership taxes.

**EXPENDITURES**

1. County property tax collection fee based on 1.5% of the property tax received.
2. Net tax revenues are paid as Intergovernmental Expenses to the appropriate Funds in Lorson Ranch Metropolitan District # 1 Operating Fund.
3. Contingency expense is budgeted for possible additional intergovernmental expenses.
4. TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to Lorson Ranch Metropolitan District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

**CAPITAL PROJECTS FUND**

During 2018, public infrastructure improvements to the Lorson Ranch will continue to be constructed within the Lorson Ranch Metropolitan District 3 Service Area. These improvements will be constructed and paid for by the Developer. They will then be certified for acceptance by District 3. Details of the budget are as follows:

**REVENUES**

1. A Developer Advance is budgeted for the amount of the public improvements to be constructed in District 3.
2. The bond issuance is the estimated amount of the bond issuance for District 3 public improvement costs and cost of issuance.

**Lorson Ranch Metropolitan District 3  
El Paso County, CO  
2018 Budget Narrative**

**EXPENDITURES**

1. The District will transfer sufficient funds from the bond issue to the District 1 Capital Fund for the cost of the public improvements constructed within the District
3. The estimated cost of issuance of the bonds is budgeted.
4. The District will repay the Developer Advance with the funds from the Bond Issuance.

**DEBT SERVICE FUND**

**REVENUES**

1. Property Taxes are budgeted for Debt Service based on 54.356 mills, plus specific ownership tax budgeted at 11% of property tax revenue.
2. Contingency income is budgeted for possible additional specific ownership taxes.

**EXPENDITURES**

1. Bond interest is budgeted on the Series 2018 Bond Issue.
2. County property tax collection fee based on 1.5% of the property tax received.
3. Contingency expense is budgeted for possible additional expenses.

**ADDITIONAL INFORMATION**

1. The basis of accounting for the District is the Modified Accrual Basis, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.
2. There are no operating or capital lease obligations of the District.
3. The District anticipates issuing bonds during 2018, the terms are unknown at this time.
4. The District is authorized to issue General Obligation Debt in an amount not to exceed \$80,000,000. The limit for all Lorson Districts is \$300,000,000. A mill levy cap of 54.356 mills applies to the District in connection with the General Obligation Debt as adjusted based on the Gallagher provisions of the law.

**RESERVES**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to Lorson Ranch Metropolitan District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.