

**Promenade at Castle Rock Metropolitan
District Nos. 1-3**

2023 Consolidated Annual Report

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1-3

**2023 CONSOLIDATED ANNUAL REPORT
TO
THE TOWN OF CASTLE ROCK, COLORADO**

Pursuant to § 32-1-207(3)(c), C.R.S., and the Amended and Restated Consolidated Service Plan for Promenade at Castle Rock Metropolitan District Nos. 1-3 (individually, “**District No. 1**,” “**District No. 2**,” and “**District No. 3**” and collectively, the “**Districts**”) approved March 2, 2021, the Districts are required to submit an annual report to the Town of Castle Rock, Colorado (the “**Town**”) reflecting activity and financial events through the preceding December 31st (the “**Report Year**”), and shall include information required by Section 11.02.040 of the Town Code.

For the year ending December 31, 2023, the Districts make the following report:

11.02.040 Required Annual Report

A. A narrative summary of the progress of the Districts in implementing their service plan for the Report Year:

The Districts continue to implement the development schedule as contemplated in the Amended and Restated Consolidated Service Plan dated March 2, 2021, by financing and constructing the Public Improvements for the benefit of their property owners and inhabitants. See also question C and question 5 below.

B. Except when an exemption from audit has been granted for the Report Year under the Local Government Audit Law, the audited financial statements of the Districts for the Report Year including a statement of financial condition (i.e. balance sheet) as of December 31st of the Report Year and the statement of operations (i.e. revenues and expenditures) for the Report Year:

The 2023 Audits for District Nos. 1-3 have not yet been completed and will be provided as a supplement to this report upon completion.

C. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of public facilities in the Report Year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the Report Year:

Consistent with the representations made in the Districts’ Amended and Restated Consolidated Service Plan and the financial plan attached thereto, additional information on capital expenditures for the Report Year will be included with the 2023 Audits.

Copies of the Districts’ 2023 budgets are attached as **Exhibit A**.

D. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the Report Year, including

the amount of outstanding indebtedness, the amount and terms of any new Districts indebtedness or long-term obligations issued in the Report Year, the amount of payment or retirement of existing indebtedness or long-term obligations issued in the Report Year, the total assessed valuation of all taxable properties within the Districts as of January 1st of the Report Year, and the current mill levy of the District pledged to debt retirement in the Report Year:

The Districts' financial obligations are outlined in the Districts' 2023 Audits, which will be provided as a supplement to this report upon completion.

The Districts' total assessed valuation of all taxable properties within the Districts as of January 1st of the Report Year are attached hereto as **Exhibit B**.

The current mill levy of the Districts pledged to debt retirement in the Report Year is shown in the 2024 Budgets, attached hereto as **Exhibit C**.

E. The Districts' budgets for the calendar year in which the annual report is submitted:

Copies of the Districts' 2024 budgets are attached hereto as **Exhibit C**.

F. A summary of residential and commercial development that has occurred within the Districts for the Report Year:

- Chipotle (Block 4) – constructed 2023
- Los Dos Potrillos (Block 1) – constructed 2023
- Lazy Dog (Block 3) – under construction. 2024/2025 completion
- Alana Apartments, 300 units (Block 3) – under construction. 2024 completion

G. A summary of all fees, charges, and assessments imposed by the Districts as of January 1st of the Report Year:

The Districts impose a General Operations Fee pursuant to the Resolution of the Boards of Directors of Promenade at Castle Rock Metropolitan District Nos. 1-3 Concerning the Imposition of a General Operations Fee, as approved by the Boards of Directors on April 1, 2017, and recorded in the real property records of the Clerk and Recorder of Douglas County at Reception No. 2017032980 (the "**Fee Resolution**"). The General Operations Fee is calculated as a "proportionate share" of all the common facility maintenance expenses incurred by the Districts, as further described in the Fee Resolution.

H. Certification of the Board that no action, event, or condition enumerated in Section 11.02.060 (Material Modification of Service Plan) of this chapter has occurred in the Report Year:

The Boards of Directors of the Districts hereby certify that no action, event, or condition enumerated in Section 11.02.060 of the Town Code has occurred in the Report Year.

I. The names, business addresses, and phone numbers of all members of the Board and its chief administrative officer and general counsel, together with the date, place, and time of the regular meetings of the board:

Timothy O'Connor, President
5750 DTC Parkway, Suite 210
Greenwood Village, CO 80111
Telephone: (303) 771-4004

Scott Hall, Assistant Secretary
5750 DTC Parkway, Suite 210
Greenwood Village, CO 80111
Telephone: (303) 771-4004

Kelly Goodnough, Secretary/Treasurer
5750 DTC Parkway, Suite 210
Greenwood Village, CO 80111
Telephone: (303) 771-4004

Dustin Anderson, Assistant Secretary
5750 DTC Parkway, Suite 210
Greenwood Village, CO 80111
Telephone: (303) 771-4004

General Counsel:

Clint Waldron, Esq.
White Bear Ankele Tanaka and Waldron, Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Telephone: (303) 858-1800

Regular Meetings:

Date: First Monday of July and November
Place: via teleconference
Time: 2:15 p.m.

§ 32-1-207(3), C.R.S., Statutory Requirements

1. Boundary changes made.

There were no boundary changes made during the Report Year.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

The Districts did not enter into or terminate any intergovernmental agreements in the Report Year.

3. Access information to obtain a copy of rules and regulations adopted by the boards.

As of December 31, 2023, the Districts had not adopted any rules and regulations.

4. A summary of litigation involving public improvements owned by the Districts.

To our actual knowledge, based on review of the court records in Douglas County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' Public Improvements as of December 31, 2023.

5. The status of the construction of public improvements by the Districts.

The Districts constructed the following public improvements during the Report Year;

- Castlegate Drive – landscaping improvements completed
- Retaining Wall (Block 3) - completed
- Commons Park (Block 3) – under construction. 2024 completion
- Promenade Parkway Streetscape enhancements – under construction. 2024 completion
- Parking lot (Block 1) - completed in 2024

6. A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.

None.

7. The final assessed valuation of the Districts as of December 31st of the reporting year.

The Districts' final assessed valuation as of December 31 of the Report Year are attached hereto as **Exhibit B**.

8. A copy of the current year's budget.

A copy of the Districts' 2024 Budgets are attached hereto as **Exhibit C**.

- 9. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2023 Audits for District Nos. 1-3 have not yet been completed and will be provided as a supplement to this report upon completion.

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.**

To our actual knowledge, the Districts did not receive notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.

- 11. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

To our actual knowledge, there was not any inability of the Districts to pay their obligations as they came due under any obligation which continued beyond a ninety (90) day period.

EXHIBIT A
2023 Budgets

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2023

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

Attached are the 2023 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2022. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: 
Denise Denslow, District Manager

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

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 3 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 7, 2022, at the hour of 2:15 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

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

NOTICE OF PUBLIC HEARINGS
ON THE AMENDED 2022 BUDGETS
AND NOTICE OF PUBLIC HEARINGS
ON THE PROPOSED 2023 BUDGETS

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

NOTICE IS HEREBY GIVEN that the Boards of Directors (each a "Board", collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 AND 3 (each a "District", collectively the "Districts"), will hold a joint meeting via teleconference on Monday, November 7, 2022, at 2:15 P.M., for the purpose of conducting such business as may come before the Boards, including a public hearing on the 2022 amended budgets (the "Amended Budgets") and 2023 proposed budgets (the "Proposed Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/88586191682?pwd=QnF3SDIvYjZc3BWNDNRVXpJmVudz09>
Meeting ID: 885 8619 1682, Passcode: 523854, Phone number: 1-720-707-2699.

**AFFIDAVIT OF
PUBLICATION**

State of Colorado }
County of Douglas } ss

NOTICE IS FURTHER GIVEN that Amended Budgets and Proposed Budgets have been submitted to the Districts. Copies of the Amended Budgets and the Proposed Budgets are on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where the same are open for public inspection.

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/3/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

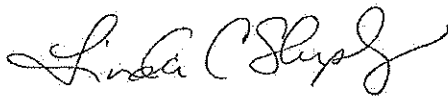
Any interested elector of the Districts may file any objections to the Amended Budgets and Proposed Budgets at any time prior to final adoption of the Amended Budgets and Proposed Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303)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

BY ORDER OF THE
BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 AND 3

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

Legal Notice No. 944114
First Publication: November 3, 2022
Last Publication: November 3, 2022
Publisher: Douglas County News-Press



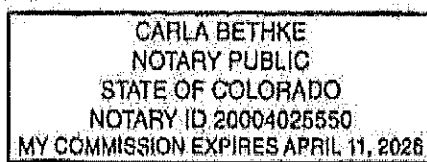
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/3/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-670626

Carla Bethke
Notary Public
My commission ends April 11, 2026



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 10.000 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 40.000 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

0.000 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 2022 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 Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

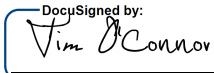
Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

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.


ADOPTED THIS 7TH DAY OF NOVEMBER, 2022.

**PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 3**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: 

AB184E4D1BA54D8...
Officer of the District

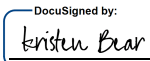
Attest:

By: 

BECF692F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law




1D49665F0E7344B...
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK 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 November 7, 2022, 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, 2022.



BECF692F7A8F4B6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|------------------|-------------------|------------------|
| BEGINNING FUND BALANCES | \$ 1 | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 3,037,962 | 3,308,260 | 3,290,338 |
| Specific ownership tax | 292,666 | 269,018 | 296,130 |
| Interest income | 1,454 | 2,000 | 4,206 |
| Total revenues | <u>3,332,082</u> | <u>3,579,278</u> | <u>3,590,674</u> |
| Total funds available | <u>3,332,083</u> | <u>3,579,278</u> | <u>3,590,674</u> |
| EXPENDITURES | | | |
| General and administrative | 666,416 | 715,956 | 719,000 |
| Debt service | 2,665,667 | 2,863,322 | 2,871,674 |
| Total expenditures | <u>3,332,083</u> | <u>3,579,278</u> | <u>3,590,674</u> |
| Total expenditures and transfers out requiring appropriation | <u>3,332,083</u> | <u>3,579,278</u> | <u>3,590,674</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

| | | | |
|--------------------------|----------------------|----------------------|----------------------|
| Commercial | \$ 53,345,250 | \$ 53,802,880 | \$ 53,178,240 |
| Vacant land | 6,472,950 | 6,497,080 | 6,224,470 |
| Personal property | - | 6,900,120 | 6,358,240 |
| Natural resources | 10 | 10 | 10 |
| State assessed | 876,900 | 54,400 | 45,800 |
| Certified Assessed Value | \$ 60,695,110 | \$ 67,254,490 | \$ 65,806,760 |

MILL LEVY

| | | | |
|-----------------|---------------|---------------|---------------|
| General | 10.000 | 10.000 | 10.000 |
| Debt Service | 40.000 | 40.000 | 40.000 |
| Total mill levy | 50.000 | 50.000 | 50.000 |

PROPERTY TAXES

| | | | |
|--------------------------------|---------------------|---------------------|---------------------|
| General | \$ 606,951 | \$ 672,545 | \$ 658,068 |
| Debt Service | 2,427,804 | 2,690,180 | 2,632,270 |
| Levied property taxes | 3,034,755 | 3,362,725 | 3,290,338 |
| Adjustments to actual/rounding | 3,207 | - | - |
| Refunds and abatements | - | (54,465) | - |
| Budgeted property taxes | \$ 3,037,962 | \$ 3,308,260 | \$ 3,290,338 |

BUDGETED PROPERTY TAXES

| | | | |
|---------------------|---------------------|---------------------|---------------------|
| General | \$ 607,592 | \$ 661,652 | \$ 658,068 |
| Debt Service | 2,430,370 | 2,646,608 | 2,632,270 |
| | \$ 3,037,962 | \$ 3,308,260 | \$ 3,290,338 |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 607,592 | 661,652 | 658,068 |
| Specific ownership tax | 58,533 | 53,804 | 59,226 |
| Interest income | 291 | 500 | 1,706 |
| Total revenues | <u>666,416</u> | <u>715,956</u> | <u>719,000</u> |
| Total funds available | <u>666,416</u> | <u>715,956</u> | <u>719,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 9,118 | 10,088 | 9,871 |
| Contingency | - | - | 1,706 |
| Intergovernmental expenditures-District No. 2 | 657,298 | 705,868 | 707,423 |
| Total expenditures | <u>666,416</u> | <u>715,956</u> | <u>719,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>666,416</u> | <u>715,956</u> | <u>719,000</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ 1 | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 2,430,370 | 2,646,608 | 2,632,270 |
| Specific ownership tax | 234,133 | 215,214 | 236,904 |
| Interest income | 1,163 | 1,500 | 2,500 |
| Total revenues | 2,665,666 | 2,863,322 | 2,871,674 |
| Total funds available | 2,665,667 | 2,863,322 | 2,871,674 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 36,472 | 40,353 | 39,484 |
| Intergovernmental expenditures-District No. 1 | 2,629,195 | 2,822,969 | 2,829,690 |
| Contingency | - | - | 2,500 |
| Total expenditures | 2,665,667 | 2,863,322 | 2,871,674 |
| Total expenditures and transfers out requiring appropriation | 2,665,667 | 2,863,322 | 2,871,674 |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Promenade at Castle Rock Metropolitan District No. 3 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on June 23, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 1-2. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On November 2, 2021, District voters approved general obligation indebtedness of \$70,000,000 for special assessment debt, \$70,000,000 for street improvements, \$70,000,000 for parks and recreation, \$70,000,000 for water facilities, \$70,000,000 for sanitation and storm drainage system, \$70,000,000 for transportation, \$70,000,000 for fire protection facilities or services, \$70,000,000 for television relay and translation services, \$70,000,000 for security services, \$70,000,000 for mosquito control, \$70,000,000 for traffic and safety, \$70,000,000 for operations and maintenance, \$70,000,000 for intergovernmental contracts, \$70,000,000 for private agreements, \$70,000,000 for mortgages and \$700,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$10,000,000 annually and allows the District to collect fees of up to \$10,000,000 annually for operations and maintenance, to collect fees of up to \$10,000,000 annually for capital costs, \$10,000,000 in taxes for intergovernmental agreements, \$10,000,000 in taxes for regional improvements, and \$10,000,000 in taxes for private agreements. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual.

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.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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%.

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 9% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on average interest rate of 1.0%.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos. 1 & 2 and US Bank National Association. Pursuant to the Pledge Agreement, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

Intergovernmental Transfers

The District's debt service mill levy of 40.000 mills, net of collection fees, is transferred to District No. 1 to help fund debt service expenses.

The District's general fund mill levy of 10.000 mills, net of collection fees, is transferred to District No. 2 to help fund administrative expenses.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no outstanding debt, nor any 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 funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2023 Budget.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Promenade at Castle Rock Metropolitan District No. 3,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Promenade at Castle Rock Metropolitan District No. 3
(local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 65,806,760 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: \$ 65,806,760
(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: 12/07/2022 for budget/fiscal year 2023.
(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 | 10.000 mills | \$ 658,068 |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 10.000 mills | \$ 658,068 |
| 3. General Obligation Bonds and Interest ^J | _____ mills | \$ _____ |
| 4. Contractual Obligations ^K | 40.000 mills | \$ 2,632,270 |
| 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] | 50.000 mills | \$ 3,290,338 |

Contact person: Carrie Bartow Daytime phone: (719) 635-0330
(print)

Signed:  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: Repay Promenade at Castle Rock Metro District No. 1 Series 2021 Limited Tax General Obligation and Special Revenue Refunding and Improvement Loan issued to fund Promenade at Castle Rock Metro District No. 3 infrastructure improvements
Title: Capital Pledge Agreement as amended December 1, 2022
Date: 4/15/2021
Principal Amount: N/A
Maturity Date: December 1, 2050
Levy: 40.000
Revenue: \$2,632,270

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.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

EXHIBIT B
Assessed Valuations

Dear Taxing Entity,

Please find the enclosed 2023 Final Certification of Valuation for your taxing entity, as mandated by Colorado law. A Certification Guide is provided to assist you with any questions. The guide provides descriptions of the individual line items on the certification, including any items that changed due to recent legislation.

The Final Certification has applied the changes to assessment conditions enacted from three recent and important legislative and regulatory events: Senate Bill 22-238, Senate Bill 23B-001, as well as the orders of the December 18 meeting of the SBOE, which increased all residential assessments in Douglas County. As a result, the \$55,000 adjustment to Actual Value on residential property, and the \$30,000 adjustment to Actual value on commercial property, are reflected in your Final Certification, as are all current Assessment Rates.

It is important to note the Douglas County Assessor has published multiple preliminary, temporary and/or draft certifications this year to provide as much information as possible for local governments as regulation evolved. All prior certifications are now inaccurate and should not be used in any manner to calculate mill levies or perform any other type of analysis.

In accordance with Colorado law, and Article X of the Colorado Constitution, I hereby certify the required values of property located within the limits of each entity as listed on the attached Certification of Values. Entities intending to certify a levy for the current tax year must certify the levy to the Board of County Commissioners no later than January 10, 2024. Your entity will receive information on December 26 from Douglas County Finance regarding accessing the mill levy certification application in order to certify your mill levies to the county.

Pursuant Section 32-1-306, C.R.S., a special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the county assessor, county clerk and recorder and the division on or before January 1 of each year.

The enclosed Certification of Valuation as well as an updated Abstract Summary for each authority can be found on the Douglas County Assessor web site, www.douglas.co.us/assessor. If you have any questions, please contact my office at 303-660-7450.

Respectfully,

Toby Damisch
Douglas County Assessor

Certification of Valuation Guidelines

Listed on these two pages are brief descriptions of the line-item values on the Certification of Valuation and what is included in each value. Values include adjustments associated with SB22-238 and SB23B-001.

This page is expressed in ASSESSED VALUE for help with the Property Tax Revenue Limit (5.5%) Calculations Only.

1. Previous Year's Net Total Taxable Assessed Valuation: Prior assessed value is all taxable property that was certified or re-certified to your taxing entity last year. Taxable property includes real and personal. This value does not include any exempt value within your taxing entity and comes from re-certification. Values include adjustments associated with SB22-238 and SB23B-001.
2. Current Year's Gross Total Taxable Assessed Valuation: Current assessed value is all taxable property as of December 22, 2023. This value includes Real and Personal property assessed value but does not include Exempt. New Construction assessed value from Line 5 of this report is included. Values include adjustments associated with SB22-238 and SB23B-001.
3. Less Tax Increment Financing, if any: Certify the sum of the increment values of any tax increment finance areas that lie within the boundaries of the taxing entity.
4. Current Year's Net Total Taxable Assessed Valuation: This value is the current assessed value minus tax increment financing. If there is no tax increment financing area or no increment value, the "Current Year's Net Total Assessed Value" is the same as the "Current Year's Gross Total Assessed Value." Values include adjustments associated with SB22-238 and SB23B-001.
5. New Construction Assessed: The assessed value of taxable real property improvements newly constructed in the previous year and new personal property connected with the new construction. New construction includes remodels and additions.
6. Increases in Production of Producing Mine: This value should be zero since the county does not have any producing mines.
7. Annexation or Inclusions: This value is the assessed value of property being annexed to the taxing authority. It also includes personal property connected to the parcels being annexed. The assessed value of taxable real and personal property annexed into the boundary of the taxing authority. The amount is certified ONLY to the entity that is affected.
8. Previously Exempt Federal Property: Increased valuation due to previously exempt federal property that becomes taxable if the property causes an increase in the level of services provided by the taxing entity. The taxing authority must file an impact certification document pertaining to this.
9. New Primary Oil or Gas Production: Increased valuation due to new oil and gas production. Currently, the county does not have any oil or gas production.
10. Taxes Collected Last Year on Omitted Property as of August 1: The amount of revenue received by the taxing entity during the period August 1st of the prior year through July 31 of the current year. This tax dollar amount represents taxes paid on taxable property that had previously been omitted from the assessment roll. This tax dollar amount is computed by the Treasurer's office.
11. Taxes Abated and Refunded as of August 1: The tax dollar amount of abatements and refunds granted during the period of August 1st of the prior year through July 31 of the current year per 29-1-301(1)(a) and 39-10-114(1)(a)(1)(b) Colorado Revised Statutes.

This page is expressed in ACTUAL VALUE for help with the "TABOR" Local Growth Calculations Only.

1. Current Year Total Actual Value of Real Property: The actual value of all taxable real property plus the exempt actual value of religious, private schools, and charitable real property. This does not include personal property actual value or the actual value of personal property of state assessed companies. Values include adjustments associated with SB22-238 and SB23B-001.
2. Construction Of Taxable Real Property Improvements: The actual value of newly constructed taxable real property structures. This value includes remodels and additions.
3. Annexations/Inclusions: The actual value of all property annexed or included within the boundary of a taxing entity.
4. Increased Mining Production: This value should be zero since the county does not have any producing mines.
5. Previously Exempt Property: The actual value of real property that changed taxable status from Exempt to Taxable.
6. Oil & Gas Production from a New Well: This value should be zero since the county has no producing oil wells.
7. Taxable Real Property Omitted from the Previous Year Tax Warrant: The actual value of real property omitted from the previous year's tax warrant. If the improvement was discovered as omitted property for multiple years, only the most current year value is reported.
8. Destruction of Taxable Real Property Improvements: The actual value of taxable real property improvements destroyed or demolished.
9. Disconnections or Exclusions: The actual value of all property disconnected or excluded from the boundary of a taxing entity.
10. Previously Taxable Property: The actual value of real property that changed taxable status from Taxable to Exempt.

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4556 - Promenade at Castle Rock Metro District 1

IN DOUGLAS COUNTY ON 12/22/2023

New Entity: No

| |
|--|
| USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY |
|--|

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO

| | |
|--|-------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$5,948,580 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$7,143,950 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$7,143,950 |
| 5. NEW CONSTRUCTION: ** | \$0 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.): | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$0.00 |

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

| |
|---|
| USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY |
|---|

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2023

| | |
|--|---------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$104,465,001 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | \$0 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) | |
| DELETIONS FROM TAXABLE REAL PROPERTY: | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$0 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

| | |
|--|-----|
| IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----> | \$0 |
|--|-----|

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

| | |
|--|-----|
| IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | \$0 |
|--|-----|

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

Type of Authority: Metro District
Tax Authority: 4556

| | Value Type | Real Actual Value | Personal Actual Value | Real Assessed Value | Personal Assessed Value |
|---|----------------|-------------------|-----------------------|---------------------|-------------------------|
| Promenade at Castle Rock Metro District 1 | Commercial | 0 | 458,434 | 0 | 127,900 |
| Promenade at Castle Rock Metro District 1 | Exempt | 2,474 | 0 | 690 | 0 |
| Promenade at Castle Rock Metro District 1 | Residential | 104,465,000 | 0 | 6,999,150 | 0 |
| Promenade at Castle Rock Metro District 1 | State Assessed | 0 | 60,574 | 0 | 16,900 |
| Promenade at Castle Rock Metro District 1 | Vacant Land | 1 | 0 | 0 | 0 |
| Total for Authority | | 104,467,475 | 519,008 | 6,999,840 | 144,800 |

Dear Taxing Entity,

Please find the enclosed 2023 Final Certification of Valuation for your taxing entity, as mandated by Colorado law. A Certification Guide is provided to assist you with any questions. The guide provides descriptions of the individual line items on the certification, including any items that changed due to recent legislation.

The Final Certification has applied the changes to assessment conditions enacted from three recent and important legislative and regulatory events: Senate Bill 22-238, Senate Bill 23B-001, as well as the orders of the December 18 meeting of the SBOE, which increased all residential assessments in Douglas County. As a result, the \$55,000 adjustment to Actual Value on residential property, and the \$30,000 adjustment to Actual value on commercial property, are reflected in your Final Certification, as are all current Assessment Rates.

It is important to note the Douglas County Assessor has published multiple preliminary, temporary and/or draft certifications this year to provide as much information as possible for local governments as regulation evolved. All prior certifications are now inaccurate and should not be used in any manner to calculate mill levies or perform any other type of analysis.

In accordance with Colorado law, and Article X of the Colorado Constitution, I hereby certify the required values of property located within the limits of each entity as listed on the attached Certification of Values. Entities intending to certify a levy for the current tax year must certify the levy to the Board of County Commissioners no later than January 10, 2024. Your entity will receive information on December 26 from Douglas County Finance regarding accessing the mill levy certification application in order to certify your mill levies to the county.

Pursuant Section 32-1-306, C.R.S., a special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the county assessor, county clerk and recorder and the division on or before January 1 of each year.

The enclosed Certification of Valuation as well as an updated Abstract Summary for each authority can be found on the Douglas County Assessor web site, www.douglas.co.us/assessor. If you have any questions, please contact my office at 303-660-7450.

Respectfully,

Toby Damisch
Douglas County Assessor

Certification of Valuation Guidelines

Listed on these two pages are brief descriptions of the line-item values on the Certification of Valuation and what is included in each value. Values include adjustments associated with SB22-238 and SB23B-001.

This page is expressed in ASSESSED VALUE for help with the Property Tax Revenue Limit (5.5%) Calculations Only.

1. Previous Year's Net Total Taxable Assessed Valuation: Prior assessed value is all taxable property that was certified or re-certified to your taxing entity last year. Taxable property includes real and personal. This value does not include any exempt value within your taxing entity and comes from re-certification. Values include adjustments associated with SB22-238 and SB23B-001.
2. Current Year's Gross Total Taxable Assessed Valuation: Current assessed value is all taxable property as of December 22, 2023. This value includes Real and Personal property assessed value but does not include Exempt. New Construction assessed value from Line 5 of this report is included. Values include adjustments associated with SB22-238 and SB23B-001.
3. Less Tax Increment Financing, if any: Certify the sum of the increment values of any tax increment finance areas that lie within the boundaries of the taxing entity.
4. Current Year's Net Total Taxable Assessed Valuation: This value is the current assessed value minus tax increment financing. If there is no tax increment financing area or no increment value, the "Current Year's Net Total Assessed Value" is the same as the "Current Year's Gross Total Assessed Value." Values include adjustments associated with SB22-238 and SB23B-001.
5. New Construction Assessed: The assessed value of taxable real property improvements newly constructed in the previous year and new personal property connected with the new construction. New construction includes remodels and additions.
6. Increases in Production of Producing Mine: This value should be zero since the county does not have any producing mines.
7. Annexation or Inclusions: This value is the assessed value of property being annexed to the taxing authority. It also includes personal property connected to the parcels being annexed. The assessed value of taxable real and personal property annexed into the boundary of the taxing authority. The amount is certified ONLY to the entity that is affected.
8. Previously Exempt Federal Property: Increased valuation due to previously exempt federal property that becomes taxable if the property causes an increase in the level of services provided by the taxing entity. The taxing authority must file an impact certification document pertaining to this.
9. New Primary Oil or Gas Production: Increased valuation due to new oil and gas production. Currently, the county does not have any oil or gas production.
10. Taxes Collected Last Year on Omitted Property as of August 1: The amount of revenue received by the taxing entity during the period August 1st of the prior year through July 31 of the current year. This tax dollar amount represents taxes paid on taxable property that had previously been omitted from the assessment roll. This tax dollar amount is computed by the Treasurer's office.
11. Taxes Abated and Refunded as of August 1: The tax dollar amount of abatements and refunds granted during the period of August 1st of the prior year through July 31 of the current year per 29-1-301(1)(a) and 39-10-114(1)(a)(1)(b) Colorado Revised Statutes.

This page is expressed in ACTUAL VALUE for help with the "TABOR" Local Growth Calculations Only.

1. Current Year Total Actual Value of Real Property: The actual value of all taxable real property plus the exempt actual value of religious, private schools, and charitable real property. This does not include personal property actual value or the actual value of personal property of state assessed companies. Values include adjustments associated with SB22-238 and SB23B-001.
2. Construction Of Taxable Real Property Improvements: The actual value of newly constructed taxable real property structures. This value includes remodels and additions.
3. Annexations/Inclusions: The actual value of all property annexed or included within the boundary of a taxing entity.
4. Increased Mining Production: This value should be zero since the county does not have any producing mines.
5. Previously Exempt Property: The actual value of real property that changed taxable status from Exempt to Taxable.
6. Oil & Gas Production from a New Well: This value should be zero since the county has no producing oil wells.
7. Taxable Real Property Omitted from the Previous Year Tax Warrant: The actual value of real property omitted from the previous year's tax warrant. If the improvement was discovered as omitted property for multiple years, only the most current year value is reported.
8. Destruction of Taxable Real Property Improvements: The actual value of taxable real property improvements destroyed or demolished.
9. Disconnections or Exclusions: The actual value of all property disconnected or excluded from the boundary of a taxing entity.
10. Previously Taxable Property: The actual value of real property that changed taxable status from Taxable to Exempt.

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4557 - Promenade at Castle Rock Metro District 2

IN DOUGLAS COUNTY ON 12/22/2023

New Entity: Yes

| |
|--|
| USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY |
|--|

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO

| | |
|--|--------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$0 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$0 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$0 |
| 5. NEW CONSTRUCTION: ** | \$0 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.): | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$0.00 |

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

| |
|---|
| USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY |
|---|

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2023

| | |
|--|-----|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$1 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | \$0 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.) | |
| DELETIONS FROM TAXABLE REAL PROPERTY: | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$0 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

| | |
|--|-----|
| IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----> | \$0 |
|--|-----|

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

| | |
|---|-----|
| IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | \$0 |
|---|-----|

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

Type of Authority: Metro District
Tax Authority: 4557

| | Value Type | Real Actual Value | Personal Actual Value | Real Assessed Value | Personal Assessed Value |
|---|-------------|-------------------|-----------------------|---------------------|-------------------------|
| Promenade at Castle Rock Metro District 2 | Vacant Land | 1 | 0 | 0 | 0 |
| Total for Authority | | 1 | 0 | 0 | 0 |

Dear Taxing Entity,

Please find the enclosed 2023 Final Certification of Valuation for your taxing entity, as mandated by Colorado law. A Certification Guide is provided to assist you with any questions. The guide provides descriptions of the individual line items on the certification, including any items that changed due to recent legislation.

The Final Certification has applied the changes to assessment conditions enacted from three recent and important legislative and regulatory events: Senate Bill 22-238, Senate Bill 23B-001, as well as the orders of the December 18 meeting of the SBOE, which increased all residential assessments in Douglas County. As a result, the \$55,000 adjustment to Actual Value on residential property, and the \$30,000 adjustment to Actual value on commercial property, are reflected in your Final Certification, as are all current Assessment Rates.

It is important to note the Douglas County Assessor has published multiple preliminary, temporary and/or draft certifications this year to provide as much information as possible for local governments as regulation evolved. All prior certifications are now inaccurate and should not be used in any manner to calculate mill levies or perform any other type of analysis.

In accordance with Colorado law, and Article X of the Colorado Constitution, I hereby certify the required values of property located within the limits of each entity as listed on the attached Certification of Values. Entities intending to certify a levy for the current tax year must certify the levy to the Board of County Commissioners no later than January 10, 2024. Your entity will receive information on December 26 from Douglas County Finance regarding accessing the mill levy certification application in order to certify your mill levies to the county.

Pursuant Section 32-1-306, C.R.S., a special district shall maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the county assessor, county clerk and recorder and the division on or before January 1 of each year.

The enclosed Certification of Valuation as well as an updated Abstract Summary for each authority can be found on the Douglas County Assessor web site, www.douglas.co.us/assessor. If you have any questions, please contact my office at 303-660-7450.

Respectfully,

Toby Damisch
Douglas County Assessor

Certification of Valuation Guidelines

Listed on these two pages are brief descriptions of the line-item values on the Certification of Valuation and what is included in each value. Values include adjustments associated with SB22-238 and SB23B-001.

This page is expressed in ASSESSED VALUE for help with the Property Tax Revenue Limit (5.5%) Calculations Only.

1. Previous Year's Net Total Taxable Assessed Valuation: Prior assessed value is all taxable property that was certified or re-certified to your taxing entity last year. Taxable property includes real and personal. This value does not include any exempt value within your taxing entity and comes from re-certification. Values include adjustments associated with SB22-238 and SB23B-001.
2. Current Year's Gross Total Taxable Assessed Valuation: Current assessed value is all taxable property as of December 22, 2023. This value includes Real and Personal property assessed value but does not include Exempt. New Construction assessed value from Line 5 of this report is included. Values include adjustments associated with SB22-238 and SB23B-001.
3. Less Tax Increment Financing, if any: Certify the sum of the increment values of any tax increment finance areas that lie within the boundaries of the taxing entity.
4. Current Year's Net Total Taxable Assessed Valuation: This value is the current assessed value minus tax increment financing. If there is no tax increment financing area or no increment value, the "Current Year's Net Total Assessed Value" is the same as the "Current Year's Gross Total Assessed Value." Values include adjustments associated with SB22-238 and SB23B-001.
5. New Construction Assessed: The assessed value of taxable real property improvements newly constructed in the previous year and new personal property connected with the new construction. New construction includes remodels and additions.
6. Increases in Production of Producing Mine: This value should be zero since the county does not have any producing mines.
7. Annexation or Inclusions: This value is the assessed value of property being annexed to the taxing authority. It also includes personal property connected to the parcels being annexed. The assessed value of taxable real and personal property annexed into the boundary of the taxing authority. The amount is certified ONLY to the entity that is affected.
8. Previously Exempt Federal Property: Increased valuation due to previously exempt federal property that becomes taxable if the property causes an increase in the level of services provided by the taxing entity. The taxing authority must file an impact certification document pertaining to this.
9. New Primary Oil or Gas Production: Increased valuation due to new oil and gas production. Currently, the county does not have any oil or gas production.
10. Taxes Collected Last Year on Omitted Property as of August 1: The amount of revenue received by the taxing entity during the period August 1st of the prior year through July 31 of the current year. This tax dollar amount represents taxes paid on taxable property that had previously been omitted from the assessment roll. This tax dollar amount is computed by the Treasurer's office.
11. Taxes Abated and Refunded as of August 1: The tax dollar amount of abatements and refunds granted during the period of August 1st of the prior year through July 31 of the current year per 29-1-301(1)(a) and 39-10-114(1)(a)(1)(b) Colorado Revised Statutes.

This page is expressed in ACTUAL VALUE for help with the "TABOR" Local Growth Calculations Only.

1. Current Year Total Actual Value of Real Property: The actual value of all taxable real property plus the exempt actual value of religious, private schools, and charitable real property. This does not include personal property actual value or the actual value of personal property of state assessed companies. Values include adjustments associated with SB22-238 and SB23B-001.
2. Construction Of Taxable Real Property Improvements: The actual value of newly constructed taxable real property structures. This value includes remodels and additions.
3. Annexations/Inclusions: The actual value of all property annexed or included within the boundary of a taxing entity.
4. Increased Mining Production: This value should be zero since the county does not have any producing mines.
5. Previously Exempt Property: The actual value of real property that changed taxable status from Exempt to Taxable.
6. Oil & Gas Production from a New Well: This value should be zero since the county has no producing oil wells.
7. Taxable Real Property Omitted from the Previous Year Tax Warrant: The actual value of real property omitted from the previous year's tax warrant. If the improvement was discovered as omitted property for multiple years, only the most current year value is reported.
8. Destruction of Taxable Real Property Improvements: The actual value of taxable real property improvements destroyed or demolished.
9. Disconnections or Exclusions: The actual value of all property disconnected or excluded from the boundary of a taxing entity.
10. Previously Taxable Property: The actual value of real property that changed taxable status from Taxable to Exempt.

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4558 - Promenade at Castle Rock Metro District 3

IN DOUGLAS COUNTY ON 12/22/2023

New Entity: No

| |
|--|
| USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY |
|--|

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO

| | |
|--|--------------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$65,022,080 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: * | \$68,901,860 |
| 3. LESS TIF DISTRICT INCREMENT, IF ANY: | \$0 |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | \$68,901,860 |
| 5. NEW CONSTRUCTION: ** | \$2,364,070 |
| 6. INCREASED PRODUCTION OF PRODUCING MINES: # | \$0 |
| 7. ANNEXATIONS/INCLUSIONS: | \$0 |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: # | \$0 |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.): | \$0 |
| 10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.): | \$0.00 |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.): | \$65,516.00 |

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

| |
|---|
| USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY |
|---|

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2023

| | |
|---|---------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @ | \$233,278,107 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: ! | \$14,527,232 |
| 3. ANNEXATIONS/INCLUSIONS: | \$0 |
| 4. INCREASED MINING PRODUCTION: % | \$0 |
| 5. PREVIOUSLY EXEMPT PROPERTY: | \$0 |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | \$0 |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: | \$0 |
| <small>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</small> | |
| DELETIONS FROM TAXABLE REAL PROPERTY: | |
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | \$0 |
| 9. DISCONNECTIONS/EXCLUSION: | \$0 |
| 10. PREVIOUSLY TAXABLE PROPERTY: | \$343,853 |

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

| | |
|--|-----|
| IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-----> | \$0 |
|--|-----|

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

| | |
|--|----------|
| IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** | \$72,990 |
|--|----------|

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

Type of Authority: Metro District
Tax Authority: 4558

| | Value Type | Real Actual Value | Personal Actual Value | Real Assessed Value | Personal Assessed Value |
|---|----------------------------|--------------------|-----------------------|---------------------|-------------------------|
| Promenade at Castle Rock Metro District 3 | Commercial | 201,464,732 | 25,528,222 | 56,208,690 | 7,122,360 |
| Promenade at Castle Rock Metro District 3 | Exempt | 247,248 | 0 | 69,000 | 0 |
| Promenade at Castle Rock Metro District 3 | Natural Resources | 22 | 0 | 10 | 0 |
| Promenade at Castle Rock Metro District 3 | Residential | 16,409,664 | 0 | 1,099,450 | 0 |
| Promenade at Castle Rock Metro District 3 | State Assessed | 0 | 622,581 | 0 | 173,700 |
| Promenade at Castle Rock Metro District 3 | Vacant Land | 15,403,689 | 0 | 4,297,650 | 0 |
| | Total for Authority | 233,525,355 | 26,150,803 | 61,674,800 | 7,296,060 |

EXHIBIT C
2024 Budgets

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2024

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

Attached are the 2024 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 6, 2023. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 
Denise Denslow, District Manager

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 1 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting via teleconference on November 6, 2023, at the hour of 2:30 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 2024 BUDGET

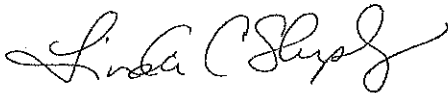
Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/26/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



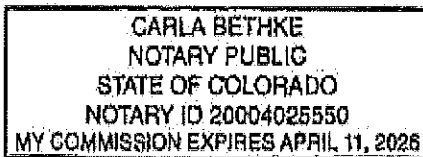
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/26/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-638580

Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARINGS ON THE PROPOSED 2024 BUDGETS AND NOTICE OF PUBLIC HEARINGS ON THE AMENDED 2023 BUDGETS

The Boards of Directors (collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 and 3 (collectively the "Districts"), will hold a public hearing via teleconference on Monday, November 6, 2023 at 2:30 P.M., to consider adoption of the District's 2024 proposed budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/86738769760?pwd=aGpmQXRTYshM4bDa7YPbq13e1wc6w.1>
Meeting ID: 857 3876 9760 Passcode: 711676
Phone number: 1-720-707-2699

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. The agenda for any meeting may be obtained at www.promenademetro.com/ or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 & 3,
quasi-municipal corporations and political
subdivisions of the State of Colorado

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

Legal Notice No. 946105
First Publication: October 26, 2023
Last Publication: October 26, 2023
Publisher: Douglas County News-Press

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 2024. 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 2024 budget year, there is hereby levied a tax of 11.856 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 2024 budget year, there is hereby levied a tax of 47.426 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 2024 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 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 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 Douglas 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 31st of the ensuing year.

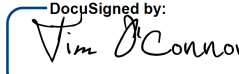
Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 6, 2023.

DISTRICT:

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 
 AR184E4D1BA54D8
 Officer of the District

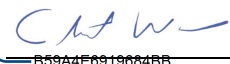
Attest:

By: 
 BECF692F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON

Attorneys at Law


 B59A4E0919084BB...
 General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1

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 November 6, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of November 2023.



 BECF692F7A8F4B6...
 Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------------|----------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 13,319,785 | \$ 12,226,509 | \$ 11,648,848 |
| REVENUES | | | |
| Property taxes | 348,348 | 347,189 | 423,508 |
| Specific ownership taxes | 30,805 | 32,358 | 38,116 |
| Interest income | 13,616 | 36,750 | 62,000 |
| Other revenue | - | - | 5,678 |
| Intergovernmental revenues | 2,812,329 | 2,813,577 | 3,165,067 |
| PIF revenue | 1,280,189 | 1,207,816 | 1,234,259 |
| PIF revenue - add-on | 558,643 | 549,007 | 561,027 |
| Total revenues | <u>5,043,930</u> | <u>4,986,697</u> | <u>5,489,655</u> |
| Total funds available | <u>18,363,715</u> | <u>17,213,206</u> | <u>17,138,503</u> |
| EXPENDITURES | | | |
| General Fund | 78,349 | 82,659 | 100,000 |
| Debt Service Fund | 4,329,444 | 3,681,699 | 3,678,310 |
| Capital Projects Fund | 1,729,413 | 1,800,000 | 6,105,485 |
| Total expenditures | <u>6,137,206</u> | <u>5,564,358</u> | <u>9,883,795</u> |
| Total expenditures and transfers out requiring appropriation | <u>6,137,206</u> | <u>5,564,358</u> | <u>9,883,795</u> |
| ENDING FUND BALANCES | <u>\$ 12,226,509</u> | <u>\$ 11,648,848</u> | <u>\$ 7,254,708</u> |
| DEBT SERVICE RESERVE | 1,475,000 | 1,475,000 | 1,475,000 |
| AVAILABLE FOR FUTURE DEBT SERVICE | 2,846,024 | 4,068,363 | 5,779,708 |
| TOTAL RESERVE | <u>\$ 4,321,024</u> | <u>\$ 5,543,363</u> | <u>\$ 7,254,708</u> |

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/2/24

| ACTUAL | ESTIMATED | BUDGET |
|--------|-----------|--------|
| 2022 | 2023 | 2024 |

ASSESSED VALUATION

| | | | |
|--------------------------|--------------|--------------|--------------|
| Residential | \$ 6,134,700 | \$ 5,834,400 | \$ 6,999,150 |
| Personal property | 123,450 | 114,180 | 144,800 |
| | 6,258,150 | 5,948,580 | 7,143,950 |
| Certified Assessed Value | \$ 6,258,150 | \$ 5,948,580 | \$ 7,143,950 |

MILL LEVY

| | | | |
|-----------------|--------|--------|--------|
| General | 11.132 | 11.673 | 11.856 |
| Debt Service | 44.531 | 46.692 | 47.426 |
| Total mill levy | 55.663 | 58.365 | 59.282 |

PROPERTY TAXES

| | | | |
|-------------------------|------------|------------|------------|
| General | \$ 69,666 | \$ 69,438 | \$ 84,699 |
| Debt Service | 278,682 | 277,751 | 338,809 |
| Levied property taxes | 348,348 | 347,189 | 423,508 |
| Budgeted property taxes | \$ 348,348 | \$ 347,189 | \$ 423,508 |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|------------|------------|------------|
| General | \$ 69,666 | \$ 69,438 | \$ 84,699 |
| Debt Service | 278,682 | 277,751 | 338,809 |
| | \$ 348,348 | \$ 347,189 | \$ 423,508 |

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 69,666 | 69,438 | 84,699 |
| Specific ownership taxes | 6,161 | 6,471 | 7,623 |
| Interest income | 2,522 | 6,750 | 2,000 |
| Other revenue | - | - | 5,678 |
| Total revenues | <u>78,349</u> | <u>82,659</u> | <u>100,000</u> |
| Total funds available | <u>78,349</u> | <u>82,659</u> | <u>100,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 1,045 | 1,042 | 1,270 |
| Contingency | - | - | 5,678 |
| Intergovernmental expenditures | 77,304 | 81,617 | 93,052 |
| Total expenditures | <u>78,349</u> | <u>82,659</u> | <u>100,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>78,349</u> | <u>82,659</u> | <u>100,000</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 3,684,887 | \$ 4,321,024 | \$ 5,543,363 |
| REVENUES | | | |
| Property taxes | 278,682 | 277,751 | 338,809 |
| Specific ownership taxes | 24,644 | 25,887 | 30,493 |
| PIF revenue | 1,280,189 | 1,207,816 | 1,234,259 |
| PIF revenue - add-on | 558,643 | 549,007 | 561,027 |
| Interest income | 11,094 | 30,000 | 60,000 |
| Intergovernmental revenues | 2,812,329 | 2,813,577 | 3,165,067 |
| Total revenues | <u>4,965,581</u> | <u>4,904,038</u> | <u>5,389,655</u> |
| Total funds available | <u>8,650,468</u> | <u>9,225,062</u> | <u>10,933,018</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 4,180 | 4,166 | 5,082 |
| PIF collection fees | 25,000 | 35,857 | 28,717 |
| Custodial fees | - | 2,000 | 2,000 |
| Debt Service | | | |
| Loan interest | 2,215,264 | 2,149,676 | 2,097,511 |
| Loan Principal | 2,085,000 | 1,490,000 | 1,545,000 |
| Total expenditures | <u>4,329,444</u> | <u>3,681,699</u> | <u>3,678,310</u> |
| Total expenditures and transfers out requiring appropriation | <u>4,329,444</u> | <u>3,681,699</u> | <u>3,678,310</u> |
| ENDING FUND BALANCES | <u>\$ 4,321,024</u> | <u>\$ 5,543,363</u> | <u>\$ 7,254,708</u> |
| DEBT SERVICE RESERVE | \$ 1,475,000 | \$ 1,475,000 | \$ 1,475,000 |
| AVAILABLE FOR FUTURE DEBT SERVICE | 2,846,024 | 4,068,363 | 5,779,708 |
| TOTAL RESERVE | <u>\$ 4,321,024</u> | <u>\$ 5,543,363</u> | <u>\$ 7,254,708</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
 CAPITAL PROJECTS FUND
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 9,634,898 | \$ 7,905,485 | \$ 6,105,485 |
| REVENUES | | | |
| Total revenues | - | - | - |
| Total funds available | 9,634,898 | 7,905,485 | 6,105,485 |
| EXPENDITURES | | | |
| Capital Projects | | | |
| Intergovernmental expenditures | 1,729,413 | 1,800,000 | 6,105,485 |
| Total expenditures | 1,729,413 | 1,800,000 | 6,105,485 |
| Total expenditures and transfers out requiring appropriation | 1,729,413 | 1,800,000 | 6,105,485 |
| ENDING FUND BALANCES | \$ 7,905,485 | \$ 6,105,485 | \$ - |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Promenade at Castle Rock Metropolitan District No. 1 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on May 28, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 2-3. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On May 6, 2014, District voters approved general obligation indebtedness of \$40,000,000 for street improvements, \$40,000,000 for parks and recreation, \$40,000,000 for water facilities, \$40,000,000 for sanitation and storm drainage system, \$40,000,000 for transportation, \$40,000,000 for fire protection facilities or services, \$40,000,000 for television relay and translation services, \$40,000,000 for security services, \$20,000,000 for mosquito control, \$40,000,000 for traffic and safety, \$40,000,000 for operations and maintenance, \$200,000,000 for intergovernmental contracts, \$40,000,000 for private agreements, \$40,000,000 for mortgages, \$40,000,000 for special assessments, and \$200,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$5,000,000 annually and allows the District to collect fees of up to \$5,000,000 annually for operations and maintenance, \$40,000,000 in taxes for intergovernmental agreements, \$40,000,000 for private agreements and \$40,000,000 in sales taxes not to exceed 3%. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a 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].

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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% | | | |

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 9% of the property taxes collected.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Credit Public Improvement Fees

The Credit PIF is a public improvement fee in the amount of 0.55% of taxable retail sales within the Districts which will be imposed in lieu of, or as a credit against, a corresponding amount of the Town Sales Tax. Credit PIF revenue is pledged to the payment of the Series 2021 Loan.

Add-On Public Improvement Fees

The Add-On PIF is a public improvement fee in the amount of .25% of taxable retail sales within the Districts. Unlike the Credit PIF, the Add-On PIF does not constitute a fee imposed in lieu of, or as a credit against, any part of the Town Sales Tax. Instead, the Add-On PIF constitutes an additional fee imposed upon PIF Sales. The Add-On PIF is pledged solely to the Series 2021 Loan.

Intergovernmental Revenue – District No. 3

District No. 3, the Financing District, levied 41.921 mills for debt service. It is anticipated that District No. 3 will transfer property taxes generated from the 41.921 mills, net of collection costs, into District No. 1 to pay for debt service expenditures.

Net Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.00%.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers - District No. 2

Property taxes generated from the mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to District No. 2, the Operating District, which pays all administrative expenditures of the District.

Debt Service

Interest payments in 2024 are provided based on the attached debt amortization schedule for the Series 2021 Loan (discussed under Debt and Leases).

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos. 2 & 3 and US Bank National Association. Pursuant to the Pledge Agreement, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2021 Special Revenue Refunding and Improvement Loan

The District issued a Loan on April 15, 2021 in the amount of \$64,236,780, the General Obligation Loan Series 2021 (the Loan). The proceeds of the Loan were used for the purposes of (i) paying off the Series 2015A and Series 2015B Bonds. (ii) reimbursing the Developer for previously advanced funds for public improvements, (iii) funding the Reserve Fund, (iv) paying for the costs of public improvements, and (v) paying costs of issuance of the Loan.

The Loan bears interest at the rate of 3.501% payable semi-annually on June 1 and December 1, beginning on December 1, 2021. Annual principal payments on the Loan are due on December 1, beginning on December 1, 2021. The Loan matures on December 1, 2050.

In the event that the District has excess funds available at the Principal Payment Date the District shall apply such excess to the prepayment of the principal of the Loan on such Principal Payment Date.

The District's outstanding long-term debt as of December 31, 2023 and projections for 2024 are summarized below:

Schedule of Long Term Obligations

| | Balance at December 31, 2022 | Additions* | Repayments* | Balance at December 31, 2023* |
|--|----------------------------------|-------------|---------------------|----------------------------------|
| Limited Tax General Obligation Refunding & Improvement Loan Series 2021 | \$ 61,401,780 | \$ - | \$ 1,490,000 | \$ 59,911,780 |
| | <u>\$ 61,401,780</u> | <u>\$ -</u> | <u>\$ 1,490,000</u> | <u>\$ 59,911,780</u> |
| | Balance at December 31, 2023* | Additions* | Repayments* | Balance at December 31, 2024* |
| Limited Tax General Obligation Refunding & Improvement Loan Series 2021 | \$ 59,911,780 | \$ - | \$ 1,545,000 | \$ 58,366,780 |
| | <u>\$ 59,911,780</u> | <u>\$ -</u> | <u>\$ 1,545,000</u> | <u>\$ 58,366,780</u> |

* Estimate

The District has no operating or capital leases.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Debt Service Reserve

The District maintains a \$1,475,000 Debt Service Reserve as required with the issuance of the Series 2021 Loan.

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2022 Budget. The Emergency Reserve for these revenues is reflected in District No. 2.

This information is an integral part of the accompanying budget.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2023 BUDGET**

**\$64,236,780 Limited Tax General Obligation and Special Revenue
Refunding and Improvement Loan - Series 2021
Dated April 15, 2021
Principal Due Annually December 1
Interest ar 3.501%, Due June and December 1**

| Year | Principal | Interest | Total |
|--------------|----------------------|----------------------|----------------------|
| 2024 | \$ 1,545,000 | \$ 2,097,511 | \$ 3,642,511 |
| 2025 | 1,600,000 | 2,043,421 | 3,643,421 |
| 2026 | 1,660,000 | 1,987,405 | 3,647,405 |
| 2027 | 1,720,000 | 1,929,288 | 3,649,288 |
| 2028 | 1,780,000 | 1,869,071 | 3,649,071 |
| 2029 | 1,845,000 | 1,806,753 | 3,651,753 |
| 2030 | 1,910,000 | 1,742,160 | 3,652,160 |
| 2031 | 1,975,000 | 1,675,291 | 3,650,291 |
| 2032 | 2,050,000 | 1,606,146 | 3,656,146 |
| 2033 | 2,120,000 | 1,534,376 | 3,654,376 |
| 2034 | 2,200,000 | 1,460,154 | 3,660,154 |
| 2035 | 2,275,000 | 1,383,132 | 3,658,132 |
| 2036 | 2,360,000 | 1,303,485 | 3,663,485 |
| 2037 | 2,440,000 | 1,220,861 | 3,660,861 |
| 2038 | 2,530,000 | 1,135,437 | 3,665,437 |
| 2039 | 2,620,000 | 1,046,861 | 3,666,861 |
| 2040 | 2,215,000 | 955,135 | 3,170,135 |
| 2041 | 2,295,000 | 877,588 | 3,172,588 |
| 2042 | 2,375,000 | 797,240 | 3,172,240 |
| 2043 | 2,460,000 | 714,091 | 3,174,091 |
| 2044 | 2,550,000 | 627,967 | 3,177,967 |
| 2045 | 2,640,000 | 538,691 | 3,178,691 |
| 2046 | 2,935,000 | 446,265 | 3,381,265 |
| 2047 | 3,040,000 | 343,510 | 3,383,510 |
| 2048 | 3,150,000 | 237,080 | 3,387,080 |
| 2049 | 3,260,000 | 126,799 | 3,386,799 |
| 2050 | 361,780 | 12,666 | 374,446 |
| Total | \$ 59,911,780 | \$ 31,518,385 | \$ 91,430,165 |

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
 On behalf of the Promenade at Castle Rock Metro District 1
 the Board of Directors
 of the Promenade at Castle Rock Metropolitan District No. 1**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$7,143,950** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$7,143,950**

Submitted: *Rob Lange* for budget/fiscal year 2024

| PURPOSE | LEVY | REVENUE |
|---|---------------------|------------------|
| 1. General Operating Expenses | 11.856 mills | \$84,699 |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction | -0.000 mills | -\$0 |
| SUBTOTAL FOR GENERAL OPERATING: | 11.856 mills | \$84,699 |
| 3. General Obligation Bonds and Interest | 47.426 mills | \$338,809 |
| 4. Contractual Obligations | 0.000 mills | \$0 |
| 5. Capital Expenditures | 0.000 mills | \$0 |
| 6. Refunds/Abatements | 0.000 mills | \$0 |
| 7. Other | 0.000 mills | \$0 |
| 8. Judgment | 0.000 mills | \$0 |
| TOTAL: | 59.282 mills | \$423,508 |

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, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

- 1. Purpose of Issue: Public Improvements
- Series: Limited Tax General Obligation & Special Revenue Refunding
- Date of Issue: 2021-04-15
- Coupon Rate: 1.625-1.951

| | |
|----------------|------------|
| Maturity Date: | 2050-12-01 |
| Levy: | 47.426 |
| Revenue: | \$338,809 |

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Wed, 10 Jan 2024

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2024

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

Attached are the 2024 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 6, 2023. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 
Denise Denslow, District Manager

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 2 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting via teleconference on November 6, 2023, at the hour of 2:30 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 2024 BUDGET

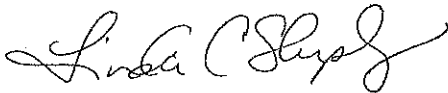
Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/26/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



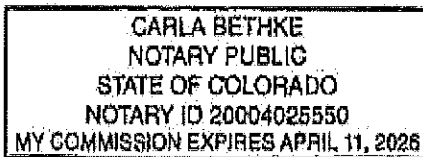
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/26/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-638580

Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARINGS ON THE PROPOSED 2024 BUDGETS AND NOTICE OF PUBLIC HEARINGS ON THE AMENDED 2023 BUDGETS

The Boards of Directors (collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 and 3 (collectively the "Districts"), will hold a public hearing via teleconference on Monday, November 6, 2023 at 2:30 P.M., to consider adoption of the District's 2024 proposed budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/86738769760?pwd=aGpmQXRTYshM4bDa7YPbq13e1wc6w.1>
Meeting ID: 857 3876 9760 Passcode: 711676
Phone number: 1-720-707-2699

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. The agenda for any meeting may be obtained at www.promenademetro.com/ or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 & 3,
quasi-municipal corporations and political
subdivisions of the State of Colorado

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

Legal Notice No. 946105
First Publication: October 26, 2023
Last Publication: October 26, 2023
Publisher: Douglas County News-Press

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 2024. 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 2024 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 2024 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 2024 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 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 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 Douglas 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 31st of the ensuing year.

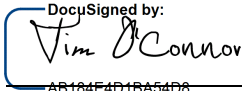
Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 6, 2023.


DISTRICT:

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 
AB184E4D1BA54D6...

Officer of the District

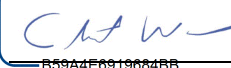
Attest:

By: 
BECF692F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON

Attorneys at Law


B59A4E0919084BB...

General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2

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 November 6, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of November 2023.


BECF692F7A8F4B6...

Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 783,475 | \$ 1,118,878 | \$ 1,707,157 |
| REVENUES | | | |
| Interest income | - | 6 | - |
| Intergovernmental revenues | 2,509,799 | 2,587,512 | 6,989,785 |
| CAM Revenue | 206,950 | 260,635 | 260,635 |
| Total revenues | <u>2,716,749</u> | <u>2,848,153</u> | <u>7,250,420</u> |
| TRANSFERS IN | <u>10,500</u> | <u>16,915</u> | <u>62,165</u> |
| Total funds available | <u>3,510,724</u> | <u>3,983,946</u> | <u>9,019,742</u> |
| EXPENDITURES | | | |
| General Fund | 195,853 | 443,554 | 745,554 |
| Capital Projects Fund | 1,978,543 | 1,550,070 | 6,105,485 |
| Special Revenue Fund | 206,950 | 266,250 | 322,800 |
| Total expenditures | <u>2,381,346</u> | <u>2,259,874</u> | <u>7,173,839</u> |
| TRANSFERS OUT | <u>10,500</u> | <u>16,915</u> | <u>62,165</u> |
| Total expenditures and transfers out requiring appropriation | <u>2,391,846</u> | <u>2,276,789</u> | <u>7,236,004</u> |
| ENDING FUND BALANCES | <u>\$ 1,118,878</u> | <u>\$ 1,707,157</u> | <u>\$ 1,783,738</u> |
| EMERGENCY RESERVE | \$ 23,500 | \$ 24,000 | \$ 26,600 |
| TOTAL RESERVE | <u>\$ 23,500</u> | <u>\$ 24,000</u> | <u>\$ 26,600</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

| | | | |
|--------------------------|------|------|------|
| Certified Assessed Value | \$ - | \$ - | \$ - |
|--------------------------|------|------|------|

MILL LEVY

| | | | |
|-----------------|-------|-------|-------|
| Total mill levy | 0.000 | 0.000 | 0.000 |
|-----------------|-------|-------|-------|

PROPERTY TAXES

| | | | |
|-------------------------|------|------|------|
| Budgeted property taxes | \$ - | \$ - | \$ - |
|-------------------------|------|------|------|

BUDGETED PROPERTY TAXES

| | | | |
|----------------|-------------|-------------|-------------|
| General | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - |

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2024 BUDGET**

**WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 783,475 | \$ 1,357,508 | \$ 1,707,157 |
| REVENUES | | | |
| Interest income | - | 6 | - |
| Intergovernmental revenues | 780,386 | 787,512 | 884,300 |
| Total revenues | <u>780,386</u> | <u>787,518</u> | <u>884,300</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>-</u> | <u>11,300</u> | <u>-</u> |
| Total funds available | <u>1,563,861</u> | <u>2,156,326</u> | <u>2,591,457</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 60,000 | 76,000 | 83,600 |
| Auditing | 12,600 | 13,200 | 15,000 |
| Dues and membership | 1,702 | 1,769 | 2,000 |
| Insurance | 12,880 | 13,778 | 15,000 |
| District management | 14,541 | 31,625 | 35,000 |
| Legal | 87,233 | 50,000 | 55,000 |
| Miscellaneous | 516 | 5,000 | 20,000 |
| Election | 2,456 | 2,182 | - |
| Repay developer advance | - | 250,000 | 519,954 |
| Operations and maintenance | | | |
| Engineering | 3,925 | - | - |
| Total expenditures | <u>195,853</u> | <u>443,554</u> | <u>745,554</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>10,500</u> | <u>5,615</u> | <u>62,165</u> |
| Total expenditures and transfers out requiring appropriation | <u>206,353</u> | <u>449,169</u> | <u>807,719</u> |
| ENDING FUND BALANCES | <u>\$ 1,357,508</u> | <u>\$ 1,707,157</u> | <u>\$ 1,783,738</u> |
| EMERGENCY RESERVE | \$ 23,500 | \$ 24,000 | \$ 26,600 |
| TOTAL RESERVE | <u>\$ 23,500</u> | <u>\$ 24,000</u> | <u>\$ 26,600</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| CAM Revenue | 206,950 | 260,635 | 260,635 |
| Total revenues | <u>206,950</u> | <u>260,635</u> | <u>260,635</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>-</u> | <u>5,615</u> | <u>62,165</u> |
| Total funds available | <u>206,950</u> | <u>266,250</u> | <u>322,800</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 30,908 | 37,950 | 40,000 |
| District management | 10,800 | 10,800 | 10,800 |
| Miscellaneous | - | 1,500 | 5,000 |
| Contingency | - | - | 10,000 |
| Operations and maintenance | | | |
| Landscaping | 118,744 | 120,000 | 140,000 |
| Repairs and maintenance | 975 | 20,000 | 25,000 |
| Signage maintenance | - | 2,000 | 2,000 |
| Snow removal | - | 20,000 | 25,000 |
| Water | 27,205 | 30,000 | 30,000 |
| Electricity | 9,300 | 7,000 | 15,000 |
| Portering | 9,018 | 12,000 | 15,000 |
| Detention pond | - | 5,000 | 5,000 |
| Total expenditures | <u>206,950</u> | <u>266,250</u> | <u>322,800</u> |
| Total expenditures and transfers out requiring appropriation | <u>206,950</u> | <u>266,250</u> | <u>322,800</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|---------------------|-------------------|------------------|
| BEGINNING FUND BALANCES | \$ - | \$ (238,630) | \$ - |
| REVENUES | | | |
| Intergovernmental revenues | 1,729,413 | 1,800,000 | 6,105,485 |
| Total revenues | <u>1,729,413</u> | <u>1,800,000</u> | <u>6,105,485</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>10,500</u> | <u>-</u> | <u>-</u> |
| Total funds available | <u>1,739,913</u> | <u>1,561,370</u> | <u>6,105,485</u> |
| EXPENDITURES | | | |
| General and Administrative | | | |
| Accounting | 14,279 | 15,000 | 16,500 |
| Banking fees | 2,000 | - | - |
| Capital Projects | | | |
| Engineering | 485,916 | 95,000 | 100,000 |
| Capital outlay | 1,476,348 | 1,440,070 | 5,988,985 |
| Total expenditures | <u>1,978,543</u> | <u>1,550,070</u> | <u>6,105,485</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>-</u> | <u>11,300</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>1,978,543</u> | <u>1,561,370</u> | <u>6,105,485</u> |
| ENDING FUND BALANCES | <u>\$ (238,630)</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Promenade at Castle Rock Metropolitan District No. 2 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on June 23, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 1-3. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On November 2, 2021, District voters approved general obligation indebtedness of \$70,000,000 for special assessment debt, \$70,000,000 for street improvements, \$70,000,000 for parks and recreation, \$70,000,000 for water facilities, \$70,000,000 for sanitation and storm drainage system, \$70,000,000 for transportation, \$70,000,000 for fire protection facilities or services, \$70,000,000 for television relay and translation services, \$70,000,000 for security services, \$70,000,000 for mosquito control, \$70,000,000 for traffic and safety, \$70,000,000 for operations and maintenance, \$70,000,000 for intergovernmental contracts, \$70,000,000 for private agreements, \$70,000,000 for mortgages and \$700,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$10,000,000 annually and allows the District to collect fees of up to \$10,000,000 annually for operations and maintenance, to collect fees of up to \$10,000,000 annually for capital costs, \$10,000,000 in taxes for intergovernmental agreements, \$10,000,000 in taxes for regional improvements, and \$10,000,000 in taxes for private agreements. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Intergovernmental Revenue

The District anticipates the collection of taxes in Districts Nos. 1 and 3, which will be transferred to fund administrative and operating and capital infrastructure expenditures.

Common Area Maintenance

The District anticipates the collection of CAM revenue, subsidized with funds transferred from the general fund, to offset additional operations and maintenance expenses in 2024.

Expenditures

General and Administrative

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Operations and Maintenance

The District anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the special revenue fund.

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos.1 & 3 and US Bank National Association. Pursuant to the Pledge Agreement, the District have covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

Capital Outlay

The District anticipates infrastructure improvements during 2024.

Debt and Leases

Developer Advances

The District entered into an Operations Reimbursement Agreement (Operations Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of prime plus 3% on all unpaid amounts. The Operations Agreement does not constitute a multiple-fiscal year obligation.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The District entered into a Facilities Funding and Acquisition Agreement (Facilities Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of prime plus 3% on all unpaid amounts. The Facilities Agreement does not constitute a multiple-fiscal year obligation.

On April 15, 2021 District No. 1 issued a loan which was used to (a) pay off the 2015A and 2015 B bonds, (b) to repay the Developer Advances accrued under the Facilities Funding and Acquisition Agreement and the associated interest in the amount of \$19,844,501, (c) to fund new construction of infrastructure for the Districts.

Schedule of Long Term Obligations

| | Balance at December 31, 2022 | Additions* | Repayments* | Balance at December 31, 2023* |
|--------------------------------|----------------------------------|------------------|-------------------|----------------------------------|
| Developer Advances - Operating | \$ 456,041 | \$ - | \$ 250,000 | \$ 206,041 |
| Accrued interest - Operating | 225,926 | 64,292 | - | 290,218 |
| | <u>681,967</u> | <u>64,292</u> | <u>250,000</u> | <u>496,259</u> |
| | <u>\$ 681,967</u> | <u>\$ 64,292</u> | <u>\$ 250,000</u> | <u>\$ 496,259</u> |
| | Balance at December 31, 2023* | Additions* | Repayments* | Balance at December 31, 2024* |
| Developer Advances - Operating | \$ 206,041 | \$ - | \$ 206,041 | \$ - |
| Accrued interest - Operating | 290,218 | 23,695 | 313,913 | - |
| | <u>496,259</u> | <u>23,695</u> | <u>519,954</u> | <u>-</u> |
| | <u>\$ 496,259</u> | <u>\$ 23,695</u> | <u>\$ 519,954</u> | <u>\$ -</u> |

* Estimate

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve to at least 3% of the fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
 On behalf of the Promenade at Castle Rock Metro District 2
 the Board of Directors
 of the Promenade at Castle Rock Metropolitan District No. 2**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$0** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$0**

Submitted: *Rob Lange* for budget/fiscal year 2024

| PURPOSE | LEVY | REVENUE |
|---|--------------------|----------------|
| 1. General Operating Expenses | 0.000 mills | \$0 |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction | -0.000 mills | -\$0 |
| SUBTOTAL FOR GENERAL OPERATING: | 0.000 mills | \$0 |
| 3. General Obligation Bonds and Interest | 0.000 mills | \$0 |
| 4. Contractual Obligations | 0.000 mills | \$0 |
| 5. Capital Expenditures | 0.000 mills | \$0 |
| 6. Refunds/Abatements | 0.000 mills | \$0 |
| 7. Other | 0.000 mills | \$0 |
| 8. Judgment | 0.000 mills | \$0 |
| TOTAL: | 0.000 mills | \$0 |

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, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

No Bonds Available

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Wed, 10 Jan 2024

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3, Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 6, 2023. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 
Denise Denslow, District Manager

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 3 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting via teleconference on November 6, 2023, at the hour of 2:30 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 2024 BUDGET

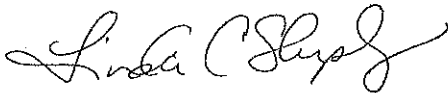
Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/26/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



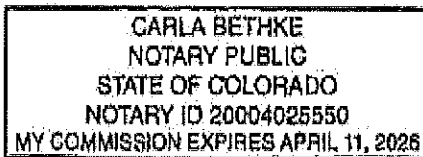
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/26/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-638580

Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARINGS ON THE PROPOSED 2024 BUDGETS AND NOTICE OF PUBLIC HEARINGS ON THE AMENDED 2023 BUDGETS

The Boards of Directors (collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 and 3 (collectively the "Districts"), will hold a public hearing via teleconference on Monday, November 6, 2023 at 2:30 P.M., to consider adoption of the District's 2024 proposed budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/86738769760?pwd=aGpmQXRTYshM4bDa7YPbq13e1wc6w.1>
Meeting ID: 857 3876 9760 Passcode: 711676
Phone number: 1-720-707-2699

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. The agenda for any meeting may be obtained at www.promenademetro.com/ or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 & 3,
quasi-municipal corporations and political
subdivisions of the State of Colorado

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

Legal Notice No. 946105
First Publication: October 26, 2023
Last Publication: October 26, 2023
Publisher: Douglas County News-Press

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 2024. 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 2024 budget year, there is hereby levied a tax of 10.480 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 2024 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 2024 budget year, there is hereby levied a tax of 41.921 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 2024 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 Douglas 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 31st of the ensuing year.

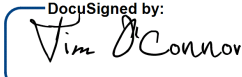
Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 6, 2023.

DISTRICT:

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 

AB184E4D1BA54D8
Officer of the District

Attest:

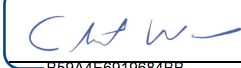
By: 

BEC692E7A8E4B6

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON

Attorneys at Law



B59A4E9919684BB...
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK 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 November 6, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of November 2023.



BEC692E7A8E4B6
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|------------------|-------------------|------------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 3,265,025 | 3,224,822 | 3,610,526 |
| Specific ownership taxes | 297,367 | 303,022 | 324,947 |
| Interest income | 2,022 | 40,000 | 75,000 |
| Other revenue | - | - | 11,027 |
| Total revenues | <u>3,564,414</u> | <u>3,567,844</u> | <u>4,021,500</u> |
| Total funds available | <u>3,564,414</u> | <u>3,567,844</u> | <u>4,021,500</u> |
| EXPENDITURES | | | |
| General Fund | 712,883 | 715,569 | 806,500 |
| Debt Service Fund | 2,851,531 | 2,852,275 | 3,215,000 |
| Total expenditures | <u>3,564,414</u> | <u>3,567,844</u> | <u>4,021,500</u> |
| Total expenditures and transfers out requiring appropriation | <u>3,564,414</u> | <u>3,567,844</u> | <u>4,021,500</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| ACTUAL | ESTIMATED | BUDGET |
|--------|-----------|--------|
| 2022 | 2023 | 2024 |

ASSESSED VALUATION

| | | | |
|--------------------------|---------------|---------------|---------------|
| Residential | \$ - | \$ - | \$ 1,099,450 |
| Commercial | 53,802,880 | 53,178,240 | 56,208,690 |
| Natural resources | 10 | 10 | 10 |
| State assessed | 54,400 | 45,800 | - |
| Vacant land | 6,497,080 | 6,224,470 | 4,297,650 |
| Personal property | 6,900,120 | 6,358,240 | 7,296,060 |
| | 67,254,490 | 65,806,760 | 68,901,860 |
| Certified Assessed Value | \$ 67,254,490 | \$ 65,806,760 | \$ 68,901,860 |

MILL LEVY

| | | | |
|-----------------|--------|--------|--------|
| General | 10.000 | 10.000 | 10.480 |
| Debt Service | 40.000 | 40.000 | 41.921 |
| Total mill levy | 50.000 | 50.000 | 52.401 |

PROPERTY TAXES

| | | | |
|-------------------------|--------------|--------------|--------------|
| General | \$ 672,545 | \$ 658,068 | \$ 722,091 |
| Debt Service | 2,690,180 | 2,632,270 | 2,888,435 |
| Levied property taxes | 3,362,725 | 3,290,338 | 3,610,526 |
| Refunds and abatements | (97,700) | (65,516) | - |
| Budgeted property taxes | \$ 3,265,025 | \$ 3,224,822 | \$ 3,610,526 |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|--------------|--------------|--------------|
| General | \$ 653,005 | \$ 644,964 | \$ 722,091 |
| Debt Service | 2,612,020 | 2,579,858 | 2,888,435 |
| | \$ 3,265,025 | \$ 3,224,822 | \$ 3,610,526 |

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 653,005 | 644,964 | 722,091 |
| Specific ownership taxes | 59,473 | 60,605 | 64,988 |
| Interest income | 405 | 10,000 | 15,000 |
| Other revenue | - | - | 4,421 |
| Total revenues | <u>712,883</u> | <u>715,569</u> | <u>806,500</u> |
| Total funds available | <u>712,883</u> | <u>715,569</u> | <u>806,500</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 9,801 | 9,674 | 10,831 |
| Contingency | - | - | 4,421 |
| Intergovernmental expenditures | 703,082 | 705,895 | 791,248 |
| Total expenditures | <u>712,883</u> | <u>715,569</u> | <u>806,500</u> |
| Total expenditures and transfers out requiring appropriation | <u>712,883</u> | <u>715,569</u> | <u>806,500</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/2/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|------------------|-------------------|------------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 2,612,020 | 2,579,858 | 2,888,435 |
| Specific ownership taxes | 237,894 | 242,417 | 259,959 |
| Interest income | 1,617 | 30,000 | 60,000 |
| Other revenue | - | - | 6,606 |
| Total revenues | <u>2,851,531</u> | <u>2,852,275</u> | <u>3,215,000</u> |
| Total funds available | <u>2,851,531</u> | <u>2,852,275</u> | <u>3,215,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 39,202 | 38,698 | 43,327 |
| Intergovernmental expenditures | 2,812,329 | 2,813,577 | 3,165,067 |
| Contingency | - | - | 6,606 |
| Total expenditures | <u>2,851,531</u> | <u>2,852,275</u> | <u>3,215,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>2,851,531</u> | <u>2,852,275</u> | <u>3,215,000</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Promenade at Castle Rock Metropolitan District No. 3 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on June 23, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 1-2. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On November 2, 2021, District voters approved general obligation indebtedness of \$70,000,000 for special assessment debt, \$70,000,000 for street improvements, \$70,000,000 for parks and recreation, \$70,000,000 for water facilities, \$70,000,000 for sanitation and storm drainage system, \$70,000,000 for transportation, \$70,000,000 for fire protection facilities or services, \$70,000,000 for television relay and translation services, \$70,000,000 for security services, \$70,000,000 for mosquito control, \$70,000,000 for traffic and safety, \$70,000,000 for operations and maintenance, \$70,000,000 for intergovernmental contracts, \$70,000,000 for private agreements, \$70,000,000 for mortgages and \$700,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$10,000,000 annually and allows the District to collect fees of up to \$10,000,000 annually for operations and maintenance, to collect fees of up to \$10,000,000 annually for capital costs, \$10,000,000 in taxes for intergovernmental agreements, \$10,000,000 in taxes for regional improvements, and \$10,000,000 in taxes for private agreements. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a 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].

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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% | | |

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 9% of the property taxes collected.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Interest Income

Interest earned on the District's available funds has been estimated based on average interest rate of 4.0%.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos. 1 & 2 and US Bank National Association. Pursuant to the Pledge Agreement, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

Intergovernmental Transfers

The District's debt service mill levy of 41.921 mills, net of collection fees, is transferred to District No. 1 to help fund debt service expenses.

The District's general fund mill levy of 10.480 mills, net of collection fees, is transferred to District No. 2 to help fund administrative expenses.

Debt and Leases

The District has no outstanding debt, nor any 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 funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2024 Budget.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the Promenade at Castle Rock Metro District 3
the Board of Directors
of the Promenade at Castle Rock Metropolitan District No. 3**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$68,901,860** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: **\$68,901,860**

Submitted: *Rob Lange* for budget/fiscal year 2024

| PURPOSE | LEVY | REVENUE |
|---|---------------------|--------------------|
| 1. General Operating Expenses | 10.480 mills | \$722,091 |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction | -0.000 mills | -\$0 |
| SUBTOTAL FOR GENERAL OPERATING: | 10.480 mills | \$722,091 |
| 3. General Obligation Bonds and Interest | 0.000 mills | \$0 |
| 4. Contractual Obligations | 41.921 mills | \$2,888,435 |
| 5. Capital Expenditures | 0.000 mills | \$0 |
| 6. Refunds/Abatements | 0.000 mills | \$0 |
| 7. Other | 0.000 mills | \$0 |
| 8. Judgment | 0.000 mills | \$0 |
| TOTAL: | 52.401 mills | \$3,610,526 |

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, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

No Bonds Available

CONTRACTS

1. Purpose of Contract: Repay Promenade at Castle Rock Metro District No. 1 Series 2021 Limited Tax General Obligation and S

| | |
|-------------------|--------------------------|
| Title: | Capital Pledge Agreement |
| Date of Issue: | 2021-04-15 |
| Principal Amount: | \$0 |
| Maturity Date: | 2050-12-01 |
| Levy: | 41.921 |
| Revenue: | \$2,888,435 |

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Wed, 10 Jan 2024

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2023

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

Attached are the 2023 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2022. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: 
Denise Denslow, District Manager

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

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 2 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 7, 2022, at the hour of 2:15 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.

[Remainder of Page Intentionally Left Blank]

NOTICE AS TO PROPOSED 2023 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

NOTICE OF PUBLIC HEARINGS
ON THE AMENDED 2022 BUDGETS
AND NOTICE OF PUBLIC HEARINGS
ON THE PROPOSED 2023 BUDGETS

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

NOTICE IS HEREBY GIVEN that the Boards of Directors (each a "Board", collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 AND 3 (each a "District", collectively the "Districts"), will hold a joint meeting via teleconference on Monday, November 7, 2022, at 2:15 P.M., for the purpose of conducting such business as may come before the Boards, including a public hearing on the 2022 amended budgets (the "Amended Budgets") and 2023 proposed budgets (the "Proposed Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/88586191682?pwd=QnF3SDIvYjZc3BWNDNRVXpJmVudz09>
Meeting ID: 885 8619 1682, Passcode: 523854, Phone number: 1-720-707-2699.

**AFFIDAVIT OF
PUBLICATION**

State of Colorado }
County of Douglas } ss

NOTICE IS FURTHER GIVEN that Amended Budgets and Proposed Budgets have been submitted to the Districts. Copies of the Amended Budgets and the Proposed Budgets are on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where the same are open for public inspection.

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/3/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

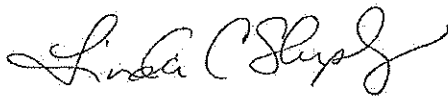
Any interested elector of the Districts may file any objections to the Amended Budgets and Proposed Budgets at any time prior to final adoption of the Amended Budgets and Proposed Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303)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

BY ORDER OF THE
BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 AND 3

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

Legal Notice No. 944114
First Publication: November 3, 2022
Last Publication: November 3, 2022
Publisher: Douglas County News-Press



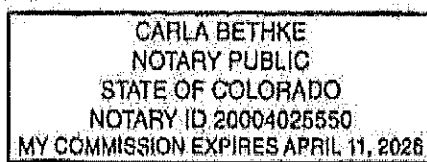
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/3/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-670626

Carla Bethke
Notary Public
My commission ends April 11, 2026



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

0.000 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 2022 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 Douglas 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.

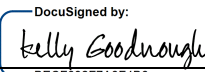
ADOPTED THIS 7TH DAY OF NOVEMBER, 2022.

**PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 2**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: 

AB184E4D1BA54DB...
Officer of the District

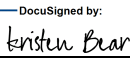
Attest:

By: 

BECF692F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law




1D49665F0E7347B...
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2

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 November 7, 2022, 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, 2022.



BECF692F7A8F4B6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|-------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 270,550 | \$ 783,475 | \$ 1,181,643 |
| REVENUES | | | |
| Other revenue | 85 | - | - |
| Intergovernmental revenue - District No. 1 | 20,276,932 | 1,374,394 | 8,410,172 |
| Intergovernmental revenue - District No. 3 | 657,298 | 705,868 | 707,423 |
| Revenue - CAM | 225,895 | 225,516 | 226,516 |
| Total revenues | <u>21,160,210</u> | <u>2,305,778</u> | <u>9,344,111</u> |
| TRANSFERS IN | <u>47,096</u> | <u>13,484</u> | <u>83,484</u> |
| Total funds available | <u>21,477,856</u> | <u>3,102,737</u> | <u>10,609,238</u> |
| EXPENDITURES | | | |
| General and administrative | 164,691 | 368,610 | 463,875 |
| Operations and maintenance | 245,069 | 239,000 | 310,000 |
| Capital projects | 20,237,525 | 1,300,000 | 8,334,898 |
| Total expenditures | <u>20,647,285</u> | <u>1,907,610</u> | <u>9,108,773</u> |
| TRANSFERS OUT | <u>47,096</u> | <u>13,484</u> | <u>83,484</u> |
| Total expenditures and transfers out requiring appropriation | <u>20,694,381</u> | <u>1,921,094</u> | <u>9,192,257</u> |
| ENDING FUND BALANCES | <u>\$ 783,475</u> | <u>\$ 1,181,643</u> | <u>\$ 1,416,981</u> |
| EMERGENCY RESERVE | <u>\$ 21,800</u> | <u>\$ 23,500</u> | <u>\$ 23,500</u> |
| TOTAL RESERVE | <u>\$ 21,800</u> | <u>\$ 23,500</u> | <u>\$ 23,500</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

| | |
|---|--------------------------|
| ASSESSED VALUATION Certified Assessed Value | \$ - \$ - \$ - |
|---|--------------------------|

| | |
|--|--------------------------|
| MILL LEVY PROPERTY TAXES Budgeted property taxes | \$ - \$ - \$ - |
|--|--------------------------|

| | |
|--------------------------------|--------------------------|
| BUDGETED PROPERTY TAXES | \$ - \$ - \$ - |
|--------------------------------|--------------------------|

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|-------------------|---------------------|---------------------|
| BEGINNING FUND BALANCE | \$ 270,550 | \$ 783,475 | \$ 1,181,643 |
| REVENUES | | | |
| Other revenue | 85 | - | - |
| Intergovernmental revenue - District No. 1 | 67,329 | 74,394 | 75,274 |
| Intergovernmental revenue - District No. 3 | 657,298 | 705,868 | 707,423 |
| Total revenues | <u>724,712</u> | <u>780,262</u> | <u>782,697</u> |
| Total funds available | <u>995,262</u> | <u>1,563,737</u> | <u>1,964,340</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 57,203 | 66,000 | 76,000 |
| Auditing | 12,600 | 14,850 | 15,250 |
| Dues and licenses | 2,390 | 3,400 | 3,500 |
| Insurance and bonds | 13,195 | 12,880 | 15,000 |
| District management | 18,240 | 27,500 | 31,625 |
| Legal services | 60,545 | 35,000 | 50,000 |
| Miscellaneous | 518 | 350 | 20,000 |
| Engineering | - | 3,925 | - |
| Repay developer advances | - | 200,000 | 250,000 |
| Operations and maintenance | | | |
| Election expense | - | 2,205 | 2,500 |
| GF - Capital expenditures | - | 2,500 | - |
| Total expenditures | <u>164,691</u> | <u>368,610</u> | <u>463,875</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>47,096</u> | <u>13,484</u> | <u>83,484</u> |
| Total expenditures and transfers out requiring appropriation | <u>211,787</u> | <u>382,094</u> | <u>547,359</u> |
| ENDING FUND BALANCE | <u>\$ 783,475</u> | <u>\$ 1,181,643</u> | <u>\$ 1,416,981</u> |
| EMERGENCY RESERVE | <u>\$ 21,800</u> | <u>\$ 23,500</u> | <u>\$ 23,500</u> |
| TOTAL RESERVE | <u>\$ 21,800</u> | <u>\$ 23,500</u> | <u>\$ 23,500</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SPECIAL REVENUE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Revenue - CAM | 225,895 | 225,516 | 226,516 |
| Total revenues | <u>225,895</u> | <u>225,516</u> | <u>226,516</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>19,174</u> | <u>13,484</u> | <u>83,484</u> |
| Total funds available | <u>245,069</u> | <u>239,000</u> | <u>310,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 32,842 | 33,000 | 37,950 |
| Contingency | - | - | 3,500 |
| Miscellaneous | - | - | 5,000 |
| District management | 10,800 | 12,000 | 13,800 |
| Operations and maintenance | | | |
| Detention pond | - | - | 5,000 |
| Electricity | 8,103 | 12,000 | 15,000 |
| Landscaping | 150,957 | 125,000 | 135,000 |
| Portering | 9,045 | 10,000 | 12,750 |
| Repair and maintenance | - | 15,000 | 25,000 |
| Signage maintenance | - | 2,000 | 2,000 |
| Snow removal | 3,433 | 10,000 | 20,000 |
| Water | 29,889 | 20,000 | 35,000 |
| Total expenditures | <u>245,069</u> | <u>239,000</u> | <u>310,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>245,069</u> | <u>239,000</u> | <u>310,000</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|-------------------|-------------------|------------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Intergovernmental revenue - District No. 1 | 20,209,603 | 1,300,000 | 8,334,898 |
| Total revenues | <u>20,209,603</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>27,922</u> | <u>-</u> | <u>-</u> |
| Total funds available | <u>20,237,525</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| EXPENDITURES | | | |
| General and Administrative | | | |
| Accounting | 6,532 | 7,500 | 8,625 |
| Capital Projects | | | |
| Repay developer advance | 19,844,501 | - | - |
| Engineering | 2,172 | 12,372 | - |
| Capital outlay | <u>384,320</u> | <u>1,280,128</u> | <u>8,326,273</u> |
| Total expenditures | <u>20,237,525</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| Total expenditures and transfers out requiring appropriation | <u>20,237,525</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Promenade at Castle Rock Metropolitan District No. 2 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on June 23, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 1-3. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On November 2, 2021, District voters approved general obligation indebtedness of \$70,000,000 for special assessment debt, \$70,000,000 for street improvements, \$70,000,000 for parks and recreation, \$70,000,000 for water facilities, \$70,000,000 for sanitation and storm drainage system, \$70,000,000 for transportation, \$70,000,000 for fire protection facilities or services, \$70,000,000 for television relay and translation services, \$70,000,000 for security services, \$70,000,000 for mosquito control, \$70,000,000 for traffic and safety, \$70,000,000 for operations and maintenance, \$70,000,000 for intergovernmental contracts, \$70,000,000 for private agreements, \$70,000,000 for mortgages and \$700,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$10,000,000 annually and allows the District to collect fees of up to \$10,000,000 annually for operations and maintenance, to collect fees of up to \$10,000,000 annually for capital costs, \$10,000,000 in taxes for intergovernmental agreements, \$10,000,000 in taxes for regional improvements, and \$10,000,000 in taxes for private agreements. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Intergovernmental Revenue

The District anticipates the collection of taxes in Districts Nos. 1 and 3, which will be transferred to fund administrative and operating and capital infrastructure expenditures.

Common Area Maintenance

The District anticipates the collection of CAM revenue, subsidized with funds transferred from the general fund, to offset additional operations and maintenance expenses in 2023.

Expenditures

General and Administrative

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

Operations and Maintenance

The District anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the special revenue fund.

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos.1 & 3 and US Bank National Association. Pursuant to the Pledge Agreement, the District have covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

Capital Outlay

The District anticipates infrastructure improvements during 2023.

Debt and Leases

Developer Advances

The District entered into an Operations Reimbursement Agreement (Operations Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of prime plus 3% on all unpaid amounts. The Operations Agreement does not constitute a multiple-fiscal year obligation.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The District entered into a Facilities Funding and Acquisition Agreement (Facilities Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of prime plus 3% on all unpaid amounts. The Facilities Agreement does not constitute a multiple-fiscal year obligation.

On April 15, 2021 District No. 1 issued a loan which was used to (a) pay off the 2015A and 2015 B bonds, (b) to repay the Developer Advances accrued under the Facilities Funding and Acquisition Agreement and the associated interest in the amount of \$19,844,501, (c) to fund new construction of infrastructure for the Districts.

| | Balance at December 31, 2021 | Additions* | Reductions* | Balance at December 31, 2022* |
|------------------------------------|------------------------------------|------------------|-------------------|-------------------------------------|
| Developer Advances - Operations | \$ 456,041 | \$ - | \$ 200,000 | \$ 256,041 |
| Accrued Interest: | | | | |
| Developer Advances - Operations | 190,035 | 27,521 | - | 217,556 |
| Total | <u>\$ 646,076</u> | <u>\$ 27,521</u> | <u>\$ 200,000</u> | <u>\$ 473,597</u> |

| | Balance at December 31, 2022* | Additions | Reductions | Balance at December 31, 2023* |
|------------------------------------|-------------------------------------|-----------------|-------------------|-------------------------------------|
| Developer Advances - Operations | \$ 256,041 | \$ - | \$ 250,000 | \$ 6,041 |
| Accrued Interest: | | | | |
| Developer Advances - Operations | 217,556 | 6,930 | - | 224,486 |
| Total | <u>\$ 473,597</u> | <u>\$ 6,930</u> | <u>\$ 250,000</u> | <u>\$ 230,527</u> |

* Estimate

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve to at least 3% of the fiscal year spending for 2023, 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 Douglas County, Colorado.

On behalf of the Promenade at Castle Rock Metropolitan District No. 2,
(taxing entity)^A

the Board of Directors
(governing body)^B


of the Promenade at Castle Rock Metropolitan District No. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 0 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: \$ 0 (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: 12/07/2022 for budget/fiscal year 2023.
(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>0.000</u> mills | \$ <u>0.00</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 0.000 mills | \$ 0.00 |
| 3. General Obligation Bonds and Interest ^J | _____ mills | \$ _____ |
| 4. Contractual Obligations ^K | _____ mills | \$ _____ |
| 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] | 0.000 mills | \$ 0.00 |

Contact person: Carrie Bartow Daytime phone: (719) 635-0330
(print)
Signed:  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: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity*'s boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity*'s mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity*'s total mills upon the *taxing entity*'s *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity*'s mill levy applied against the *taxing entity*'s gross assessed value after subtracting the *taxing entity*'s revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2023

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

Attached are the 2023 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2022. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: 
Denise Denslow, District Manager

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

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 1 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 7, 2022, at the hour of 2:15 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

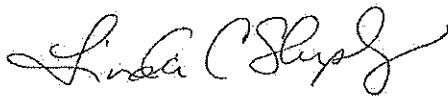
Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Promenade at Castle Rock MD (cla) **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/3/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



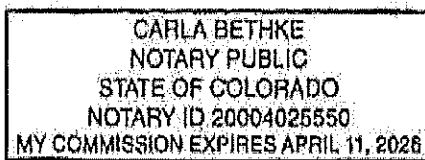
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/3/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-670626

Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARINGS ON THE AMENDED 2022 BUDGETS AND NOTICE OF PUBLIC HEARINGS ON THE PROPOSED 2023 BUDGETS

NOTICE IS HEREBY GIVEN that the Boards of Directors (each a "Board", collectively the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1, 2 AND 3 (each a "District", collectively the "Districts"), will hold a joint meeting via teleconference on Monday, November 7, 2022, at 2:15 P.M., for the purpose of conducting such business as may come before the Boards, including a public hearing on the 2022 amended budgets (the "Amended Budgets") and 2023 proposed budgets (the "Proposed Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/88586191682?pwd=QnF3SDIvYjZc3BWNDNRVXpJmVudz09>
Meeting ID: 885 8619 1682, Passcode: 523854, Phone number: 1-720-707-2699.

NOTICE IS FURTHER GIVEN that Amended Budgets and Proposed Budgets have been submitted to the Districts. Copies of the Amended Budgets and the Proposed Budgets are on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where the same are open for public inspection.

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

BY ORDER OF THE
BOARDS OF DIRECTORS:

PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1, 2 AND 3

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

Legal Notice No. 944114
First Publication: November 3, 2022
Last Publication: November 3, 2022
Publisher: Douglas County News-Press

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 11.673 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 46.692 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

0.000 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 2022 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 Douglas 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.

ADOPTED THIS 7TH DAY OF NOVEMBER, 2022.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 

AB184E4D1BA54D8...
Officer of the District

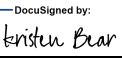
Attest:

By: 

BECF692F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law




1D48685F0E7344B...
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1

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 November 7, 2022, 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, 2022.



BECF692F7A8F4B6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------------|----------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 6,625,867 | \$ 13,319,785 | \$ 12,546,029 |
| REVENUES | | | |
| Property taxes | 311,314 | 348,348 | 347,189 |
| Specific ownership tax | 30,022 | 27,868 | 31,247 |
| Interest income | 1,378 | 1,700 | 3,000 |
| Other revenue | - | - | 1,813 |
| Credit - PIF | 1,373,829 | 1,208,340 | 1,207,816 |
| Add-On - PIF | 492,866 | 525,828 | 549,007 |
| Intergovernmental revenue - District No. 3 | 2,629,195 | 2,822,969 | 2,829,690 |
| Bond proceeds | 64,236,780 | - | - |
| Total revenues | <u>69,075,384</u> | <u>4,935,053</u> | <u>4,969,762</u> |
| TRANSFERS IN | <u>10,000,000</u> | - | - |
| Total funds available | <u>85,701,251</u> | <u>18,254,838</u> | <u>17,515,791</u> |
| EXPENDITURES | | | |
| General and administrative | 68,263 | 75,439 | 78,000 |
| Debt service | 61,948,101 | 4,333,370 | 3,673,842 |
| Capital projects | 365,102 | 1,300,000 | 8,334,898 |
| Total expenditures | <u>62,381,466</u> | <u>5,708,809</u> | <u>12,086,740</u> |
| TRANSFERS OUT | <u>10,000,000</u> | - | - |
| Total expenditures and transfers out requiring appropriation | <u>72,381,466</u> | <u>5,708,809</u> | <u>12,086,740</u> |
| ENDING FUND BALANCES | <u>\$ 13,319,785</u> | <u>\$ 12,546,029</u> | <u>\$ 5,429,051</u> |
| DEBT SERVICE RESERVE | 3,097,888 | 1,475,000 | 1,475,000 |
| AVAILABLE FOR FUTURE DEBT SERVICE | 586,999 | 2,736,131 | 3,954,051 |
| TOTAL RESERVE | <u>\$ 3,684,887</u> | <u>\$ 4,211,131</u> | <u>\$ 5,429,051</u> |

No assurance provided. See summary of significant assumptions.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|--------------------------------|--------------------------|--------------------------|--------------------------|
| ASSESSED VALUATION | | | |
| Residential - Multi-Family | \$ 5,465,460 | \$ 6,134,700 | \$ 5,834,400 |
| Personal property | 127,380 | 123,450 | 114,180 |
| Certified Assessed Value | <u>\$ 5,592,840</u> | <u>\$ 6,258,150</u> | <u>\$ 5,948,580</u> |
| | | | |
| MILL LEVY | | | |
| General | 11.132 | 11.132 | 11.673 |
| Debt Service | 44.531 | 44.531 | 46.692 |
| Total mill levy | <u>55.663</u> | <u>55.663</u> | <u>58.365</u> |
| | | | |
| PROPERTY TAXES | | | |
| General | \$ 62,259 | \$ 69,666 | \$ 69,438 |
| Debt Service | 249,055 | 278,682 | 277,751 |
| Levied property taxes | <u>311,314</u> | <u>348,348</u> | <u>347,189</u> |
| Adjustments to actual/rounding | - | - | - |
| Budgeted property taxes | <u>\$ 311,314</u> | <u>\$ 348,348</u> | <u>\$ 347,189</u> |
| | | | |
| BUDGETED PROPERTY TAXES | | | |
| General | \$ 62,259 | \$ 69,666 | \$ 69,438 |
| Debt Service | 249,055 | 278,682 | 277,751 |
| | <u>\$ 311,314</u> | <u>\$ 348,348</u> | <u>\$ 347,189</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 62,259 | 69,666 | 69,438 |
| Specific ownership tax | 6,004 | 5,573 | 6,249 |
| Interest income | - | 200 | 500 |
| Other revenue | - | - | 1,813 |
| Total revenues | <u>68,263</u> | <u>75,439</u> | <u>78,000</u> |
| Total funds available | <u>68,263</u> | <u>75,439</u> | <u>78,000</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 934 | 1,045 | 1,042 |
| Contingency | - | - | 1,684 |
| Intergovernmental expenditure - District No. 2 | 67,329 | 74,394 | 75,274 |
| Total expenditures | <u>68,263</u> | <u>75,439</u> | <u>78,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>68,263</u> | <u>75,439</u> | <u>78,000</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ 6,625,867 | \$ 3,684,887 | \$ 4,211,131 |
| REVENUES | | | |
| Property taxes | 249,055 | 278,682 | 277,751 |
| Specific ownership tax | 24,018 | 22,295 | 24,998 |
| Interest income | 1,378 | 1,500 | 2,500 |
| Credit - PIF | 1,373,829 | 1,208,340 | 1,207,816 |
| Add-On - PIF | 492,866 | 525,828 | 549,007 |
| Intergovernmental revenue - District No. 3 | 2,629,195 | 2,822,969 | 2,829,690 |
| Bond proceeds | 64,236,780 | - | - |
| Total revenues | 69,007,121 | 4,859,614 | 4,891,762 |
| Total funds available | 75,632,988 | 8,544,501 | 9,102,893 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 3,736 | 4,180 | 4,166 |
| PIF Collection fee | 25,000 | 25,000 | 25,000 |
| Intergovernmental expenditure - District No. 2 | 19,844,501 | - | - |
| Debt Service | | | |
| Paying agent fees | - | 5,000 | 5,000 |
| Bond interest - Series 2015A | 1,803,294 | - | - |
| Bond interest - Series 2015B | 288,692 | - | - |
| Bond interest - Series 2021A | 1,423,084 | 2,214,190 | 2,149,676 |
| Bond principal - Series 2015A | 33,145,000 | - | - |
| Bond principal - Series 2015B | 2,825,000 | - | - |
| Bond principal - Series 2021A | 750,000 | 2,085,000 | 1,490,000 |
| Bond issue costs | 1,839,794 | - | - |
| Total expenditures | 61,948,101 | 4,333,370 | 3,673,842 |
| TRANSFERS OUT | | | |
| Transfers to other fund | 10,000,000 | - | - |
| Total expenditures and transfers out requiring appropriation | 71,948,101 | 4,333,370 | 3,673,842 |
| ENDING FUND BALANCE | \$ 3,684,887 | \$ 4,211,131 | \$ 5,429,051 |
| DEBT SERVICE RESERVE | \$ 3,097,888 | \$ 1,475,000 | \$ 1,475,000 |
| AVAILABLE FOR FUTURE DEBT SERVICE | 586,999 | 2,736,131 | 3,954,051 |
| TOTAL RESERVE | \$ 3,684,887 | \$ 4,211,131 | \$ 5,429,051 |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
 CAPITAL PROJECTS FUND
 2023 BUDGET
 WITH 2021 ACTUAL AND 2022 ESTIMATED
 For the Years Ended and Ending December 31,**

12/27/22

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|---------------------|---------------------|------------------|
| BEGINNING FUND BALANCE | \$ - | \$ 9,634,898 | \$ 8,334,898 |
| REVENUES | | | |
| Interest income | - | - | - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>10,000,000</u> | <u>-</u> | <u>-</u> |
| Total funds available | <u>10,000,000</u> | <u>9,634,898</u> | <u>8,334,898</u> |
| EXPENDITURES | | | |
| Capital Projects | | | |
| Intergovernmental expenditure - District No. 2 | 365,102 | 1,300,000 | 8,334,898 |
| Total expenditures | <u>365,102</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| Total expenditures and transfers out requiring appropriation | <u>365,102</u> | <u>1,300,000</u> | <u>8,334,898</u> |
| ENDING FUND BALANCE | <u>\$ 9,634,898</u> | <u>\$ 8,334,898</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Promenade at Castle Rock Metropolitan District No. 1 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the Town of Castle Rock, Douglas County, Colorado on May 28, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services, mosquito control and operations and maintenance. When appropriate, these improvements will be dedicated to the Town of Castle Rock, Douglas County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District, organized in conjunction with two other related Districts – Promenade at Castle Rock Metropolitan District Nos. 2-3. The District's service area is located within the Town of Castle Rock, Douglas County, Colorado.

On May 6, 2014, District voters approved general obligation indebtedness of \$40,000,000 for street improvements, \$40,000,000 for parks and recreation, \$40,000,000 for water facilities, \$40,000,000 for sanitation and storm drainage system, \$40,000,000 for transportation, \$40,000,000 for fire protection facilities or services, \$40,000,000 for television relay and translation services, \$40,000,000 for security services, \$20,000,000 for mosquito control, \$40,000,000 for traffic and safety, \$40,000,000 for operations and maintenance, \$200,000,000 for intergovernmental contracts, \$40,000,000 for private agreements, \$40,000,000 for mortgages, \$40,000,000 for special assessments, and \$200,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$5,000,000 annually and allows the District to collect fees of up to \$5,000,000 annually for operations and maintenance, \$40,000,000 in taxes for intergovernmental agreements, \$40,000,000 for private agreements and \$40,000,000 in sales taxes not to exceed 3%. The election also allows the District to retain all revenues without regard to the limitation contained in Article X, Section 20 of the Colorado constitution or any other law.

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 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.

The District has no employees and all administrative functions are contractual

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the district.

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%.

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 9% of the property taxes collected.

Credit Public Improvement Fees

The Credit PIF is a public improvement fee in the amount of 0.55% of taxable retail sales within the Districts which will be imposed in lieu of, or as a credit against, a corresponding amount of the Town Sales Tax. Credit PIF revenue is pledged to the payment of the Series 2021 Loan.

Add-On Public Improvement Fees

The Add-On PIF is a public improvement fee in the amount of .25% of taxable retail sales within the Districts. Unlike the Credit PIF, the Add-On PIF does not constitute a fee imposed in lieu of, or as a credit against, any part of the Town Sales Tax. Instead, the Add-On PIF constitutes an additional fee imposed upon PIF Sales. The Add-On PIF is pledged solely to the Series 2021 Loan..

Intergovernmental Revenue – District No. 3

District No. 3, the Financing District, levied 40.000 mills for debt service. It is anticipated that District No. 3 will transfer property taxes generated from the 40.000 mills, net of collection costs, into District No. 1 to pay for debt service expenditures.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Net Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.01%.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers - District No. 2

Property taxes generated from the 11.673 mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to District No. 2, the Operating District, which pays all administrative expenditures of the District.

Debt Service

Interest payments in 2023 are provided based on the attached debt amortization schedule for the Series 2021 Loan (discussed under Debt and Leases).

Capital Pledge Agreement

The District has entered into a Capital Pledge Agreement (the "Pledge Agreement") with Promenade at Castle Rock Metropolitan District Nos. 2 & 3 and US Bank National Association. Pursuant to the Pledge Agreement, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District as may be needed to pay the 2021 Loan and any other additional obligations.

Debt and Leases

Series 2021 Special Revenue Refunding and Improvement Loan

The District issued a Loan on April 15, 2021 in the amount of \$64,236,780, the General Obligation Loan Series 2021 (the Loan). The proceeds of the Loan were used for the purposes of (i) paying off the Series 2015A and Series 2015B Bonds. (ii) reimbursing the Developer for previously advanced funds for public improvements, (iii) funding the Reserve Fund, (iv) paying for the costs of public improvements, and (v) paying costs of issuance of the Loan.

The Loan bears interest at the rate of 3.501% payable semi-annually on June 1 and December 1, beginning on December 1, 2021. Annual principal payments on the Loan are due on December 1, beginning on December 1, 2021. The Loan matures on December 1, 2050.

In the event that the District has excess funds available at the Principal Payment Date the District shall apply such excess to the prepayment of the principal of the Loan on such Principal Payment Date.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

The District's outstanding long-term debt as of December 31, 2021 and projections for 2022 are summarized below:

| | Balance at December 31, 2021 | Additions* | Reductions* | Balance at December 31, 2022* |
|--|-------------------------------------|-------------|---------------------|-------------------------------------|
| Limited Tax General Obligation | | | | - |
| Refunding & Improvement Loan Series 2021 | \$ 63,486,780 | \$ - | \$ 2,085,000 | \$ 61,401,780 |
| Total | <u>\$ 63,486,780</u> | <u>\$ -</u> | <u>\$ 2,085,000</u> | <u>\$ 61,401,780</u> |
| | Balance at December 31, 2022* | Additions* | Reductions* | Balance at December 31, 2023* |
| Limited Tax General Obligation | | | | |
| Refunding & Improvement Loan Series 2021 | \$ 61,401,780 | \$ - | \$ 1,490,000 | \$ 59,911,780 |
| Total | <u>\$ 61,401,780</u> | <u>\$ -</u> | <u>\$ 1,490,000</u> | <u>\$ 59,911,780</u> |

*Estimate

The District has no operating or capital leases.

Reserve Funds

Debt Service Reserve

The District maintains a \$1,475,000 Debt Service Reserve as required with the issuance of the Series 2021 Loan.

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2022 Budget. The Emergency Reserve for these revenues is reflected in District No. 2.

This information is an integral part of the accompanying budget.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2023 BUDGET**

**\$64,236,780 Limited Tax General Obligation and Special Revenue
Refunding and Improvement Loan - Series 2021
Dated April 15, 2021
Principal Due Annually December 1
Interest at 3.501%, Due June and December 1**

| Year | Principal | Interest | Total |
|--------------|----------------------|----------------------|----------------------|
| 2023 | \$ 1,490,000 | \$ 2,149,676 | \$ 3,639,676 |
| 2024 | 1,545,000 | 2,097,511 | 3,642,511 |
| 2025 | 1,600,000 | 2,043,421 | 3,643,421 |
| 2026 | 1,660,000 | 1,987,405 | 3,647,405 |
| 2027 | 1,720,000 | 1,929,288 | 3,649,288 |
| 2028 | 1,780,000 | 1,869,071 | 3,649,071 |
| 2029 | 1,845,000 | 1,806,753 | 3,651,753 |
| 2030 | 1,910,000 | 1,742,160 | 3,652,160 |
| 2031 | 1,975,000 | 1,675,291 | 3,650,291 |
| 2032 | 2,050,000 | 1,606,146 | 3,656,146 |
| 2033 | 2,120,000 | 1,534,376 | 3,654,376 |
| 2034 | 2,200,000 | 1,460,154 | 3,660,154 |
| 2035 | 2,275,000 | 1,383,132 | 3,658,132 |
| 2036 | 2,360,000 | 1,303,485 | 3,663,485 |
| 2037 | 2,440,000 | 1,220,861 | 3,660,861 |
| 2038 | 2,530,000 | 1,135,437 | 3,665,437 |
| 2039 | 2,620,000 | 1,046,861 | 3,666,861 |
| 2040 | 2,215,000 | 955,135 | 3,170,135 |
| 2041 | 2,295,000 | 877,588 | 3,172,588 |
| 2042 | 2,375,000 | 797,240 | 3,172,240 |
| 2043 | 2,460,000 | 714,091 | 3,174,091 |
| 2044 | 2,550,000 | 627,967 | 3,177,967 |
| 2045 | 2,640,000 | 538,691 | 3,178,691 |
| 2046 | 2,935,000 | 446,265 | 3,381,265 |
| 2047 | 3,040,000 | 343,510 | 3,383,510 |
| 2048 | 3,150,000 | 237,080 | 3,387,080 |
| 2049 | 3,260,000 | 126,799 | 3,386,799 |
| 2050 | 361,780 | 12,666 | 374,446 |
| Total | \$ 61,401,780 | \$ 33,668,061 | \$ 95,069,841 |

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Promenade at Castle Rock Metropolitan District No. 1,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Promenade at Castle Rock Metropolitan District No. 1
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 5,948,580 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: \$ 5,948,580 (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: 12/07/2022 for budget/fiscal year 2023.
(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>11.673</u> mills | \$ <u>69,438</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | <u>11.673</u> mills | <u>\$ 69,438</u> |
| 3. General Obligation Bonds and Interest ^J | <u>46.692</u> mills | \$ <u>277,751</u> |
| 4. Contractual Obligations ^K | _____ mills | \$ _____ |
| 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] | <u>58.365</u> mills | <u>\$ 347,189</u> |

Contact person: Carrie Bartow Daytime phone: (719)-635-0330
Signed: *Carrie Bartow* Title: Accountant for the District

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: | <u>Public Improvements</u> |
| | Series: | <u>Limited Tax General Obligation and Special Revenue Refunding & Improvement Loan</u> |
| | Date of Issue: | <u>April 15, 2021</u> |
| | Coupon Rate: | <u>1.63%</u> |
| | Maturity Date: | <u>December 1, 2050</u> |
| | Levy: | <u>46.692</u> |
| | Revenue: | <u>\$277,751</u> |

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

CONTRACTS^K:

| | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

| | | |
|----|----------------------|-------|
| 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.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity*'s boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity*'s mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity*'s total mills upon the *taxing entity*'s *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity*'s mill levy applied against the *taxing entity*'s gross assessed value after subtracting the *taxing entity*'s revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.