

**Castleview Metropolitan
District Nos. 1 & 2
2021 Consolidated Annual Report**

CASTLEVIEW METROPOLITAN DISTRICT NOS. 1 & 2

2021 CONSOLIDATED ANNUAL REPORT TO TOWN OF CASTLE ROCK, STATE OF COLORADO

Pursuant to the Consolidated Amended and Restated Service Plan for Castleview Metropolitan District No. 1 and Service Plan for Castleview Metropolitan District No. 2 (individually, “District No. 1” and “District No. 2”, collectively, the “Districts”) dated August 21, 2018 (the “Consolidated Service Plan”), the Districts are required to submit an annual report to the Town of Castle Rock, Colorado (the “Town”) which reflects activity and financial events of the Districts through the preceding December 31 (the "Report Year") and includes the following:

For the year ending December 31, 2021, the Districts makes the following report:

- A. A narrative summary of the progress of the Districts in implementing its service plan for the Report Year.

The Districts continue to implement the development schedule as contemplated in the Consolidated Service Plan dated August 21, 2018.

- B. Boundary changes made or proposed.

No boundary changes were made or proposed during 2021.

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

The Audits for District No. 1 and District No. 2 are not yet complete. Each will be provided as a supplemental enclosure upon receipt.

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

Expenditures are noted on the Districts’ 2022 budgets are attached hereto as **Exhibit A**.

- E. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the Report Year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the Report Year, the amount of payment or retirement of existing indebtedness of the Districts in the Report Year, the total assessed valuation of all taxable

properties within the Districts as of January 1 of the Report Year, and the current mill levy of the Districts pledged to debt retirement in the Report Year.

As of December 31, 2021, the District No. 1 issued \$18,887,000 in Limited Tax General obligation Bonds, Series 2021A₍₃₎ and District No. 2 issued \$3,435,000 in Limited General Obligation Bonds, Series 2020A₍₃₎ and \$258,000 in Subordinate General Obligation Bonds, Series 2020B₍₃₎. District No. 2 paid \$171,750 in the Report Year towards interest on the Series 2020A₍₃₎ Bond. In 2022, District No. 2 also issued \$900,000 in Limited General Obligation Bonds, Series 2022B₍₃₎. The total assessed valuation of all taxable properties within each District, as certified by the Douglas County Assessor’s Office and the total mill levy pledged to debt retirement for both Districts are as follows:

	District No. 1	District No. 2
Total Assessed Valuation	\$15,170	\$2,258,600
Total Mill Levy	11.076 (General Operating) 64.044 (Debt Service) Total: 75.120	11.076 (General Operating) 50.000 (General Obligation Bonds) Total: 61.076

F. The Districts’ budgets for the calendar year in which the annual report is submitted.

Copies of the Districts’ 2022 budgets are attached hereto as **Exhibit A**.

G. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the Town as of December 31 of the prior year.

As of December 31, 2021, no District improvements have been dedicated to or accepted by the Town.

H. A summary of residential and commercial development which has occurred within the Districts for the Report Year.

The Districts do not have any commercial development. Please see the 2021 Audits for District No. 1 and District No. 2 for a summary of residential development which be provided as a supplemental enclosure upon their completion.

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

No fees, charges or assessments were imposed by the Districts during the Report Year.

J. Certification of the Boards that no action, event or condition enumerated in Section 11.02.060 of the Castle Rock Municipal Code has occurred in the Report Year.

The Board of Directors of the District hereby certifies that no action, event or condition enumerated in Section 11.02.060 of the Castle Rock Municipal Code occurred in the Report Year.

- K. A summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year.

To our actual knowledge, based on review of the court records in Douglas County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts as of December 31, 2021.

- L. The name, business address and telephone number of each member of the Boards and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Boards.

Members of the Boards:

Rodney Alpert, President
45418 Coal Creek Drive
Parker, Colorado 80138
PH: 303-646-3974

Tanya Alpert, Secretary
30 Cherry Hills Farm Drive
Englewood, CO 80113
PH: 303-946-1154

Harvey Alpert, Treasurer
9335 E. Harvard Ave.
Denver CO 80231
PH: 303-761-3667

Brian Alpert, Assistant Secretary
6403 S. Himalaya Ct.
Centennial, CO 80016
PH: 303-525-9347

General Counsel:

Jennifer Gruber Tanaka, Esq.
WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

Regular Meetings of the Boards of Directors:

July 13, and November 9, 2022

By telephone, electronic, or other means not including physical presence.
10:00 a.m.

EXHIBIT A

**CASTLEVIEW METROPOLITAN DISTRICT NOS. 1 & 2
2022 BUDGETS**

CASTLEVIEW METROPOLITAN DISTRICT NO. 1
2022
BUDGET MESSAGE

Attached please find a copy of the adopted 2022 budget for the Castlevue Metropolitan District No. 1.

The Castlevue Metropolitan District No. 1 has adopted budgets for three funds, a General Fund to provide for the payment of general operating expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding bond debt.

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 source of revenue for the district in 2022 will be developer advances and property taxes. The district intends to impose a 75.120 mill levy on the property within the district for 2022, of which 11.076 mills will be dedicated to the General Fund and the balance of 64.044 mills will be allocated to the Debt Service Fund

Castleview Metropolitan District No. 1
Adopted Budget
General Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ 1,861	\$ -	\$ 2,430	\$ 2,430	\$ 16,068
Revenues:					
Property taxes	532	585	585	585	168
Specific ownership taxes	45	29	34	60	17
Developer advances	-	40,000	40,000	40,000	40,000
Interest income	-	-	1	2	-
	<u>577</u>	<u>40,614</u>	<u>40,620</u>	<u>40,647</u>	<u>40,185</u>
Total revenues					
	<u>2,438</u>	<u>40,614</u>	<u>43,050</u>	<u>43,077</u>	<u>56,253</u>
Total funds available					
Expenditures:					
Accounting / audit	-	5,000	2,322	5,000	10,000
Insurance	-	2,500	274	500	2,500
Election expense	-	-	-	-	5,000
Legal	-	25,000	6,173	12,000	25,000
Miscellaneous	-	500	8,975	9,500	5,000
Treasurer fees	8	8	9	9	3
Contingency	-	6,616	-	-	7,325
Emergency reserve (3%)	-	990	-	-	1,425
	<u>8</u>	<u>40,614</u>	<u>17,753</u>	<u>27,009</u>	<u>56,253</u>
Total expenditures					
Ending fund balance	<u>\$ 2,430</u>	<u>\$ -</u>	<u>\$ 25,297</u>	<u>\$ 16,068</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 7,840</u>			<u>\$ 15,170</u>
Mill Levy		<u>74.600</u>			<u>11.076</u>

Castleview Metropolitan District No. 1
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000
Revenues:					
Bond proceeds	-	-	-	18,887,000	-
Total revenues	-	-	-	18,887,000	-
Total funds available	-	-	-	18,887,000	9,000,000
Expenditures:					
Bond issue costs	-	-	-	671,495	-
Capital outlay	-	-	-	9,215,505	9,000,000
Total expenditures	-	-	-	9,887,000	9,000,000
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,000,000</u>	<u>\$ -</u>

Castleview Metropolitan District No. 1
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	972
Specific ownership taxes	-	-	-	-	97
Interest income	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	-	-	-	1,069
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds available	-	-	-	-	1,069
Expenditures:					
Interest expense Series 2021A(-	-	-	-	1,054
Bond principal	-	-	-	-	-
Treasurer's fees	-	-	-	-	15
Trustee / paying agent fees	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	-	-	-	1,069
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Assessed valuation		<u>\$ 7,840</u>			<u>\$ 15,170</u>
Mill Levy		<u>0.000</u>			<u>64.044</u>
Total Mill Levy		<u>74.600</u>			<u>75.120</u>

CASTLEVIEW METROPOLITAN DISTRICT NO. 2
2022
BUDGET MESSAGE

Attached please find a copy of the adopted 2022 budget for the Castleview Metropolitan District No. 2.

The Castleview Metropolitan District No. 2 has adopted budget for two funds, a General Fund to provide for the payment of general operating expenditures; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds issued by the district.

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 source of revenue for the district in 2022 will be developer advances and property taxes. The district intends to impose a 61.076 mill levy on the property within the district for 2022, of which 11.076 mills will be dedicated to the General Fund and the balance of 50.000 mills will be allocated to the Debt Service Fund.

Castleview Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ 32	\$ 32	\$ 5,742
Revenues:					
Property taxes	30	9,249	9,249	9,249	25,016
Specific ownership taxes	3	925	532	1,000	1,501
Developer advances	-	39,826	29,100	39,100	35,000
	<u>33</u>	<u>50,000</u>	<u>38,881</u>	<u>49,349</u>	<u>61,517</u>
Total revenues					
	<u>33</u>	<u>50,000</u>	<u>38,913</u>	<u>49,381</u>	<u>67,259</u>
Total funds available					
	<u>33</u>	<u>50,000</u>	<u>38,913</u>	<u>49,381</u>	<u>67,259</u>
Expenditures:					
Accounting / audit	-	9,000	9,460	20,000	20,000
Insurance	-	2,500	288	500	5,000
Election expense	-	-	-	-	5,000
Legal	-	25,000	13,885	22,000	25,000
Miscellaneous	-	500	510	1,000	1,000
Treasurer fees	1	139	139	139	375
Contingency	-	11,747	-	-	9,193
Emergency reserve (3%)	-	1,114	-	-	1,691
	<u>1</u>	<u>50,000</u>	<u>24,282</u>	<u>43,639</u>	<u>67,259</u>
Total expenditures					
	<u>1</u>	<u>50,000</u>	<u>24,282</u>	<u>43,639</u>	<u>67,259</u>
Ending fund balance	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ 14,631</u>	<u>\$ 5,742</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 924,910</u>			<u>\$ 2,258,600</u>
Mill Levy		<u>10.000</u>			<u>11.076</u>

Castleview Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ 2,296,041	\$ 2,296,041	\$ -
Revenues:					
Developer advance	-	-	5,216,419	5,217,629	-
Bond proceeds Series 2020A(3)	3,435,000	-	-	-	-
Bond proceeds Series 2020B(3)	571	-	-	-	-
Interest income	-	-	519	1,000	-
Total revenues	<u>3,435,571</u>	<u>-</u>	<u>5,216,938</u>	<u>5,218,629</u>	<u>-</u>
Total funds available	<u>3,435,571</u>	<u>-</u>	<u>7,512,979</u>	<u>7,514,670</u>	<u>-</u>
Expenditures:					
Issuance costs	328,776	-	9,000	9,000	-
Certification costs	-	-	16,582	16,582	-
Developer repayments	-	-	2,272,669	2,272,669	-
Capital outlay	-	-	5,216,419	5,216,419	-
District formation costs	120,575	-	-	-	-
Transfer to Debt Service	690,179	-	-	-	-
Total expenditures	<u>1,139,530</u>	<u>-</u>	<u>7,514,670</u>	<u>7,514,670</u>	<u>-</u>
Ending fund balance	<u>\$ 2,296,041</u>	<u>\$ -</u>	<u>\$ (1,691)</u>	<u>\$ -</u>	<u>\$ -</u>

Castleview Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimate <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ 657,766	\$ 657,898	\$ 657,898	\$ 530,200
Revenues:					
Property taxes	-	46,246	46,246	46,246	112,930
Specific ownership taxes	-	4,625	2,662	5,200	11,293
Interest income	160	-	184	300	1,000
Transfer from Capital Projects	690,179	-	-	-	-
Total revenues	<u>690,339</u>	<u>50,871</u>	<u>49,092</u>	<u>51,746</u>	<u>125,223</u>
Total funds available	<u>690,339</u>	<u>708,637</u>	<u>706,990</u>	<u>709,644</u>	<u>655,423</u>
Expenditures:					
Interest expense Series 2020A	32,441	171,750	85,875	171,750	171,750
Treasurer's fees	-	694	694	694	1,694
Trustee / paying agent fees	-	4,000	-	7,000	7,000
Total expenditures	<u>32,441</u>	<u>176,444</u>	<u>86,569</u>	<u>179,444</u>	<u>180,444</u>
Ending fund balance	<u>\$ 657,898</u>	<u>\$ 532,193</u>	<u>\$ 620,421</u>	<u>\$ 530,200</u>	<u>\$ 474,979</u>
2020 Bonds Reserve acct		<u>\$ 314,238</u>		<u>\$ 314,238</u>	<u>\$ 314,238</u>
Surplus (Max 343,500)				<u>\$ 215,962</u>	<u>\$ 160,741</u>
Assessed valuation		<u>\$ 924,910</u>			<u>\$ 2,258,600</u>
Mill Levy		<u>50.000</u>			<u>50.000</u>
Total Mill Levy		<u>60.000</u>			<u>61.076</u>