

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT No. 14

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 34,186,953	\$ 22,339,448	\$ 12,247,144
REVENUES			
Property taxes	2,311,279	1,856,440	1,862,415
Specific ownership tax	148,038	126,794	116,401
Interest income	200,647	10,672	11,204
Subordinate Bond Issuance - Series 2021B	-	30,365,000	-
Regional Mill levy	577,820	464,110	465,611
Other revenue	11	-	2,922
Intergovernmental Revenue - CIC No. 13	390	82,321	235,306
Total revenues	3,238,185	32,905,337	2,693,859
TRANSFERS IN	567,532	461,513	461,151
Total funds available	37,992,670	55,706,298	15,402,154
EXPENDITURES			
General and administration			
County Treasurer's fee	3,853	3,094	3,100
Transfers to Denver High Point at DIA	401,199	323,352	322,978
Contingency	-	-	2,922
Debt Service			
Bond interest - Series 2018	5,110,694.00	5,110,694	5,110,694
Paying agent fees	3,500	3,500	3,500
County Treasurer's fee	19,265	15,470	15,520
Contingency	-	-	5,286
Regional			
County Treasurer's Fee - Regional Mill Levy	5,780	4,641	4,660
Transfers to DHP at DIA	9,541,399	36,376,240	-
Total expenditures	15,085,690	42,997,641	5,468,660
TRANSFERS OUT	567,532	461,513	461,151
Total expenditures and transfers out requiring appropriation	15,653,222	43,459,154	5,929,811
ENDING FUND BALANCES	\$ 22,339,448	\$ 12,247,144	\$ 9,472,343

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/12/22

ACTUAL	ESTIMATED	BUDGET
2020	2021	2022

ASSESSED VALUATION

Agricultural	\$ 12,550	\$ 11,730	\$ 11,090
Commercial	22,476,400	27,472,960	23,683,180
Industrial vacant land	865,770	866,150	2,566,680
Personal property	13,897,250	1,266,890	1,966,270
Residential	-	-	1,305,020
State assessed	11,900	25,110	29,800
Vacant land	1,260,430	1,422,480	1,330,430
Certified Assessed Value	<u>\$ 38,524,300</u>	<u>\$ 31,065,320</u>	<u>\$ 30,892,470</u>

MILL LEVY

General	10.000	10.000	10.048
Debt Service	50.000	50.000	50.239
Regional	15.000	15.000	15.072
Total mill levy	<u>75.000</u>	<u>75.000</u>	<u>75.359</u>

PROPERTY TAXES

General	\$ 385,243	\$ 310,653	\$ 310,408
Debt Service	1,926,215	1,553,266	1,552,007
Regional	577,865	465,980	465,611
Levied property taxes	<u>2,889,323</u>	<u>2,329,899</u>	<u>2,328,026</u>
Adjustments to actual/rounding	(225)	-	-
Refunds and abatements	-	(9,349)	-
Budgeted property taxes	<u>\$ 2,889,098</u>	<u>\$ 2,320,550</u>	<u>\$ 2,328,026</u>

BUDGETED PROPERTY TAXES

General	\$ 385,213	\$ 309,407	\$ 310,408
Debt Service	1,926,066	1,547,033	1,552,007
Regional Mill Levy	577,820	464,110	465,611
	<u>\$ 2,889,099</u>	<u>\$ 2,320,550</u>	<u>\$ 2,328,026</u>

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	385,213	309,407	310,408
Specific ownership tax	19,738	16,907	15,520
Interest income	90	132	150
Other revenue	11	-	2,922
Total revenues	405,052	326,446	329,000
Total funds available	405,052	326,446	329,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,853	3,094	3,100
Contingency	-	-	2,922
Transfers to Denver High Point at DIA	401,199	323,352	322,978
Total expenditures	405,052	326,446	329,000
Total expenditures and transfers out requiring appropriation	405,052	326,446	329,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 17,563,175	\$ 15,168,504	\$ 12,247,144
REVENUES			
Property taxes	1,926,066	1,547,033	1,552,007
Specific ownership tax	128,300	109,887	100,881
Interest income	116,500	7,550	10,854
Intergovernmental Revenue - CIC No. 13	390	82,321	235,306
Total revenues	2,171,256	1,746,791	1,899,048
TRANSFERS IN			
Transfers from CP - Regional Fund	567,532	461,513	461,151
Total transfers in	567,532	461,513	461,151
Total funds available	20,301,963	17,376,808	14,607,343
EXPENDITURES			
Debt Service			
Bond interest - Series 2018	5,110,694	5,110,694	5,110,694
Paying agent fees	3,500	3,500	3,500
County Treasurer's fee	19,265	15,470	15,520
Contingency	-	-	5,286
Total expenditures	5,133,459	5,129,664	5,135,000
Total expenditures and transfers out requiring appropriation	5,133,459	5,129,664	5,135,000
ENDING FUND BALANCE	\$ 15,168,504	\$ 12,247,144	\$ 9,472,343
SURPLUS FUND	\$ 15,168,504	\$ 12,247,144	\$ 9,472,343
TOTAL RESERVE	\$ 15,168,504	\$ 12,247,144	\$ 9,472,343

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
CAPITAL PROJECTS FUND - REGIONAL
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/12/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUNDS AVAILABLE	\$ 16,623,778	\$ 7,170,944	\$ -
REVENUES			
Regional Mill levy	577,820	464,110	465,611
Interest income	84,057	2,990	200
Subordinate Bond issuance - Series 2021B	-	30,365,000	-
Total revenues	<u>661,877</u>	<u>30,832,100</u>	<u>465,811</u>
 Total funds available	 <u>17,285,655</u>	 <u>38,003,044</u>	 <u>465,811</u>
EXPENDITURES			
Regional			
County Treasurer's Fee - Regional Mill Levy	5,780	4,641	4,660
Transfers to DHP at DIA	9,541,399	36,376,240	-
Bond issue costs	-	1,160,650	-
Total expenditures	<u>9,547,179</u>	<u>37,541,531</u>	<u>4,660</u>
TRANSFERS OUT			
Transfer to DS Fund	<u>567,532</u>	<u>461,513</u>	<u>461,151</u>
 Total expenditures and transfers out requiring appropriation	 <u>10,114,711</u>	 <u>38,003,044</u>	 <u>465,811</u>
ENDING FUNDS AVAILABLE	<u>\$ 7,170,944</u>	<u>\$ -</u>	<u>\$ -</u>

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Colorado International Center Metropolitan District No. 14 (the District), a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in the City and County of Denver, Colorado. The District was organized in conjunction with two other metropolitan districts, Denver High Point at DIA Metropolitan District (the Management District) and Colorado International Center Metropolitan District No. 13 (CIC 13) (collectively, the Districts). The District contains the commercial property within the Districts and CIC 13 contains the residential property within the Districts. The District was established to provide streets, safety protection, water, sewer and storm drainage, transportation, mosquito control, fire protection, park and recreation facilities, and improvements for the use and benefit of the taxpayers of the District.

On May 2, 2006, the District's voters authorized total general obligation indebtedness of \$1,530,400,000 for the above listed facilities and powers. Per the District's service plan, the District is prohibited from issuing debt in excess of \$157,800,000 for District improvements and \$90,200,000 for Regional Improvements.

The District has no employees, and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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.

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.

Per terms of the District's Series 2018 Bonds (see Debt and Leases below), the District's maximum Required Mill Levy for debt service is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of residential property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund], and for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 35 mills. As of December 31, 2019, the adjusted maximum mill levy for debt service is 50.000 mills. The total maximum mill levy that may be pledged to debt service is 65 mills, which includes the regional improvements mill levy.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

The calculation of the taxes levied is displayed in the Budget at the adopted mill levy of 75.359 mills, which includes the general fund mill levy, and the regional improvements mill levy (see below).

Regional Improvements Mill Levy

The District is required to impose a mill levy of 15.000 for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the City Intergovernmental Agreement between the Management District and the City and County of Denver and the Service Plan for the District. The Management District is also responsible for 17.00% of Gateway Regional Metropolitan District's service plan project costs and certain Town Center Metropolitan District obligations, which are also considered regional improvements. The Regional mill levy for the District is currently pledged toward payment of the Series 2018 Bonds (see below).

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 5.00% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.10%.

Bond Issuance

The District anticipates issuance of Series 2021B Subordinate Bonds in late 2021. See Debt and Leases below.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.00% of property tax collections.

Intergovernmental expenditures - Denver High Point at DIA

On June 28, 2007, the District entered into an agreement with CIC 13 and the Management District. The Management District will own, operate, maintain, finance and construct facilities benefiting all of the Districts and that the District and CIC 13 (the Denver Districts) will contribute to the costs of construction, operation, and maintenance of such facilities. The Denver Districts will transfer all available funds from the imposition of a mill levy for operations and maintenance to the Management District in compliance with this agreement.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

Debt Service

Interest payments are provided based on the debt amortization schedule from the Series 2018 bonds.

Capital Expenditures

Capital expenditures are included in the budget. The District will transfer the project funds from the project funds of the bond issuance to the Management District to fund infrastructure improvements or repay developer advances.

Debt and Leases

Series 2018 Limited Tax General Obligation Refunding and Improvement Bonds

On April 12, 2018, the District issued \$87,135,000 of Limited Tax General Obligation Refunding and Improvement Bonds, Series 2018 (the 2018 Bonds). The proceeds from the sale of the 2018 Bonds, combined with available funds of the Districts, were used to: (i) fund public improvements related to the development of property in the District and CIC; (ii) fund capitalized interest on the 2018 Bonds; (iii) refund amounts outstanding under the 2015 Loan; (iv) fund a portion of the Surplus Fund; and, (v) pay the costs of issuing the 2018 Bonds.

The 2018 Bonds bear interest at rates of 5.625% (\$3,395,000, maturing on December 1, 2032) and 5.875% (\$83,740,000, maturing on December 1, 2046), and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The 2018 Bonds fully mature on December 1, 2046.

Pursuant to the Indenture, the 2018 Bonds are secured by and payable from pledged revenue, net of any costs of collection, which includes: (1) all Property Tax Revenues derived from the District's imposition of the Required Mill Levy and the Regional Mill Levy; (2) all Capital Fees which include the Facilities Fees; (3) all Specific Ownership Taxes received as a result of the imposition of the Required Mill Levy and the Regional Mill Levy; (4) all PILOT Revenues; and (5) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund (Pledged Revenue).

Pursuant to the FFCOA, the District and CIC 13 entered into a Capital Pledge Agreement dated April 12, 2018 (Pledge Agreement). Pursuant to the Pledge Agreement, the 2018 Bonds are also secured by and payable from CIC 13 pledged revenue, net any costs of collection, which includes: (1) all CIC 13 Property Tax Revenues derived from CIC 13's imposition of the Required Mill Levy and the Regional Mill Levy; (2) all CIC 13 Capital Fees which includes the Facilities Fees; (3) all CIC 13 Specific Ownership Taxes received as a result of the imposition of the CIC 13 Required Mill Levy and the CIC 13 Regional Mill Levy; (4) all CIC 13 PILOT Revenues; and (5) any other legally available moneys which CIC 13 determines, in its absolute discretion, to credit to the Bond Fund (CIC 13 Pledged Revenue).

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

Pursuant to the Pledge Agreement, CIC 13 has covenanted to impose a Required Mill Levy of 50.000 mills (subject to adjustment) and a Regional Mill Levy of 15.000 mills (subject to adjustment). The Pledge Agreement defines CIC 13 Property Tax Revenues as, generally, all moneys derived from imposition by CIC 13 of the CIC 13 Required Mill Levy and the CIC 13 Regional Mill Levy.

The Pledge Agreement also identifies a Mill Levy Allocation Standard, which explains how the District's Required Mill Levy and CIC 13's Required Mill Levy are set in relationship to each other in certain circumstances and generally requires that, if the mill levies are reduced, they shall be reduced using a prorating method that keeps the mill levies in the same proportion to each other.

Amounts on deposit in the Surplus Fund also secure payment of the 2018 Bonds. The Surplus Fund was funded from bond proceeds in the amount of \$8,713,500, from available funds of the Districts, and from the Pledged Revenue and CIC 13 Pledged Revenue up to the Maximum Surplus Amount. The Maximum Surplus Amount means: (a) prior to the Partial Release Test Satisfaction Date, the amount of \$17,427,000; and (b) after the Partial Release Test Satisfaction Date, the amount of \$8,713,500 (which is equal to the initial deposit to the Surplus Fund from bond proceeds). The Partial Release Test Satisfaction Date means the first date on which the Senior Debt to Assessed Ratio is 50.00% or less.

Pledged Revenue and CIC 13 Pledged Revenue that is not needed to pay debt service on the 2018 Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount. Pursuant to the Indenture, amounts on deposit in the Surplus Fund (if any) on the maturity date of the Bonds shall be applied to the payment of the Bonds. The availability of such amount shall be considered in calculating the Required Mill Levy and the Regional Mill Levy required to be imposed in December 2045. The Surplus Fund will be terminated upon the repayment of the 2018 Bonds and any excess moneys therein will be applied to any legal purpose of the District.

Subordinate Bonds

The District anticipates issuing approximately \$29,478,000 in subordinate limited tax general obligation bonds in 2022 (2022 Bonds). The 2022 Bonds are anticipated to be secured by and payable from the Subordinate Pledged Revenue, which is defined in the Indenture as: (a) the Subordinate Property Tax Revenues; (b) any Subordinate Specific Ownership Tax Revenues; (c) the Subordinate Capital Fee Revenue, if any; (d) any Subordinate PILOT Revenue; and (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue. Subordinate Property Tax Revenues consist of, generally, revenues from the Subordinate Required Mill Levy to be imposed by the District in the maximum amount of 50 mills (subject to adjustment) less the amount of the Senior Bond Mill Levy. The 2022 Bonds are structured as "cash flow" bonds, meaning that the Indenture contains no scheduled payments of principal on the 2022 Bonds other than at maturity. Instead, principal is payable on December 15 from the available Subordinate Pledge Revenue, if any, pursuant to a mandatory redemption. The interest rate on the 2022 Bonds is anticipated to be approximately 8.25% per annum.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

Developer Advances

A portion of the District's debt is comprised of developer advances, which are not general obligation debt. As of December 31, 2020, the District had \$49,319 in outstanding developer advances and interest accrued at 8.00%. Repayment of advances is subject to annual appropriation if and when eligible funds become available. See below for the anticipated developer advance activity.

	<u>Balance</u> <u>12/31/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2021</u>
Developer advances				
Principal	\$ 24,261	\$ -	\$ -	\$ 24,261
Interest	25,058	1,941	-	26,999
	<u>\$ 49,319</u>	<u>\$ 1,941</u>	<u>\$ -</u>	<u>\$ 51,260</u>
	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2022</u>
Developer advances				
Principal	\$ 24,261	\$ -	\$ -	\$ 24,261
Interest	26,999	1,941	-	28,940
	<u>\$ 51,260</u>	<u>\$ 1,941</u>	<u>\$ -</u>	<u>\$ 53,201</u>

The District has no operating or capital leases

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending. Since substantially all TABOR eligible funds received by the District are transferred to the Management District, which pays for all the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's budget. The Emergency Reserve for these funds is reflected in the budget of the Management District.

This information is an integral part of the accompanying budget.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$87,135,000

**Limited Tax General Obligation Refunding
and Improvement Bonds, Series 2018**

Dated April 12, 2018

Interest Rate between 5.625% and 5.875%

Interest Payable June 1 and December 1

Principal Due December 1

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 5,110,694	\$ 5,110,694
2023	5,000	5,110,694	5,115,694
2024	5,000	5,110,413	5,115,413
2025	5,000	5,110,131	5,115,131
2026	5,000	5,109,850	5,114,850
2027	5,000	5,109,569	5,114,569
2028	5,000	5,109,288	5,114,288
2029	155,000	5,109,006	5,264,006
2030	575,000	5,100,288	5,675,288
2031	1,020,000	5,067,944	6,087,944
2032	1,615,000	5,010,569	6,625,569
2033	2,130,000	4,919,725	7,049,725
2034	2,835,000	4,794,588	7,629,588
2035	3,435,000	4,628,031	8,063,031
2036	4,130,000	4,426,225	8,556,225
2037	4,375,000	4,183,588	8,558,588
2038	4,800,000	3,926,556	8,726,556
2039	5,085,000	3,644,556	8,729,556
2040	5,555,000	3,345,813	8,900,813
2041	5,885,000	3,019,456	8,904,456
2042	6,410,000	2,673,713	9,083,713
2043	6,785,000	2,297,125	9,082,125
2044	7,365,000	1,898,506	9,263,506
2045	7,795,000	1,465,813	9,260,813
2046	17,155,000	1,007,856	18,162,856
	<u>\$ 87,135,000</u>	<u>\$ 102,289,997</u>	<u>\$189,424,997</u>