

**NORTH PINE VISTAS METROPOLITAN DISTRICT NOS. 1-3
ANNUAL REPORT FOR REPORT YEAR 2020
CITY OF CASTLE PINES**

This annual report is submitted to the City in accordance with Section VII of the Service Plan for the North Pine Vistas Metropolitan District Nos. 1-3 (the “Districts”), and is filed on behalf of the Districts by Spencer Fane LLP, general counsel to the Districts.

1. Boundary changes made or proposed to the Districts' boundaries as of December 31, 2020.

During report year 2020, the Districts did not make any changes to their boundaries.

2. Intergovernmental Agreements, either entered into or proposed, as of December 31, 2020.

During report year 2020, the Districts did not enter into any intergovernmental agreements.

3. Copies of the rules and regulations of the Districts (if any) as of December 31, 2020.

During report year 2020, the Districts did not change their policies, rules, or regulations.

4. A summary of any litigation which involves the public improvements or services of the Districts as of December 31, 2020.

During report year 2020, the Districts were not involved in litigation.

5. Status of Districts' construction and installation of the improvements contemplated in the Service Plan as of December 31, 2020.

In 2020, the Districts constructed water, streets, traffic, stormwater, and sanitary sewer improvements.

6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City of Castle Pines, Castle Pines North Metropolitan District, or other governmental entities as of December 31, 2020.

During the report year of 2020, the Districts did not dedicate any facilities or improvements to the City of Castle Pines, Castle Pines North Metropolitan District, or other governmental entities.

7. The assessed value of each of the Districts for 2020.

The assessed valuations as certified by the Douglas County Assessor in 2020 are as follows:

North Pine Vistas Metropolitan District No. 1	\$1,180
North Pine Vistas Metropolitan District No. 2	\$3,047,720
North Pine Vistas Metropolitan District No. 3	\$10,387,960

8. 2021 budget including a description of the public improvements to be constructed in 2021.

The Districts' 2021 Budgets and related Resolutions are attached as **Exhibit A**. The Districts will finish constructing the public infrastructure in 2021.

9. Audit of the Districts' financial statements for the year ending December 31, 2020, prepared in accordance with generally accepted accounting principles, or audit exemption, if applicable.

The Districts are currently awaiting copies of the Districts' audited financial statements for the year ending December 31, 2020.

10. A list of all public improvements for which the Districts (or any District) has primary operation and maintenance responsibility during 2020.

The Districts operate and maintain the public improvements not otherwise dedicated to other governmental entities or an owners association, including maintaining landscaping and performing snow removal services.

The foregoing Annual Report and accompanying exhibits are submitted this 30 day of July, 2021.

/s/ Russell W. Dykstra

Russell W. Dykstra, Counsel for the District

EXHIBIT A

Districts' 2021 Budgets

LETTER OF BUDGET TRANSMITTAL

Date: January 3, 2021

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

Attached are the 2021 budget and budget message for NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 1 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 8, 2020. If there are any questions on the budget, please contact:

Simmons and Wheeler, P.C.
Attn: Diane Wheeler
304 Inverness Way South, Suite 490
Englewood, CO 80112
Tel.: 303-689-0833

I, Thomas Clark, as President of the North Pine Vistas Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2021 budget.

By: Thomas M. Clark

RESOLUTION
TO ADOPT 2021 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 1

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 1, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

WHEREAS, the Board of Directors of the North Pine Vistas Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 8, 2020 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatelements is \$0; and

WHEREAS, the 2020 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$1,180; and

WHEREAS, at an election held on November 1, 2011 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 1 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the North Pine Vistas Metropolitan District No. 1 for calendar year 2021.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2021 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2021 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 for the year 2020.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2021 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2021 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2021 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2020.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2020.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2020, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2020 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 8th day of December, 2020.

NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 1

Thomas M. Clark

President

ATTEST:



Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 1
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for the North Pine Vistas Metropolitan District No. 1.

The North Pine Vistas Metropolitan District No. 1 has adopted two separate funds, a General Fund to provide for general operating expenditures; and a Capital Project Fund to provide for the estimated infrastructure costs to be built for the benefit of the district and the repayment of developer advances.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2021 will be developer advances, homeowner fees and transfers from the North Pine Vistas Metropolitan District No. 2 and 3. The District does not intend to impose a mill levy on property within the District for 2021.

North Pine Vistas Metropolitan District No. 1
Adopted Budget
General Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>06/30/20</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 24,165	\$ 40,166	\$ -	\$ -	\$ -
Revenues:					
Homeowner fees	-	-	-	-	168,500
Fees from homebuilders	35,567	33,000	32,269	307,102	-
Transfer from District No. 2	2,023	32,506	31,222	34,847	73,632
Transfer from District No. 3	91,852	128,495	93,683	116,495	224,929
Miscellaneous income	3,817	4,000	580	1,200	4,000
Interest income	-	-	-	-	1,000
Total revenues	<u>133,259</u>	<u>198,001</u>	<u>157,754</u>	<u>459,644</u>	<u>472,061</u>
Total funds available	<u>157,424</u>	<u>238,167</u>	<u>157,754</u>	<u>459,644</u>	<u>472,061</u>
Expenditures:					
Accounting / audit	14,281	15,000	11,225	22,000	22,000
Legal	3,690	15,000	15,400	30,000	30,000
Insurance	5,527	6,000	5,944	5,944	6,000
Directors fees	1,800	1,800	1,700	1,700	1,800
Miscellaneous	411	500	964	2,000	2,000
Operations expenses	-	35,000	-	-	21,400
Utilities	61,222	20,000	23,559	46,000	46,000
Landscape Maint - Improvements	53,949	-	70,971	300,000	300,000
Snow Removal	2,000	-	17,982	30,000	15,000
Management	14,544	-	11,313	22,000	22,000
Contingency	-	141,515	-	-	4,007
Emergency reserve (3%)	-	1,149	-	-	1,854
Total expenditures	<u>157,424</u>	<u>235,964</u>	<u>159,058</u>	<u>459,644</u>	<u>472,061</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 2,203</u>	<u>\$ (1,304)</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 1,180</u>			<u>\$ 1,180</u>
Mill Levy		<u>-</u>			<u>-</u>

North Pine Vistas Metropolitan District No. 1
Adopted Budget
Capital Project Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 120,298	\$ 55,858	\$ 2,752	\$ 2,753	\$ -
Revenues:					
Developer advances	22,779	34,900	6,258	112,247	115,000
Developer advance-Construction	57,277	4,000,000	44,138	100,000	
Transfer from District No. 2	15,037	100	-	-	3,500,000
Transfer from District No. 3	-	-	-	-	8,500,000
Total revenues	<u>95,093</u>	<u>4,035,000</u>	<u>50,396</u>	<u>212,247</u>	<u>12,115,000</u>
Total funds available	<u>215,391</u>	<u>4,090,858</u>	<u>53,148</u>	<u>215,000</u>	<u>12,115,000</u>
Expenditures:					
Accounting	11,124	10,000	-	10,000	10,000
Legal	14,760	25,000	-	25,000	25,000
Engineering	57,362	80,000	6,754	80,000	80,000
Capital expenditures	<u>129,392</u>	<u>4,000,000</u>	<u>46,394</u>	<u>100,000</u>	<u>12,000,000</u>
Total expenditures	<u>212,638</u>	<u>4,115,000</u>	<u>53,148</u>	<u>215,000</u>	<u>12,115,000</u>
Ending fund balance	<u>\$ 2,753</u>	<u>\$ (24,142)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the North Pine Vistas Metro District 1
the Board of Directors
of the North Pine Vistas Metropolitan District No. 1**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$1,180.00** 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: **\$1,180.00**

Submitted: John Simmons for budget/fiscal year 2021

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:

LETTER OF BUDGET TRANSMITTAL

Date: January 3, 2021

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

Attached are the 2021 budget and budget message for NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 8, 2020. If there are any questions on the budget, please contact:

Simmons and Wheeler, P.C.
Attn: Diane Wheeler
304 Inverness Way South, Suite 490
Englewood, CO 80112
Tel.: 303-689-0833

I, Thomas Clark, as President of the North Pine Vistas Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2021 budget.

By: Thomas M. Clark

RESOLUTION
TO ADOPT 2021 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

WHEREAS, the Board of Directors of the North Pine Vistas Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 8, 2020 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$69,275; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$247,399; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$24,738; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2020 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$4,825,140; and

WHEREAS, at an election held on November 1, 2011 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the North Pine Vistas Metropolitan District No. 2 for calendar year 2021.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2021 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2021 budget year, there is hereby levied a tax of 14.357 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2021 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 51.273 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2021 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 5.127 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2021 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2020.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2020.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2020, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2020 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 8th day of December, 2020.

NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 2

Thomas M Clark

President

ATTEST:

[Signature]

Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for the North Pine Vistas Metropolitan District No. 2.

The North Pine Vistas Metropolitan District No. 2 has adopted three separate funds, a General Fund to provide for general operating expenditures; a Capital Project Fund to provide for transfers to North Pine Vistas Metropolitan District No. 1 for the payment of estimated infrastructure costs to be built for the benefit of the districts; and a Debt Service Fund to provide for the repayment of the outstanding General Obligation Bonds.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2021 will be property taxes, bond proceeds and facility fees. The District intends to impose a 70.757 mill levy on all property within the District for 2021, of which 19.484 mills will be dedicated to the General Fund and the balance of 51.273 mills will be allocated to the Debt Service Fund. The 19.484 mills imposed by the General Fund will be allocated 14.357 mills to provide for general operating expenditures and 5.127 mills to the City of Castle Pines in regard to the Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance.

North Pine Vistas Metropolitan District No. 2
Adopted Budget
General Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	20	30,477	30,489	30,489	69,275
Specific ownership taxes	3	2,286	1,187	2,200	5,196
Property taxes To City	10	15,239	15,244	15,244	24,738
Specific ownership taxes to City	1	1,143	594	1,200	1,855
Miscellaneous income	-	50	-	-	50
Interest income	<u>157</u>	<u>150</u>	<u>1,104</u>	<u>2,200</u>	<u>150</u>
Total revenues	<u>191</u>	<u>49,345</u>	<u>48,618</u>	<u>51,333</u>	<u>101,264</u>
Total funds available	<u>191</u>	<u>49,345</u>	<u>48,618</u>	<u>51,333</u>	<u>101,264</u>
Expenditures:					
Payment to City	11	16,153	15,611	15,800	26,222
Treasurer's fees	-	457	457	457	1,039
Treasurer's fees City	-	229	229	229	371
Transfer to District No. 1	180	32,506	31,222	34,847	73,632
Emergency reserve (3%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>191</u>	<u>49,345</u>	<u>47,519</u>	<u>51,333</u>	<u>101,264</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,099</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 3,047,730</u>			<u>\$ 4,825,140</u>
Mill Levy		<u>10.000</u>			<u>14.357</u>
Mill Levy -city		<u>5.000</u>			<u>5.127</u>

North Pine Vistas Metropolitan District No. 2
Adopted Budget
Capital Project Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 14,880	\$ -	\$ -	\$ -	\$ -
Revenues:					
Interest income	-	100	-	-	-
Bond proceeds	-	-	-	-	4,100,000
Total revenues	-	100	-	-	4,100,000
Total funds available	14,880	100	-	-	4,100,000
Expenditures:					
Issuance costs	-	-	-	-	600,000
Transfer to District No. 1	14,880	100	-	-	3,500,000
Total expenditures	14,880	100	-	-	4,100,000
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

North Pine Vistas Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 936,007	\$ 361,062	\$ 355,155	\$ 355,155	\$ 526,199
Revenues:					
Property taxes	99	152,386	152,443	152,443	247,399
Specific ownership taxes	16	11,430	5,933	12,000	18,555
Bond proceeds	-	-	-	-	12,000,000
Facility fees	-	600,000	287,200	600,000	600,000
Interest income	<u>16,148</u>	<u>20,000</u>	<u>2,131</u>	<u>4,000</u>	<u>15,000</u>
Total revenues	<u>16,263</u>	<u>783,816</u>	<u>447,707</u>	<u>768,443</u>	<u>12,880,954</u>
Total funds available	<u>952,270</u>	<u>1,144,878</u>	<u>802,862</u>	<u>1,123,598</u>	<u>13,407,153</u>
Expenditures:					
Interest expense senior bonds	589,613	589,613	294,806	589,613	589,613
Bond principal	-	-	-	-	55,000
Treasurer's fees	2	2,286	2,286	2,286	3,711
Payment to escrow agent	-	-	-	-	11,800,000
Cost of issuance	-	-	-	-	200,000
Transfer to District No. 1	2,000	-	-	-	-
Trustee / paying agent fees	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>
Total expenditures	<u>597,115</u>	<u>597,399</u>	<u>302,592</u>	<u>597,399</u>	<u>12,653,824</u>
Ending fund balance	<u>\$ 355,155</u>	<u>\$ 547,479</u>	<u>\$ 500,270</u>	<u>\$ 526,199</u>	<u>\$ 753,329</u>
Assessed valuation		<u>\$ 3,047,730</u>			<u>\$ 4,825,140</u>
Mill Levy		<u>50.000</u>			<u>51.273</u>
Total Mill Levy		<u>65.000</u>			<u>70.757</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the North Pine Vistas Metro District 2
the Board of Directors
of the North Pine Vistas Metropolitan District No. 2**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$4,825,140.00** 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: **\$4,825,140.00**

Submitted: John Simmons for budget/fiscal year 2021

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	14.357 mills	\$69,275.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	14.357 mills	\$69,275.00
3. General Obligation Bonds and Interest	51.273 mills	\$247,399.00
4. Contractual Obligations	5.127 mills	\$24,738.00
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:	70.757 mills	\$341,412.00

**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: | \$8,735,000 Limited Tax G O Bonds |
| Series: | 2016A |
| Date of Issue: | 2016-12-15 |
| Coupon Rate: | 0.0675 |
| Maturity Date: | 2046-12-01 |
| Levy: | 51.273 |
| Revenue: | \$247,399.00 |
| 2. Purpose of Issue: | \$1,810,000 Subordinate Limited Tax GO Bonds |
| Series: | 2016B |
| Date of Issue: | 2016-12-15 |
| Coupon Rate: | 0.085 |
| Maturity Date: | 2046-12-15 |
| Levy: | 0.000 |
| Revenue: | \$0 |

CONTRACTS

- | | |
|-------------------------|---|
| 1. Purpose of Contract: | Assist City of Castle Pines with operations/maintenance of certain landscaping/swer/drainage improvements |
| Title: | Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way/Storm Sewer Maintenance |
| Date of Issue: | 2016-10-11 |
| Principal Amount: | |
| Maturity Date: | |
| Levy: | 5.127 |
| Revenue: | \$24,738.00 |

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

LETTER OF BUDGET TRANSMITTAL

Date: January 3, 2021

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

Attached are the 2021 budget and budget message for NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 8, 2020. If there are any questions on the budget, please contact:

Simmons and Wheeler, P.C.
Attn: Diane Wheeler
304 Inverness Way South, Suite 490
Englewood, CO 80112
Tel.: 303-689-0833

I, Thomas Clark, as President of the North Pine Vistas Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2021 budget.

By: Thomas M Clark

RESOLUTION
TO ADOPT 2021 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2021 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

WHEREAS, the Board of Directors of the North Pine Vistas Metropolitan District No. 3 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 8, 2020 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$202,763; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$758,488; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$75,840; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatelements is \$0; and

WHEREAS, the 2020 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$14,122,970; and

WHEREAS, at an election held on November 1, 2011 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the North Pine Vistas Metropolitan District No. 3 for calendar year 2021.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2021 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2021 budget year, there is hereby levied a tax of 14.357 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2020.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2020.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2021 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 53.706 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2021 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 5.370 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2021 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2020.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2020.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2020, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2020 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]


ADOPTED this 8th day of December, 2020.

NORTH PINE VISTAS METROPOLITAN
DISTRICT NO. 3

Thomas M. Clark

President

ATTEST:



Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for the North Pine Vistas Metropolitan District No. 3.

The North Pine Vistas Metropolitan District No. 3 has adopted three separate funds, a General Fund to provide for general operating expenditures and transfers to North Pine Vistas Metropolitan District No. 1 for the payment of general operating expenditures; a Capital Project Fund to provide for transfers to North Pine Vistas Metropolitan District No. 1 for the payment of estimated infrastructure costs to be built for the benefit of the districts; and a Debt Service Fund to provide for the repayment of the outstanding General Obligation Bonds.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2021 will be property tax revenue, bond proceeds and development fees. The District intends to impose a 73.433 mill levy on all property within the District for 2021, of which 19.727 mills will be dedicated to the General Fund and the balance of 53.706 mills will be allocated to the Debt Service Fund. The 19.727 mills imposed by the General Fund will be allocated 14.357 mills to provide for general operating expenditures and 5.370 mills to the City of Castle Pines in regard to the Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance.

North Pine Vistas Metropolitan District No. 3
Adopted Budget
General Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 1	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	53,120	108,014	90,829	107,000	202,763
Specific ownership taxes	5,329	8,101	4,206	8,000	15,207
Property taxes -city	26,560	54,007	45,415	53,000	75,840
Specific ownership taxes - city	2,665	4,051	2,103	4,000	5,688
Miscellaneous income	17,750	-	59	100	-
Interest income	16,463	14,000	1,767	3,000	10,000
Total revenues	<u>121,887</u>	<u>188,173</u>	<u>144,379</u>	<u>175,100</u>	<u>309,498</u>
Total funds available	<u>121,888</u>	<u>188,173</u>	<u>144,379</u>	<u>175,100</u>	<u>309,498</u>
Expenditures:					
Treasurer fees	797	1,620	1,363	1,605	3,041
Treasurer fees - city	399	810	681	795	1,138
Payment to City	28,840	57,248	46,841	56,205	80,390
Transfer to District No. 1	91,852	128,495	93,682	116,495	224,929
Emergency reserve (3%)	-	-	-	-	-
Total expenditures	<u>121,888</u>	<u>188,173</u>	<u>142,567</u>	<u>175,100</u>	<u>309,498</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,812</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 10,387,960</u>			<u>\$ 14,122,970</u>
Mill Levy		<u>10.398</u>			<u>14.357</u>
Mill Levy		<u>5.199</u>			<u>5.370</u>

North Pine Vistas Metropolitan District No. 3
Adopted Budget
Capital Project Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 3,894,069	\$ -	\$ -	\$ -	\$ -
Revenues:					
Interest income	70,614	-	-	-	-
Bond proceeds	-	-	-	-	8,500,000
Total revenues	70,614	-	-	-	8,500,000
Total funds available	3,964,683	-	-	-	8,500,000
Expenditures:					
Transfer to District No. 1	-	-	-	-	8,500,000
Transfer to Debt Service	3,964,683	-	-	-	-
Total expenditures	3,964,683	-	-	-	8,500,000
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -

North Pine Vistas Metropolitan District No. 3
Adopted Budget
Debt Service Fund
For the Year Ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/2020</u>	Estimated <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ 2,099,449	\$ 1,905,153	\$ 2,332,496	\$ 2,332,496	\$ 2,438,505
Revenues:					
Property taxes	265,604	540,080	454,154	539,000	758,488
Specific ownership taxes	26,646	40,506	21,028	42,000	56,887
Bond proceeds	-	-	-	-	14,400,000
Transfer from Capital Projects	3,946,934	-	-	-	-
Development fees	381,118	300,000	186,104	350,000	300,000
Interest income	38,125	35,000	12,143	24,000	35,000
Total revenues	<u>4,658,427</u>	<u>915,586</u>	<u>673,429</u>	<u>955,000</u>	<u>15,550,375</u>
Total funds available	<u>6,757,876</u>	<u>2,820,739</u>	<u>3,005,925</u>	<u>3,287,496</u>	<u>17,988,880</u>
Expenditures:					
Interest expense	967,894	835,406	326,158	835,406	835,406
Interest Sub bonds	-	-	-	-	131,778
Bond issuance costs	-	-	-	-	200,000
Payment to escrow agent	-	-	-	-	14,200,000
Bond principal	3,448,000	-	-	-	45,000
Treasurer's fees	3,986	8,101	6,813	8,085	11,377
Trustee / paying agent fees	5,500	5,500	5,500	5,500	5,500
Total expenditures	<u>4,425,380</u>	<u>849,007</u>	<u>338,471</u>	<u>848,991</u>	<u>15,429,061</u>
Ending fund balance	<u>\$ 2,332,496</u>	<u>\$ 1,971,732</u>	<u>\$ 2,667,454</u>	<u>\$ 2,438,505</u>	<u>\$ 2,559,819</u>
Assessed valuation		<u>\$ 10,387,960</u>			<u>\$ 14,122,970</u>
Mill Levy		<u>51.991</u>			<u>53.706</u>
Total Mill Levy		<u>67.588</u>			<u>73.433</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
On behalf of the North Pine Vistas Metro District 3
the Board of Directors
of the North Pine Vistas Metropolitan District No. 3**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$14,122,970.00** 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: **\$14,122,970.00**

Submitted: John Simmons for budget/fiscal year 2021

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	14.357 mills	\$202,763.00
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	14.357 mills	\$202,763.00
3. General Obligation Bonds and Interest	53.706 mills	\$758,488.00
4. Contractual Obligations	5.370 mills	\$75,840.00
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:	73.433 mills	\$1,037,091.00

**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: | Proposed \$13,360,000 Limited Tax G O Bonds |
| Series: | 2016A |
| Date of Issue: | 2016-12-15 |
| Coupon Rate: | 6.0% - 6.375% |
| Maturity Date: | 2046-12-01 |
| Levy: | 53.706 |
| Revenue: | \$758,488.00 |
| 2. Purpose of Issue: | \$2,406,000 Subordinate Limited Tax GO Bonds |
| Series: | 2016B |
| Date of Issue: | 2016-12-15 |
| Coupon Rate: | 0.0825 |
| Maturity Date: | 2046-12-15 |
| Levy: | 0.000 |
| Revenue: | \$0 |

CONTRACTS

- | | |
|-------------------------|---|
| 1. Purpose of Contract: | Assist City of Castle Pines with operations/maintenance of certain landscaping/swer/drainage improvements |
| Title: | Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way/Storm Sewer Maintenance |
| Date of Issue: | 2016-10-11 |
| Principal Amount: | |
| Maturity Date: | 2016-10-11 |
| Levy: | 5.370 |
| Revenue: | \$75,840.00 |

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

EXHIBIT B

2020 Audited Financial Statements



April 19, 2021

Board Of Directors
North Pine Vistas Metropolitan District No. 1
1700 Lincoln St.
Denver, CO 810203 Suite 2000

RE: 1128.01

To Whom it May Concern:

We have reviewed the Application for Exemption from Audit of North Pine Vistas Metropolitan District No. 1. Based on our review, the December 31, 2019 Application for Exemption from Audit has been approved. We noted the following items that we believe deserve your attention:

The December 31 fund equity amount recorded on the operating statement does not equal the amount recorded on the balance sheet for the Capital Projects Fund. Please ensure that these amounts are recorded properly in future Applications.

The District did not complete question 6-2 and may not have conducted an annual inventory of property. Both generally accepted accounting principles and the Local Government Uniform Accounting Law (Section 29-1-506, C.R.S.) require an annual inventory of capital assets. Please ensure this procedure is performed in subsequent years.

The Tax Payers Bill of Rights information on Line 9-1 in "Part 9 TABOR" was not completed. Please complete this question in future Applications.

If we may be of any assistance to you, please feel free to call us at 303-869-3000. For further resources see our web site at: <https://apps.leg.co.gov/osa/lg>

Sincerely,

Crystal L. Dorsey, CPA
Local Government Audit Manager



We Set the Standard for Good Government

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Financial Statements

Year Ended December 31, 2020

with

Independent Auditor's Report

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NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	Statement of <u>Net Position</u>
ASSETS						
Investments	\$ 5,389	\$ -	\$ -	\$ 5,389	\$ -	\$ 5,389
Investments - restricted	505	405,809	37	406,351	-	406,351
Receivable - County Treasurer	354	1,178	-	1,532	-	1,532
Property taxes receivable	94,013	247,399	-	341,412	-	341,412
Receivable District No. 1	<u>11,391</u>	<u>-</u>	<u>-</u>	<u>11,391</u>	<u>-</u>	<u>11,391</u>
Total Assets	<u>\$ 111,652</u>	<u>\$ 654,386</u>	<u>\$ 37</u>	<u>\$ 766,075</u>	<u>-</u>	<u>766,075</u>
LIABILITIES						
Accrued interest on bonds	\$ -	\$ -	\$ -	\$ -	756,422	756,422
Due to District 1	-	-	37	37	-	37
Taxes Payable to City	16,413	-	-	16,413	-	16,413
Long-term liabilities:						
Due within one year	-	-	-	-	55,000	55,000
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,490,000</u>	<u>10,490,000</u>
Total Liabilities	<u>16,413</u>	<u>-</u>	<u>37</u>	<u>16,450</u>	<u>11,301,422</u>	<u>11,317,872</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	<u>94,013</u>	<u>247,399</u>	<u>-</u>	<u>341,412</u>	<u>-</u>	<u>341,412</u>
Total Deferred Inflows of Resources	<u>94,013</u>	<u>247,399</u>	<u>-</u>	<u>341,412</u>	<u>-</u>	<u>341,412</u>
FUND BALANCES/NET POSITION						
Fund Balances:						
Restricted:						
Emergencies	505	-	-	505	(505)	-
Debt service	-	406,987	-	406,987	(406,987)	-
Unassigned	<u>721</u>	<u>-</u>	<u>-</u>	<u>721</u>	<u>(721)</u>	<u>-</u>
Total Fund Balances	<u>1,226</u>	<u>406,987</u>	<u>-</u>	<u>408,213</u>	<u>(408,213)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 111,652</u>	<u>\$ 654,386</u>	<u>\$ 37</u>	<u>\$ 766,075</u>		
Net Position:						
Restricted for:						
Emergencies					505	505
Debt service					(349,435)	(349,435)
Unrestricted					<u>(10,544,279)</u>	<u>(10,544,279)</u>
Total Net Position					<u>\$(10,893,209)</u>	<u>\$(10,893,209)</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	Statement of Activities
EXPENDITURES						
Treasurer's fees	\$ 686	\$ 2,286	\$ -	\$ 2,972	\$ -	\$ 2,972
Transfer to District 1	32,664	-	-	32,664	-	32,664
Payment to City	16,332	-	-	16,332	-	16,332
Bond interest expense	-	589,613	-	589,613	197,208	786,821
Trustee fee	-	5,500	-	5,500	-	5,500
Total Expenditures	<u>49,682</u>	<u>597,399</u>	<u>-</u>	<u>647,081</u>	<u>197,208</u>	<u>844,289</u>
GENERAL REVENUES						
Property taxes	45,734	152,445	-	198,179	-	198,179
Specific ownership taxes	3,943	13,144	-	17,087	-	17,087
Interest income	1,231	2,626	-	3,857	-	3,857
Development fees	-	300,225	-	300,225	-	300,225
Total General Revenues	<u>50,908</u>	<u>468,440</u>	<u>-</u>	<u>519,348</u>	<u>-</u>	<u>519,348</u>
NET CHANGES IN FUND BALANCES	1,226	(128,959)	-	(127,733)	127,733	
CHANGE IN NET POSITION					(324,941)	(324,941)
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	-	535,946	-	535,946	(11,104,214)	(10,568,268)
END OF YEAR	<u>\$ 1,226</u>	<u>\$ 406,987</u>	<u>\$ -</u>	<u>\$ 408,213</u>	<u>\$ (11,301,422)</u>	<u>\$ (10,893,209)</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2020

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 45,716	\$ 45,716	\$ 45,734	\$ 18
Specific ownership taxes	3,429	3,400	3,943	543
Interest income	<u>200</u>	<u>2,217</u>	<u>1,231</u>	<u>(986)</u>
Total Revenues	<u>49,345</u>	<u>51,333</u>	<u>50,908</u>	<u>(425)</u>
EXPENDITURES				
Treasurer's fees	686	686	686	-
Payment to City	16,153	15,800	16,332	(532)
Transfer to District 1	32,506	34,847	32,664	2,183
Emergency reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>49,345</u>	<u>51,333</u>	<u>49,682</u>	<u>1,651</u>
NET CHANGE IN FUND BALANCE	-	-	1,226	1,226
FUND BALANCE:				
BEGINNING OF YEAR	<u>1,177</u>	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ 1,177</u>	<u>\$ -</u>	<u>\$ 1,226</u>	<u>\$ 1,226</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Note 1: Summary of Significant Accounting Policies

The accounting policies of the North Pine Vistas Metropolitan District No. 2 (“the District”), located in Douglas County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized as a quasi-municipal organization established under the State of Colorado Special District Act and the creation of the District was approved by the eligible electors of the District voting at an election held on November 1, 2011. The District was established for the primary purpose of funding, constructing, owning and operating certain public infrastructure and assisting in the coordination of metropolitan district services and facilities to support the needs of a primarily residential development known as “Lagae Ranch” located in the City of Castle Pines (the “City”) and Douglas County (the “County”). The District was organized concurrently with North Pine Vistas Metropolitan District No. 1 (“District No. 1”) and North Pine Vistas Metropolitan District No. 3 (“District No. 3”). The Service Plan states that District No. 1 is responsible for constructing, owning and operating the majority of the public services and facilities for the Development, while the District and District No. 3 are responsible for funding and assisting in the coordination of metropolitan district services and facilities related to the development.

The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

During 2020, the District amended its total appropriations in the General Fund from \$49,345 to \$51,133 as a result of additional funds available to transfer to District No. 1.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2020, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. The District is not anticipated to own any capital assets.

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 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$505 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$406,987 is restricted for the payment of the debt service costs associated with the Series 2016A Bonds (see Note 3).

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2020, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Investments	\$ 5,389
Investments – Restricted	<u>406,351</u>
Total	<u>\$ 411,740</u>

Cash and investments as of December 31, 2020, consist of the following:

Investments - COLOTRUST	\$ <u>411,740</u>
Total	\$ <u>411,740</u>

Deposits

The District follows state statutes for deposits. The District had no deposits at December 31, 2020.

Investments

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Credit Risk

The District's investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

As of December 31, 2020, the District had the following investment:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of \$1.00. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2020, the District had \$411,740 invested in COLOTRUST.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Note 3: Long-Term Debt

A description of the long-term obligations as of December 31, 2020, is as follows:

\$8,735,000 Limited Tax General Obligation Bonds, Series 2016A and \$1,810,000 Subordinate Limited Tax General Obligation Bonds, Series 2016B

On December 15, 2016, the District issued \$8,735,000 of Limited Tax General Obligation Bonds, Series 2016A ("Series 2016A Bonds") and \$1,810,000 of Subordinate Limited Tax General Obligation Bonds, Series 2016B ("Series 2016B Bonds"), dated December 15, 2016. The 2016A Bonds were issued for the purpose of financing public improvements related to a primarily residential development (the "Development") in the City of Castle Pines, pay capitalized interest on the 2016A Bonds, fund the Senior Reserve Fund, and pay other costs in connection with the issuance of the 2016A Bonds. The 2016B Bonds were issued for the purpose of financing additional public improvements related to the Development and pay other costs in connection with the issuance of the 2016B Bonds. The proceeds applied to public improvements were paid as per the Facilities Funding and Acquisition Agreement.

The Series 2016A Bonds bear interest at the rate of 6.75%, payable semiannually on each June 1 and December 1, commencing on June 1, 2017, and mature on December 1, 2046. The Series 2016B Bonds bear interest at the rate of 8.5%, payable annually on December 15, commencing on December 15, 2017, to the extent that Pledged Revenue is available, and mature on December 15, 2046. The Series 2016A Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2021, and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, commencing on December 1, 2021, upon payment of par, accrued interest, and a redemption premium that ranges between 0% and 3%. The Series 2016B Bonds are subject to a mandatory sinking fund redemption commencing on December 15, 2017, and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, commencing on December 15, 2021, upon payment of par, accrued interest, and a redemption premium that ranges between 0% and 3%.

The Series 2016A Bonds are secured by the Senior Required Mill Levy, the Capital Fees, if any, the portion of the Specific Ownership Tax which is collected as a result of the Senior Required Mill Levy, and any other legally available moneys as determined by the District. The Series 2016A Bonds are also secured by the Senior Reserve Fund, the Capitalized Interest Fund, and the Senior Surplus Fund. The Series 2016B Bonds are secured by the Subordinate Required Mill Levy, the Subordinate Capital Fee Revenue, if any, the portion of the Specific Ownership Tax which is collected as a result of the Subordinate Required Mill Levy, and any other legally available moneys as determined by the District.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

The following is a summary of the annual long-term debt principal and interest requirements for the 2016A Bonds.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 55,000	\$ 589,613	\$ 644,613
2022	70,000	585,900	655,900
2023	75,000	581,175	656,175
2024	95,000	576,113	671,113
2025	100,000	569,700	669,700
2026-2030	745,000	2,724,975	3,469,975
2031-2035	1,230,000	2,412,789	3,642,789
2036-2040	1,930,000	1,909,576	3,839,576
2041-2045	2,885,000	1,138,389	4,023,389
2046	<u>1,550,000</u>	<u>104,619</u>	<u>1,654,619</u>
	<u>\$ 8,735,000</u>	<u>\$ 11,192,849</u>	<u>\$ 19,927,849</u>

Due to the uncertainty of the timing of the principal and interest on the Series 2016B Bonds, a schedule of the estimated timing of these payments is not available.

The following is an analysis of changes in long-term debt for the year ending December 31, 2020:

	<u>Balance 1/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2020</u>	<u>Current Portion</u>
<u>General Obligation</u>					
Series 2016A Bonds	\$ 8,735,000	\$ -	\$ -	\$ 8,735,000	\$ 55,000
Series 2016B Bonds	<u>1,810,000</u>	<u>-</u>	<u>-</u>	<u>1,810,000</u>	<u>-</u>
Total	<u>\$ 10,545,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,545,000</u>	<u>\$ 55,000</u>

Debt Authorization

As of December 31, 2020, the District had remaining voted debt authorization of approximately \$64,455,000. The District has not budgeted to issue any new debt during 2020. Per the District's Service Plan, the District can not issue debt in excess of \$35,000,000.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2020

Note 4: Other Agreements

Intergovernmental Agreement Concerning District Operations and Outstanding Reimbursement

On June 2, 2016, the District and Districts Nos. 1 and 3 entered into an Intergovernmental Agreement Concerning District Operations and Outstanding Reimbursement. In this agreement, District No. 2 and District No. 3 engage District No. 1 to perform administrative functions and to be the operator of any of the public improvements which are owned by any of the Districts and have not been conveyed to other entities. Districts Nos. 2 and 3 are required to provide funds to District No. 1 sufficient to pay for these functions.

Intergovernmental Agreement

On November 1, 2012 (amended in 2014 and 2016), the District, Districts Nos. 1 and 3, and the City entered into an Intergovernmental Agreement that states that the public improvements to be financed by the Districts shall be dedicated to the City, or other governmental entity and prohibits the Districts from owning or operating water and sanitation improvements unless Castle Pines North Metropolitan District no longer provides such services. The agreement also requires City approval to any inclusions of property or consolidations, limits the amount of debt issued by all Districts to \$35,000,000, requires City approval prior to condemnations, imposes a mill levy limitation consistent with the Service Plan and imposes a maximum mill levy imposition term consistent with the Service Plan.

Resolution Adopting System Development Fees

On September 1, 2016, the District, and Districts No. 3, approved a resolution adopting a system development fee. The fee was assessed on each unit constructed with the boundaries of the Districts and due at the time a building permit is issued. The fee was set for detached single family units at \$3,000 per unit and for attached single family and multi-family units at \$2,000 per unit, the fee increases by 3% annually on January 1 beginning on January 1, 2013.

Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance

On October 11, 2016, the District, Districts Nos. 1 and 3, and the City entered into an Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance. The City required the Districts to enter into this agreement in order to ensure that the Districts assist the City with defraying the operation and maintenance costs associated with certain landscaping and certain storm sewer and drainage improvements. The agreement required the District to make annual contributions derived from a mill levy of 5 mills imposed on taxable property within the District, commencing on January 1 of the year following the year in which the City accepts the related Lagae Road for ownership and maintenance. The contribution obligation terminates on the earlier of 15 years from the commencement date or December 31, 2035, whichever first occurs. The 5 Mill Levy was first certified in 2016 for collection in 2017.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

Note 5: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 1, 2011, a majority of the District’s electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2020

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities; and,
- 2) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2020

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 158	\$ 152,386	\$ 152,445	\$ 59
Specific ownership taxes	12	11,430	13,144	1,714
Development fees	573,146	600,000	300,225	(299,775)
Interest income	<u>168</u>	<u>20,000</u>	<u>2,626</u>	<u>(17,374)</u>
Total Revenues	<u>573,484</u>	<u>783,816</u>	<u>468,440</u>	<u>(315,376)</u>
EXPENDITURES				
Treasurer's fees	5	2,286	2,286	-
Bond interest expense	589,613	589,613	589,613	-
Trustee fee	<u>2,000</u>	<u>5,500</u>	<u>5,500</u>	<u>-</u>
Total Expenditures	<u>591,618</u>	<u>597,399</u>	<u>597,399</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(18,134)	186,417	(128,959)	(315,376)
FUND BALANCE:				
BEGINNING OF YEAR	<u>1,533,744</u>	<u>361,062</u>	<u>535,946</u>	<u>174,884</u>
END OF YEAR	<u>\$ 1,515,610</u>	<u>\$ 547,479</u>	<u>\$ 406,987</u>	<u>\$ (140,492)</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2020

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$ 100	\$ -	\$ (100)
Total Revenues	<u>100</u>	<u>-</u>	<u>(100)</u>
EXPENDITURES			
Transfer to District #1	<u>100</u>	<u>-</u>	<u>100</u>
Total Expenditures	<u>100</u>	<u>-</u>	<u>100</u>
FUND BALANCE:			
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2020

Collection Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property	Mills Levied			Total Property Tax		Percent Collected to Levied
	Tax Levy	General Fund	City	Debt Service	Levied	Collected	
2016	\$ 1,378,650	10.000	0.000	50.000	\$ 82,719	\$ 82,718	100.00%
2017	\$ 1,620	10.000	5.000	50.000	\$ 105	\$ 105	100.00%
2018	\$ 11,100	10.000	5.000	50.000	\$ 722	\$ 722	100.00%
2019	\$ 3,150	10.000	5.000	50.000	\$ 205	\$ 129	62.93%
2020	\$ 3,047,730	10.000	5.000	50.000	\$ 198,102	\$ 198,179	100.04%
Estimated for year ending December 31, 2021	\$ 4,825,140	14.357	5.127	51.273	\$ 341,412		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION - UNAUDITED

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

OWNERS OF TAXABLE PROPERTY

WITHIN THE DISTRICT

December 31, 2020

UNAUDITED

<u>Taxpayer Name</u>	<u>2020 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Taylor Morrison of Colorado Inc.	1,473,420	30.54%
Century at Castle Pines Town Center LLC	797,840	16.54%
Homeowner #1	49,550	1.03%
Homeowner #2	45,520	0.94%
Homeowner #3	43,660	0.90%
Homeowner #4	42,760	0.89%
Homeowner #5	42,190	0.87%
Homeowner #6	41,680	0.86%
Homeowner #7	41,510	0.86%
Homeowner #8	40,840	0.85%
Total	<u>\$ 2,618,970</u>	<u>54.28%</u>

NOTE

Assessed Valuations were obtained from the Douglas County website

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

December 31, 2020

UNAUDITED

<u>Class</u>	<u>2020 Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>
Vacant	\$ 3,704,920	76.78%
Residential	1,084,600	22.48%
Natural resources	120	0.00%
Commercial	35,500	0.74%
Total	<u>\$ 4,825,140</u>	<u>100.00%</u>

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 2

SELECTED DEBT RATIOS

December 31, 2020

UNAUDITED

	<u>Total Debt</u>	<u>Senior Debt</u>
Amount of Debt	\$ 10,545,000	\$ 8,735,000
Total Direct debt	<u>\$ 10,545,000</u>	<u>\$ 8,735,000</u>
2020 Assessed Valuation	\$ 4,825,140	\$ 4,825,140
Ratio of Direct Debt to 2019 District Certified Assessed Valuation	218.5%	181.0%
2020 District Statutory Actual Value	\$ 28,171,599	\$ 28,171,599
Ratio of Direct Debt to 2019 District Statutory Actual Value	37.4%	31.0%

page 19 needs to be updated still

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Financial Statements

Year Ended December 31, 2020

with

Independent Auditor's Report

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NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	Statement of <u>Net Position</u>
ASSETS					
Investments	\$ 48,239	\$ -	\$ 48,239	\$ -	\$ 48,239
Investments - restricted	300	2,398,356	2,398,656	-	2,398,656
Receivable - County Treasurer	1,253	4,176	5,429	-	5,429
Property taxes receivable	278,603	758,488	1,037,091	-	1,037,091
Receivable from District 1	<u>67,319</u>	<u>130,137</u>	<u>197,456</u>	<u>-</u>	<u>197,456</u>
Total Assets	<u>\$ 395,714</u>	<u>\$ 3,291,157</u>	<u>\$ 3,686,871</u>	<u>-</u>	<u>3,686,871</u>
LIABILITIES					
Accrued interest on bonds	\$ -	\$ -	\$ -	782,975	782,975
Taxes Payable - City	114,959	-	114,959	-	114,959
Long-term liabilities:					
Due within one year	-	-	\$ -	35,000	35,000
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,283,000</u>	<u>12,283,000</u>
Total Liabilities	<u>114,959</u>	<u>-</u>	<u>114,959</u>	<u>13,100,975</u>	<u>13,215,934</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	<u>278,603</u>	<u>758,488</u>	<u>1,037,091</u>	<u>-</u>	<u>1,037,091</u>
Total Deferred Inflows of Resources	<u>278,603</u>	<u>758,488</u>	<u>1,037,091</u>	<u>-</u>	<u>1,037,091</u>
FUND BALANCES/NET POSITION					
Fund Balances:					
Restricted:					
Emergencies	300	-	300	(300)	-
Debt service	-	2,532,669	2,532,669	(2,532,669)	-
Unassigned	<u>1,852</u>	<u>-</u>	<u>1,852</u>	<u>(1,852)</u>	<u>-</u>
Total Fund Balances	<u>2,152</u>	<u>2,532,669</u>	<u>2,534,821</u>	<u>(2,534,821)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances					
	<u>\$ 395,714</u>	<u>\$ 3,291,157</u>	<u>\$ 3,686,871</u>		
Net Position:					
Restricted for:					
Emergencies				300	300
Debt service				1,749,694	1,749,694
Unrestricted				<u>(12,316,148)</u>	<u>(12,316,148)</u>
Total Net Position				<u>\$(10,566,154)</u>	<u>\$(10,566,154)</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES					
Treasurer's fees	\$ 2,442	\$ 8,142	\$ 10,584	\$ -	\$ 10,584
Payment to the City	58,123	-	58,123	-	58,123
Transfer to District 1	116,246	-	116,246	-	116,246
Bond interest expense	-	652,316	652,316	199,267	851,583
Trustee fees	-	5,500	5,500	-	5,500
Total Expenditures	<u>176,811</u>	<u>665,958</u>	<u>842,769</u>	<u>199,267</u>	<u>1,042,036</u>
GENERAL REVENUES					
Property taxes	162,039	540,141	702,180	-	702,180
Specific ownership taxes	13,975	46,586	60,561	-	60,561
Interest income	<u>2,949</u>	<u>17,274</u>	<u>20,223</u>	<u>-</u>	<u>20,223</u>
Total General Revenues	<u>178,963</u>	<u>604,001</u>	<u>782,964</u>	<u>-</u>	<u>782,964</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,152</u>	<u>(61,957)</u>	<u>(59,805)</u>	<u>(199,267)</u>	<u>(259,072)</u>
OTHER FINANCING SOURCES (USES)					
Development fees	<u>-</u>	<u>262,130</u>	<u>262,130</u>	<u>-</u>	<u>262,130</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>262,130</u>	<u>262,130</u>	<u>-</u>	<u>262,130</u>
NET CHANGES IN FUND BALANCES	2,152	200,173	202,325	(202,325)	
CHANGE IN NET POSITION				3,058	3,058
FUND BALANCES/NET POSITION:					
BEGINNING OF YEAR	<u>-</u>	<u>2,332,496</u>	<u>2,332,496</u>	<u>(12,901,708)</u>	<u>(10,569,212)</u>
END OF YEAR	<u>\$ 2,152</u>	<u>\$ 2,532,669</u>	<u>\$ 2,534,821</u>	<u>\$ (13,100,975)</u>	<u>\$ (10,566,154)</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2020

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES			
Property taxes	\$ 162,021	\$ 162,039	\$ 18
Specific ownership taxes	12,152	13,975	1,823
Interest income	<u>14,000</u>	<u>2,949</u>	<u>(11,051)</u>
Total Revenues	<u>188,173</u>	<u>178,963</u>	<u>(9,210)</u>
EXPENDITURES			
Treasurer's fees	2,430	2,442	(12)
Payment to the City	57,248	58,123	(875)
Transfer to District 1	128,495	116,246	12,249
Contingency	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>188,173</u>	<u>176,811</u>	<u>11,362</u>
NET CHANGE IN FUND BALANCE	-	2,152	2,152
FUND BALANCE:			
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 2,152</u>	<u>\$ 2,152</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Note 1: Summary of Significant Accounting Policies

The accounting policies of the North Pine Vistas Metropolitan District No. 3 (“the District”), located in Douglas County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized as a quasi-municipal organization established under the State of Colorado Special District Act and the creation of the District was approved by the eligible electors of the District voting at an election held on November 1, 2011. The District was established for the primary purpose of funding, constructing, owning and operating certain public infrastructure and assisting in the coordination of metropolitan district services and facilities to support the needs of a primarily residential development known as “Lagae Ranch” located in the City of Castle Pines (the “City”) and Douglas County (the “County”). The District was organized concurrently with North Pine Vistas Metropolitan District No. 1 (“District No. 1”) and North Pine Vistas Metropolitan District No. 2 (“District No. 2”). The Service Plan states that District No. 1 is responsible for constructing, owning and operating the majority of the public services and facilities for the Development, while District No. 2 and the District are responsible for funding and assisting in the coordination of metropolitan district services and facilities related to the development.

The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2020, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. The District is not anticipated to own any capital assets.

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 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$300 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$2,532,669 is restricted for the payment of the debt service costs associated with the Series 2016A Bonds (see Note 3).

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2020, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:

Investments	\$ 48,239
Investments - Restricted	<u>2,398,656</u>
Total	<u>\$2,446,895</u>

Cash and investments as of December 31, 2020, consist of the following:

Investments - COLOTRUST	<u>\$2,446,895</u>
Total	<u>\$2,446,895</u>

Deposits

The District follows state statutes for deposits. The District had no deposits at December 31, 2020.

Investments

Credit Risk

The District's investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

As of December 31, 2020, the District had the following investment:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of \$1.00. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2020, the District had \$2,446,895 invested in COLOTRUST.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Note 3: Long-Term Debt

A description of the long-term obligations as of December 31, 2020, is as follows:

\$13,360,000 Limited Tax General Obligation Bonds, Series 2016A and \$2,406,000 Subordinate Limited Tax General Obligation Bonds, Series 2016B

On December 15, 2016, the District issued \$13,360,000 of Limited Tax General Obligation Bonds, Series 2016A (“Series 2016A Bonds”) and \$2,406,000 of Subordinate Limited Tax General Obligation Bonds, Series 2016B (“Series 2016B Bonds”), dated December 15, 2016. The 2016A Bonds were issued for the purpose of financing public improvements related to a primarily residential development (the “Development”) in the City of Castle Pines, pay capitalized interest on the 2016A Bonds, fund the Senior Reserve Fund, and pay other costs in connection with the issuance of the 2016A Bonds. The 2016B Bonds were issued for the purpose of financing additional public improvements related to the Development and pay other costs in connection with the issuance of the 2016B Bonds. The proceeds applied to public improvements were paid as per the Facilities Funding and Acquisition Agreement.

\$4,345,000 of the Series 2016A Bonds bear interest at the rate of 6.000%, are payable semiannually on each June 1 and December 1, commencing on June 1, 2017, and mature on December 1, 2036. \$9,015,000 of the Series 2016A Bonds bear interest at the rate of 6.375%, are payable semiannually on each June 1 and December 1, commencing on June 1, 2017, and mature on December 1, 2046. The Series 2016B Bonds bear interest at the rate of 8.25%, payable annually on December 15, commencing on December 15, 2017, to the extent that Pledged Revenue is available, and mature on December 15, 2046. The Series 2016A Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2021, and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, commencing on December 1, 2021, upon payment of par, accrued interest, and a redemption premium that ranges between 0% and 3%. The Series 2016B Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, commencing on December 15, 2021, upon payment of par, accrued interest, and a redemption premium that ranges between 0% and 3%.

On December 2, 2019, the District was required to make a Mandatory Excess Funds Redemption from the funds in the Restricted Project Account of both the Senior Project Fund and the Subordinate Project Fund. The payment made on the 2016 A Bonds was \$2,928,000 and on the 2016B Bonds was \$652,488 which included payment of \$132,488 in accrued interest.

The Series 2016A Bonds are secured by the Senior Required Mill Levy, all revenues derived from a payment in lieu of taxes (“PILOT”) relating to the Senior Required Mill Levy, the Capital Fees, if any, the portion of the Specific Ownership Tax which is collected as a result of the Senior Required Mill Levy, and any other legally available moneys as determined by the District.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

The Series 2016A Bonds are also secured by the Senior Reserve Fund, the Capitalized Interest Fund, and the Senior Surplus Fund. The Series 2016B Bonds are secured by the Subordinate Required Mill Levy, all revenues derived from any PILOT relating to the Subordinate Required Mill Levy, the Subordinate Capital Fee Revenue, if any, the portion of the Specific Ownership Tax which is collected as a result of the Subordinate Required Mill Levy, and any other legally available moneys as determined by the District.

The following is a summary of the annual long-term debt principal and interest requirements for the 2016A Bonds.

	Principal	Interest	Total
2021	\$ 35,000	\$ 652,316	\$ 687,316
2022	98,000	650,216	748,216
2023	113,000	644,336	757,336
2024	129,000	637,556	766,556
2025	137,000	629,816	766,816
2026-2030	972,000	3,002,801	3,974,801
2031-2035	1,519,000	2,649,761	4,168,761
2036-2040	2,292,000	2,098,016	4,390,016
2041-2045	3,362,000	1,241,085	4,603,085
2046	1,775,000	113,156	1,888,156
	<u>\$10,432,000</u>	<u>\$12,319,059</u>	<u>\$22,751,059</u>

Due to the uncertainty of the timing of the principal and interest on the Series 2016B Bonds, a schedule of the estimated timing of these payments is not available.

The following is an analysis of changes in long-term debt for the year ending December 31, 2020:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020	Current Portion
Series 2016A Bonds	\$ 10,432,000	\$ -	\$ -	\$ 10,432,000	\$ 35,000
Series 2016B Bonds	1,886,000	-	-	1,886,000	-
Total	<u>\$ 12,318,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,318,000</u>	<u>\$ 35,000</u>

Debt Authorization

As of December 31, 2020, the District had remaining voted debt authorization of approximately \$59,234,000. The District has not budgeted to issue any new debt during 2021. Per the District's Service Plan, the District can not issue debt in excess of \$35,000,000.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Note 4: Other Agreements

Intergovernmental Agreement Concerning District Operations and Outstanding Reimbursement

On June 2, 2016, the District and Districts Nos. 1 and 2 entered into an Intergovernmental Agreement Concerning District Operations and Outstanding Reimbursement. In this agreement, District No. 2 and District No. 3 engage District No. 1 to perform administrative functions and to be the operator of any of the public improvements which are owned by any of the Districts and have not been conveyed to other entities. Districts Nos. 2 and 3 are required to provide funds to District No. 1 sufficient to pay for these functions.

Intergovernmental Agreement

On November 1, 2012 (amended in 2014 and 2016), the District, Districts Nos. 1 and 2, and the City entered into an Intergovernmental Agreement that states that the public improvements to be financed by the Districts shall be dedicated to the City, or other governmental entity and prohibits the Districts from owning or operating water and sanitation improvements unless Castle Pines North Metropolitan District no longer provides such services. The agreement also requires City approval to any inclusions of property or consolidations, limits the amount of debt issued by all Districts to \$35,000,000, requires City approval prior to condemnations, imposes a mill levy limitation consistent with the Service Plan and imposes a maximum mill levy imposition term consistent with the Service Plan.

Resolution Adopting System Development Fees

On September 1, 2016, the District, and Districts No. 2, approved a resolution adopting a system development fee. The fee was assessed on each unit constructed with the boundaries of the Districts and due at the time a building permit is issued. The fee was set for detached single family units at \$3,000 per unit and for attached single family and multi-family units at \$2,000 per unit, the fee increases by 3% annually on January 1 beginning on January 1, 2013.

Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance

On October 11, 2016, the District, Districts Nos. 1 and 2, and the City entered into an Intergovernmental Agreement Concerning Annual Contribution for Right-of-Way and Storm Sewer Maintenance. The City required the Districts to enter into this agreement in order to ensure that the Districts assist the City with defraying the operation and maintenance costs associated with certain landscaping and certain storm sewer and drainage improvements. The agreement required the District to make annual contributions derived from a mill levy of 5 mills imposed on taxable property within the District, commencing on January 1 of the year following the year in which the City accepts the related Lagae Road for ownership and maintenance. The contribution obligation terminates on the earlier of 15 years from the commencement date or December 31, 2035, whichever first occurs. The 5 Mill Levy was first certified in 2016 for collection in 2017.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

Note 5: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 1, 2011, a majority of the District’s electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

Notes to Financial Statements December 31, 2020

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities; and
- 2) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2020

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 540,080	\$ 540,141	\$ 61
Specific ownership taxes	40,506	46,586	6,080
Interest income	<u>35,000</u>	<u>17,274</u>	<u>(17,726)</u>
Total Revenues	<u>615,586</u>	<u>604,001</u>	<u>(11,585)</u>
EXPENDITURES			
Bond interest expense	835,406	652,316	183,090
Trustee fees	5,500	5,500	-
Treasurer's fees	<u>8,101</u>	<u>8,142</u>	<u>(41)</u>
Total Expenditures	<u>849,007</u>	<u>665,958</u>	<u>183,049</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(233,421)</u>	<u>(61,957)</u>	<u>171,464</u>
OTHER FINANCING SOURCES			
Development fees	<u>300,000</u>	<u>262,130</u>	<u>(37,870)</u>
Total Other Financing Sources	<u>300,000</u>	<u>262,130</u>	<u>(37,870)</u>
NET CHANGE IN FUND BALANCE	66,579	200,173	133,594
FUND BALANCE:			
BEGINNING OF YEAR	<u>1,905,153</u>	<u>2,332,496</u>	<u>427,343</u>
END OF YEAR	<u>\$ 1,971,732</u>	<u>\$ 2,532,669</u>	<u>\$ 560,937</u>

The notes to the financial statements are an integral part of these statements.

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2020

Collection Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property <u>Tax Levy</u>	<u>Mills Levied</u>			<u>Total Property Tax</u>		<u>Percent Collected to Levied</u>
		<u>General Fund</u>	<u>City</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2016	\$ 536,120	10.000	0.000	50.000	\$ 32,167	\$ 32,167	100.00%
2017	\$ 1,909,850	10.000	5.000	50.000	\$ 124,140	\$ 124,141	100.00%
2018	\$ 3,216,820	10.000	5.000	50.000	\$ 209,093	\$ 209,093	100.00%
2019	\$ 5,210,010	10.198	5.099	50.991	\$ 345,361	\$ 345,284	99.98%
2020	\$ 10,387,960	10.398	5.199	51.991	\$ 702,101	\$ 702,180	100.01%
Estimated for year ending December 31, 2021	\$ 14,122,970	14.357	5.370	53.706	\$ 1,037,091		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

DRAFT 6-28-2021

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION - UNAUDITED

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

TOP TEN OWNERS OF TAXABLE PROPERTY WITHIN THE DISTRICT

December 31, 2020

UNAUDITED

<u>Taxpayer Name</u>	<u>2019 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Storage Storage Storage Castle Pines LLC	\$ 1,847,690	13.08%
Meritage Homes of Colorado	1,637,280	11.60%
Lennar Colorado LLC	1,163,140	8.25%
Church of Jesus Christ of Latter-Day Saints	468,770	3.32%
Homeowner #1	58,280	0.41%
Homeowner #2	57,110	0.40%
Homeowner #3	55,050	0.39%
Homeowner #4	54,650	0.39%
Homeowner #5	54,070	0.38%
Homeowner #6	53,990	0.38%
Total	<u>\$ 5,450,030</u>	<u>36.25%</u>

NOTE

Assessed Valuations were obtained from the Douglas County website

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

December 31, 2020

UNAUDITED

<u>Class</u>	<u>2020 Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>
Vacant	\$ 4,762,360	33.72%
Residential	9,080,270	64.30%
Natural resources	90	0.00%
Commercial	97,650	0.69%
State Assessed	182,600	1.29%
Total	<u>\$ 14,122,970</u>	<u>100.00%</u>

NORTH PINE VISTAS METROPOLITAN DISTRICT NO. 3

SELECTED DEBT RATIOS

December 31, 2020

UNAUDITED

	<u>Total Debt</u>	<u>Senior Debt</u>
Amount of Debt	\$ 12,318,000	\$ 10,432,000
Total direct debt	<u>\$ 12,318,000</u>	<u>\$ 10,432,000</u>
2020 Assessed Valuation	\$ 14,122,970	\$ 14,122,970
Ratio of Direct Debt to 2020 District Certified Assessed Valuation	87.2%	73.9%
2020 District Statutory Actual Value	\$ 144,385,275	\$ 144,385,275
Ratio of Direct Debt to 2020 District Statutory Actual Value	8.5%	7.2%