

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT No. 14

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 13,827,141	\$ 39,296,321	\$ 33,356,131
REVENUES			
Property taxes	1,859,600	2,135,176	3,622,675
Property Tax - Regional mill levy	464,907	533,803	905,640
Specific ownership taxes	118,946	133,446	181,134
Interest income	571,313	1,486,000	899,000
Facilities fees	1,095,496	45,000	500,000
Other revenue	-	-	9,052
Transfer from CIC 13	232,117	385,895	671,199
Bond issuance proceeds	31,508,000	-	-
Total revenues	35,850,379	4,719,320	6,788,700
TRANSFERS IN	575,053	613,547	1,045,685
Total funds available	50,252,573	44,629,188	41,190,516
EXPENDITURES			
General Fund	327,672	378,647	648,000
Debt Service Fund	5,144,845	5,275,523	5,500,000
Capital Projects Fund - Regional	4,908,682	5,005,340	20,454,315
Total expenditures	10,381,199	10,659,510	26,602,315
TRANSFERS OUT	575,053	613,547	1,045,685
Total expenditures and transfers out requiring appropriation	10,956,252	11,273,057	27,648,000
ENDING FUND BALANCES	\$ 39,296,321	\$ 33,356,131	\$ 13,542,516
AVAILABLE FOR OPERATIONS	-	-	-
SURPLUS FUND 2018	8,713,500	8,713,500	8,713,500
TOTAL RESERVE	\$ 8,713,500	\$ 8,713,500	\$ 8,713,500

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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ASSESSED VALUATION

Residential	\$ 1,305,020	\$ 4,593,350	\$ 5,419,630
Commercial	23,683,180	24,019,810	42,866,260
Agricultural	11,090	8,760	790
State assessed	2,900	90,050	189,000
Vacant land	3,897,110	3,552,100	5,600,460
Personal property	1,966,270	2,538,560	3,119,770
	<u>30,865,570</u>	<u>34,802,630</u>	<u>57,195,910</u>
Certified Assessed Value	<u>\$ 30,865,570</u>	<u>\$ 34,802,630</u>	<u>\$ 57,195,910</u>

MILL LEVY

General	10.000	10.225	10.556
Debt Service	50.000	51.126	52.782
Regional	15.000	15.338	15.834
Total mill levy	<u>75.000</u>	<u>76.689</u>	<u>79.172</u>

PROPERTY TAXES

General	\$ 308,656	\$ 355,857	\$ 603,760
Debt Service	1,543,279	1,779,319	3,018,915
Regional	462,984	533,803	905,640
Levied property taxes	<u>2,314,919</u>	<u>2,668,979</u>	<u>4,528,315</u>
Adjustments to actual/rounding	9,588	-	-
Budgeted property taxes	<u>\$ 2,324,507</u>	<u>\$ 2,668,979</u>	<u>\$ 4,528,315</u>

BUDGETED PROPERTY TAXES

General	\$ 309,934	\$ 355,857	\$ 603,760
Debt Service	1,549,671	1,779,319	3,018,915
ARI	464,901	533,803	905,640
	<u>\$ 2,324,507</u>	<u>\$ 2,668,979</u>	<u>\$ 4,528,315</u>

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

	<div> <div>ACTUAL</div> <div>2022</div> </div>	<div> <div>ESTIMATED</div> <div>2023</div> </div>	<div> <div>BUDGET</div> <div>2024</div> </div>
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	309,939	355,857	603,760
Specific ownership taxes	15,860	17,790	30,188
Interest income	1,873	5,000	5,000
Other revenue	-	-	9,052
Total revenues	327,672	378,647	648,000
Total funds available	327,672	378,647	648,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	3,118	3,560	6,038
Contingency	-	-	9,052
Transfer to Denver High Point	324,554	375,087	632,910
Total expenditures	327,672	378,647	648,000
Total expenditures and transfers out requiring appropriation	327,672	378,647	648,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 12,204,488	\$ 10,753,690	\$ 8,713,500
REVENUES			
Property taxes	1,549,661	1,779,319	3,018,915
Specific ownership taxes	103,086	115,656	150,946
Interest income	190,129	381,000	309,000
Facilities fees	1,095,496	45,000	500,000
Transfer from CIC 13	180,622	300,811	522,098
Total revenues	3,118,994	2,621,786	4,500,959
TRANSFERS IN			
Transfer from CP	575,053	613,547	1,045,685
Total funds available	15,898,535	13,989,023	14,260,144
EXPENDITURES			
General and administrative			
County Treasurer's fee	15,590	17,790	30,189
Paying agent fees	3,500	6,000	6,000
Contingency	-	-	48,398
Debt Service			
Bond Interest - Series 2018	5,110,694	5,110,694	5,110,413
Bond Interest - Series 2022	15,061	136,039	300,000
Bond principal - Series 2018	-	5,000	5,000
Total expenditures	5,144,845	5,275,523	5,500,000
Total expenditures and transfers out requiring appropriation	5,144,845	5,275,523	5,500,000
ENDING FUND BALANCES	\$ 10,753,690	\$ 8,713,500	\$ 8,760,144
SURPLUS FUND 2018	\$ 8,713,500	\$ 8,713,500	\$ 8,713,500
TOTAL RESERVE	\$ 8,713,500	\$ 8,713,500	\$ 8,713,500

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO.14
CAPITAL PROJECTS FUND - REGIONAL
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/26/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,622,653	\$ 28,542,631	\$ 24,642,631
REVENUES			
Property Tax - Regional mill levy	464,907	533,803	905,640
Interest income	379,311	1,100,000	585,000
Bond issuance proceeds	31,508,000	-	-
Transfer from CIC 13	51,495	85,084	149,101
Total revenues	32,403,713	1,718,887	1,639,741
Total funds available	34,026,366	30,261,518	26,282,372
EXPENDITURES			
General and Administrative			
County Treasurer's fee	4,677	5,340	9,056
Bond issue costs	1,275,986	-	-
Bond issuance discount	472,620	-	-
Transfer to Denver High Point	3,155,399	5,000,000	20,000,000
Contingency	-	-	445,259
Capital Projects			
Total expenditures	4,908,682	5,005,340	20,454,315
TRANSFERS OUT			
Transfers to other fund	575,053	613,547	1,045,685
Total expenditures and transfers out requiring appropriation	5,483,735	5,618,887	21,500,000
ENDING FUND BALANCES	\$ 28,542,631	\$ 24,642,631	\$ 4,782,372

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2024 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 the terms of the District's Subordinate Limited Tax General Obligation Bonds, Series 2022 (the 2022 Subordinate 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 property within the District. Pursuant to the 2022 Subordinate Bonds, the District's required mill levy is 50.000 mills, less the amount of the required mill levy under the District's Limited Tax General Obligation Refunding and Improvement Bonds, Series 2018 (the 2018 Bonds and, together with the 2022 Subordinate Bonds, the Bonds), or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of, premium, if any, and interest on the 2022 Subordinate Bonds in full. As of December 31, 2023, the adjusted maximum mill levy for debt service is 51.126 mills. The total maximum mill levy that may be pledged to debt service is 66.464 mills, which includes the regional improvements mill levy.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
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 in the Budget at the adopted mill levy of 78.937 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 prevailing interest rates.

Expenditures

County Treasurer's Fees

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

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

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.

Debt Service

Interest payments are provided based on the debt amortization schedule from the Series 2018 and Series 2022 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).

COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

Series 2018 Limited Tax General Obligation Refunding and Improvement Bonds (continued)

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).

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.

Series 2022 Subordinate Limited Tax General Obligation Bonds

On February 7, 2022, the District issued Subordinate Limited Tax General Obligation Bonds, Series 2022 (the 2022 Subordinate Bonds) with a par amount of \$31,508,000. Proceeds from the sale of the Bonds were used to: (i) finance or reimburse a portion of the costs of acquiring, constructing, and installing public infrastructure improvements related to the development; (ii) fund capitalized interest on the Bonds; (iii) fund a Reserve Fund; and (iv) pay the costs of issuing the Bonds.

**COLORADO INTERNATIONAL CENTER METROPOLITAN DISTRICT NO. 14
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

Series 2022 Subordinate Limited Tax General Obligation Bonds (continued)

The Bonds bear interest at the rate of 7.50%, and are structured as “cash flow” bonds, meaning that there are no scheduled payment of principal on the Bonds other than at Maturity. Instead, principal is payable on December 15 from the available subordinate pledged revenue, if any, pursuant to a mandatory redemption, commencing on December 15, 2022. The Bonds mature on December 15, 2051. Pursuant to the Indenture, the 2022 Subordinate Bonds are secured by and payable from the Subordinate Pledged Revenue, net of the collection costs of the City and County of Denver and any tax refunds or abatements authorized by or on behalf of the City and County of Denver, which includes: (1) the Subordinate Property Tax Revenues; (2) any Subordinate Specific Ownership Tax Revenues; (3) the Subordinate Property Tax Revenues; (3) the Subordinate Capital Fee Revenue, if any; (4) any Subordinate PILOT Revenue; and (5) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue. Revenues derived pursuant to the CIC 13 Pledge Agreement are not pledged to the 2022 Subordinate Bonds.

Developer Advances

A portion of the District’s debt is comprised of developer advances, which are not general obligation debt. As of December 31, 2023, the District had \$55,142 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.

	Balance 12/31/2022	Additions*	Deletions*	Balance 12/31/2023*	Additions*	Deletions*	Balance 12/31/2024*
Developer advances							
Principal	\$ 24,261	\$ -	\$ -	\$ 24,261	\$ -	\$ -	\$ 24,261
Interest	28,940	1,941	-	30,881	1,941	-	32,822
	<u>\$ 53,201</u>	<u>\$ 1,941</u>	<u>\$ -</u>	<u>\$ 55,142</u>	<u>\$ 1,941</u>	<u>\$ -</u>	<u>\$ 57,083</u>

* Estimated

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% 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.