

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

2020 Consolidated Annual Report

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1-3

**2020 CONSOLIDATED ANNUAL REPORT
TO
THE TOWN OF CASTLE ROCK, COLORADO**

Pursuant to the Amended and Restated Consolidated Service Plan for Promenade at Castle Rock Metropolitan District Nos. 1-3 (individually, “**District No. 1**,” “**District No. 2**” and “**District No. 3**” and collectively, the “**Districts**”) dated March 2, 2021, 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, 2020, the Districts make the following report:

A. A narrative summary of the progress of the District in implementing their service plan for the report year:

The Districts continue to implement the development schedule as contemplated in the Amended and Restated Consolidated Service Plan dated March 2, 2021.

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

The 2020 Audits for District Nos. 1-3 have not yet been completed and will be provided as a supplement to this report upon completion.

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

Consistent with the representations made in the Districts’ Amended and Restated Consolidated Service Plan and financial plan attached thereto, additional information on capital expenditures for the report year will be included with the 2020 Audits.

Copies of the Districts’ 2020 budgets are attached as **Exhibit A**.

D. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District 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 or long-term obligations issued in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year, and the current mill levy of the District pledged to debt retirement in the report year:

On April 15, 2021, District No. 1 issued Special Revenue Refunding and Improvement Tax Free Loan, Series 2021 (2021 Loan) in the amount of \$64,236,780. The proceeds from the sale of the 2021 Loan were used for the purposes of: (i) refunding the Series 2015 Bonds, (ii) reimbursing the Developer for the advancement of funds for financing costs related to capital infrastructure improvements; (iii) providing the Reserve Fund; (iv) paying the costs of issuing the 2021 Loan; and (v) new funds for the Project Fund. The 2021 Loan bears interest at 3.65% per annum, payable semiannually on June 1 and December 1, commencing on December 1, 2021. Principal payments are due on December 1, commencing on December 1, 2021. The 2021 Loan matures on December 1, 2050.

The Districts’ financial obligations are outlined in the Districts’ 2020 Audits, which will be provided as a supplement to this report upon completion.

	<u>Assessed Valuation</u>	<u>Debt Service Obligation Mill Levy</u>
District No. 1:	\$5,592,840	44.531 mills
District No. 2:	0	0.000 mills
District No. 3:	\$60,695,110	40.000 mills

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

Copies of the Districts’ 2021 budgets are attached as **Exhibit B**.

F. A summary of residential and commercial development that has occurred within the District for the report year:

There was no new residential or commercial development within the Districts during the report year.

G. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year:

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

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

The Boards of Directors of the Districts hereby certify that no action, event or condition has taken place constituting a material modification of the Service Plan as of December 31, 2020 since the Consolidated Service Plan was approved by the Town on January 7, 2014.

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

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

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

Donald G. Provost, Assistant Secretary
5750 DTC Parkway, Suite 210
Greenwood Village, CO 80111
Telephone: (303) 771-4004

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

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

General Counsel:

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

Regular Meetings:

Date: first Monday of July and November
Place: 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado
Time: 2:15 p.m.

EXHIBIT A
2020 Budgets

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2020)

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 1 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, on Wednesday, October 16, 2019, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2020 BUDGET

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

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the DOUGLAS COUNTY NEWS PRESS , a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, --1-- successive week(s), the last of which publication was made 10th day of October A.D., 2019, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the abovenamed Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on the 10th day of October A.D., 2019. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20134073610-225224

Lindsay L. Nicoletti
Notary Public
My commission ends February 22, 2022

LINDSAY L. NICOLETTI
Notary Public
State of Colorado
Notary ID # 20134073610
My Commission Expires 02-22-2022

Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2020 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2019 BUDGETS

NOTICE IS HEREBY GIVEN that proposed 2020 budgets have been submitted to the Boards of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1-3 (the "Districts"). Copies of the proposed budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2019 budgets have been submitted to the Districts. Copies of the proposed amended budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2020 budgets and amended 2019 budgets will be considered at a public hearing during a meeting of the Districts to be held at Alberta Development, 5750 DTC Parkway, Suite 210, Greenwood Village, CO, on Wednesday, October 16, 2019 at 10:00 A.M. Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing bodies of the Districts.

BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT
CASTLE ROCK METROPOLITAN
DISTRICT NOS. 1-3

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

Legal Notice No.: 935856
First Publication: October 10, 2019
Last Publication: October 10, 2019
Publisher: Douglas County News-Press

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 16, 2019, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2020. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2020 budget year, there is hereby levied a tax of 11.132 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2020 budget year, there is hereby levied a tax of

44.531 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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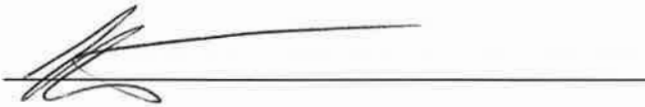
ADOPTED THIS 16TH DAY OF OCTOBER, 2019.

PROMENADE AT CASTLE ROCK METROPOLITAN
DISTRICT NO. 1



Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Wednesday, October 16, 2019, at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16th day of October, 2019.

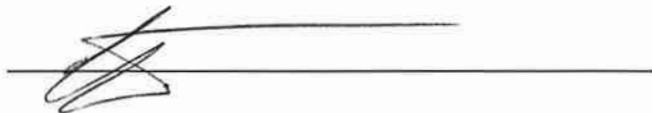


EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Promenade at Castle Rock Metropolitan District No. 1

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Promenade at Castle Rock Metropolitan District No. 1 for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Promenade at Castle Rock Metropolitan District No. 1.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 15, 2020



An independent member of Nexia International

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 7,068,385	\$ 4,209,473	\$ 4,994,038
REVENUES			
Property taxes	39,431	158,606	311,767
Specific ownership tax	3,829	14,912	28,060
Interest income	96,187	104,372	75,046
Other revenue	-	-	7,943
Credit - PIF	1,181,736	1,459,652	2,143,324
Add-On - PIF	263,063	344,470	507,693
Intergovernmental revenue - District No. 3	1,322,622	1,640,028	2,498,501
Total revenues	<u>2,906,868</u>	<u>3,722,040</u>	<u>5,572,334</u>
Total funds available	<u>9,975,253</u>	<u>7,931,513</u>	<u>10,566,372</u>
EXPENDITURES			
General and administrative	34,125	71,605	114,646
Debt service	2,377,206	2,865,870	4,505,354
Capital projects	3,354,449	-	-
Total expenditures	<u>5,765,780</u>	<u>2,937,475</u>	<u>4,620,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,765,780</u>	<u>2,937,475</u>	<u>4,620,000</u>
ENDING FUND BALANCES	<u>\$ 4,209,473</u>	<u>\$ 4,994,038</u>	<u>\$ 5,946,372</u>
DEBT SERVICE RESERVE	3,097,888	3,097,888	3,097,888
DEBT SERVICE SURPLUS	1,111,585	1,896,150	2,848,484
TOTAL RESERVE	<u>\$ 4,209,473</u>	<u>\$ 4,994,038</u>	<u>\$ 5,946,372</u>

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Residential	\$ 713,330	\$ 2,806,070	\$ 5,465,460
Commercial	-	63,230	135,520
Vacant land	-	-	-
	<u>713,330</u>	<u>2,869,300</u>	<u>5,600,980</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 713,330</u>	<u>\$ 2,869,300</u>	<u>\$ 5,600,980</u>
MILL LEVY			
General	11.055	11.055	11.132
Debt Service	44.222	44.222	44.531
Total mill levy	<u>55.277</u>	<u>55.277</u>	<u>55.663</u>
PROPERTY TAXES			
General	\$ 7,886	\$ 31,720	\$ 62,350
Debt Service	31,545	126,886	249,417
	<u>39,431</u>	<u>158,606</u>	<u>311,767</u>
Levied property taxes	39,431	158,606	311,767
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 39,431</u>	<u>\$ 158,606</u>	<u>\$ 311,767</u>
BUDGETED PROPERTY TAXES			
General	\$ 7,886	\$ 31,720	\$ 62,350
Debt Service	31,545	126,886	249,417
	<u>\$ 39,431</u>	<u>\$ 158,606</u>	<u>\$ 311,767</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	7,886	31,720	62,350
Specific ownership tax	766	2,982	5,612
Other revenue	-	-	2,038
Total revenues	<u>8,652</u>	<u>34,702</u>	<u>70,000</u>
Total funds available	<u>8,652</u>	<u>34,702</u>	<u>70,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	118	476	935
Contingency	-	-	2,038
Intergovernmental expenditure - District No. 2	8,534	34,226	67,027
Total expenditures	<u>8,652</u>	<u>34,702</u>	<u>70,000</u>
Total expenditures and transfers out requiring appropriation	<u>8,652</u>	<u>34,702</u>	<u>70,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/15/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 3,730,693	\$ 4,209,473	\$ 4,994,038
REVENUES			
Property taxes	31,545	126,886	249,417
Specific ownership tax	3,063	11,930	22,448
Interest income	79,430	104,372	75,046
Other revenue	-	-	5,905
Credit - PIF	1,181,736	1,459,652	2,143,324
Add-On - PIF	263,063	344,470	507,693
Intergovernmental revenue - District No. 3	1,322,622	1,640,028	2,498,501
Total revenues	2,881,459	3,687,338	5,502,334
Total funds available	6,612,152	7,896,811	10,496,372
EXPENDITURES			
General and administrative			
County Treasurer's fee	473	1,903	3,741
PIF Collection fee	25,000	35,000	35,000
Contingency	-	-	5,905
Debt Service			
Paying agent fees	3,500	3,500	3,500
Bond interest - Series 2015A	1,954,175	1,942,900	1,913,431
Bond interest - Series 2015B	199,531	344,470	758,423
Bond principal - Series 2015A	220,000	575,000	675,000
Bond principal - Series 2015B	-	-	1,155,000
Total expenditures	2,402,679	2,902,773	4,550,000
Total expenditures and transfers out requiring appropriation	2,402,679	2,902,773	4,550,000
ENDING FUND BALANCE	\$ 4,209,473	\$ 4,994,038	\$ 5,946,372
DEBT SERVICE RESERVE	\$ 3,097,888	\$ 3,097,888	\$ 3,097,888
DEBT SERVICE SURPLUS	1,111,585	1,896,150	2,848,484
TOTAL RESERVE	\$ 4,209,473	\$ 4,994,038	\$ 5,946,372

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
 CAPITAL PROJECTS FUND
 2020 BUDGET
 WITH 2018 ACTUAL AND 2019 ESTIMATED
 For the Years Ended and Ending December 31,**

1/15/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 3,337,692	\$ -	\$ -
REVENUES			
Interest income	16,757	-	-
Total revenues	<u>16,757</u>	<u>-</u>	<u>-</u>
Total funds available	<u>3,354,449</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Projects			
Intergovernmental expenditure - District No. 2	3,354,449	-	-
Total expenditures	<u>3,354,449</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>3,354,449</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 on April 10, 2019 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the change assessed value calculation. The debt service mill levy increased to 44.531 from 44.222 mills and the general fund mill levy increased to 11.132 from 11.055 mills.

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected.

Credit Public Improvement Fees

The Credit PIF is a public improvement fee in the amount of 1.10% of taxable retail sales within the Districts which will be imposed in lieu of, or as a credit against, a corresponding amount of the Town Sales Tax. Credit PIF revenue is pledged first to the payment of the Series A Bonds, and on a subordinate basis to the Series B Bonds.

Add-On Public Improvement Fees

The Add-On PIF is a public improvement fee in the amount of .25% of taxable retail sales within the Districts. Unlike the Credit PIF, the Add-On PIF does not constitute a fee imposed in lieu of, or as a credit against, any part of the Town Sales Tax. Instead, the Add-On PIF constitutes an additional fee imposed upon PIF Sales. The Add-On PIF is initially pledged solely to the Series B Bonds until no longer outstanding.

Intergovernmental Revenue – District No. 3

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Net Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.38%.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers - District No. 2

Property taxes generated from the 11.133 mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to District No. 2, the Operating District, which pays all administrative expenditures of the District.

Debt Service

Interest payments in 2020 are provided based on the attached debt amortization schedule for the Series 2015A Bonds (discussed under Debt and Leases). The Series 2015B Bonds are paid based on available funds, as such a debt amortization schedule has not been included.

Debt and Leases

Series 2015 Special Revenue Bonds

The District issued Bonds on August 25, 2015, in the amounts of \$34,615,000 in General Obligation Bonds Series 2015A and \$2,825,000 in Taxable Special Revenue Bonds Series 2015B. The proceeds from the sale of the Series A Bonds will be used for the purposes of: (i) paying a portion of the costs of public improvements or reimbursing the Developer for the advancement of those costs, to the extent of available proceeds; (ii) providing capitalized interest; (iii) providing the Series A Reserve Fund; and (iv) paying costs of issuance of the Series A Bonds. Proceeds from the sale of the Series B Bonds will be used to: (i) pay a portion of the costs of public improvements or reimbursing the Developer for the advancement of those costs, to the extent of available proceeds; and (ii) paying costs of issuance of the Series B Bonds.

The Series A Bonds bear interest at rates ranging from 5.125% to 5.750% payable semi-annually on June 1 and December 1, beginning on December 1, 2015. Annual mandatory sinking fund principal payments on the Series A Bonds are due on December 1, beginning on December 1, 2018. The Series A Bonds mature on December 1, 2039.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Series 2015 Special Revenue Bonds (Continued)

The Series B Bonds are assumed to bear interest at 9.0% payable annually on December 1, beginning on December 1, 2015. Annual mandatory sinking fund principal payments on the Series A Bonds are due on December 1, to the extent of moneys on deposit, if any, in the Series B Mandatory Redemption Account of the Series B Bond Fund. The Series B Bonds mature on December 1, 2039.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2019 Budget. The Emergency Reserve for these revenues is reflected in District No. 2.

Debt Service Reserve

The District has a \$3,097,888 Debt Service Reserve as required with the issuance of the Series 2015 bonds.

This information is an integral part of the accompanying budget.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2020 BUDGET**

**\$34,615,000 Limited Tax General Obligation Bonds, Series 2015A
Dated August 25, 2015
Principal Due Annually December 1
Interest from 5.125 to 5.75%, Due June and December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	675,000	1,913,431	2,588,431
2021	725,000	1,878,838	2,603,838
2022	800,000	1,841,681	2,641,681
2023	855,000	1,800,681	2,655,681
2024	940,000	1,756,863	2,696,863
2025	1,000,000	1,708,688	2,708,688
2026	1,095,000	1,657,438	2,752,438
2027	1,170,000	1,594,475	2,764,475
2028	1,280,000	1,527,200	2,807,200
2029	1,365,000	1,453,600	2,818,600
2030	1,485,000	1,375,113	2,860,113
2031	1,585,000	1,289,725	2,874,725
2032	1,720,000	1,198,588	2,918,588
2033	1,835,000	1,099,688	2,934,688
2034	1,985,000	994,175	2,979,175
2035	2,115,000	880,038	2,995,038
2036	2,280,000	758,425	3,038,425
2037	2,425,000	627,325	3,052,325
2038	2,610,000	487,888	3,097,888
2039	5,875,000	337,813	6,212,813
Total	\$ 33,820,000	\$ 26,181,673	\$ 60,001,673

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2020)

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 2 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, on Wednesday, October 16, 2019, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2020 BUDGET

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

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the DOUGLAS COUNTY NEWS PRESS , a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, --1-- successive week(s), the last of which publication was made 10th day of October A.D., 2019, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



For the Douglas County News-Press .

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the abovenamed Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on the 10th day of October A.D., 2019. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20134073610-225224

Lindsay L. Nicoletti
Notary Public
My commission ends February 22, 2022 .

LINDSAY L NICOLETTI
Notary Public
State of Colorado
Notary ID # 20134073610
My Commission Expires 02-22-2022

Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2020 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2019 BUDGETS

NOTICE IS HEREBY GIVEN that proposed 2020 budgets have been submitted to the Boards of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1-3 (the "Districts"). Copies of the proposed budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2019 budgets have been submitted to the Districts. Copies of the proposed amended budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2020 budgets and amended 2019 budgets will be considered at a public hearing during a meeting of the Districts to be held at Alberta Development, 5750 DTC Parkway, Suite 210, Greenwood Village, CO, on Wednesday, October 16, 2019 at 10:00 A.M. Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing bodies of the Districts.

BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT
CASTLE ROCK METROPOLITAN
DISTRICT NOS. 1-3

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

Legal Notice No.: 935856
First Publication: October 10, 2019
Last Publication: October 10, 2019
Publisher: Douglas County News-Press

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 16, 2019, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2020. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2020 budget year, there is hereby levied a tax of

0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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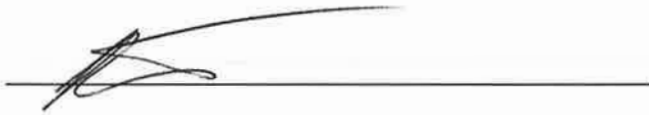
ADOPTED THIS 16TH DAY OF OCTOBER, 2019.

PROMENADE AT CASTLE ROCK METROPOLITAN
DISTRICT NO. 2



Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Wednesday, October 16, 2019, at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16th day of October, 2019.

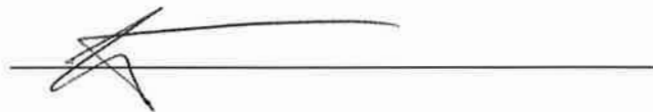


EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Promenade at Castle Rock Metropolitan District No. 2

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Promenade at Castle Rock Metropolitan District No. 2 for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Promenade at Castle Rock Metropolitan District No. 2.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 18, 2019



An independent member of Nexia International

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ (2,558,739)	\$ 282,080	\$ 60,653
REVENUES			
Developer advance	143,634	460,068	-
Other revenue	1,043	82	-
WEO Settlement proceeds	-	475,000	-
Intergovernmental revenue - District No. 1	3,362,983	34,276	67,027
Intergovernmental revenue - District No. 3	330,655	410,006	624,625
Revenue - CAM	236,018	241,059	235,554
Total revenues	<u>4,074,333</u>	<u>1,620,491</u>	<u>927,206</u>
TRANSFERS IN	<u>24,931</u>	<u>492,685</u>	<u>57,446</u>
Total funds available	<u>1,540,525</u>	<u>2,395,256</u>	<u>1,045,305</u>
EXPENDITURES			
General and administrative	471,669	587,749	500,800
Operations and maintenance	225,685	244,500	253,000
Capital projects	536,160	1,009,669	-
Total expenditures	<u>1,233,514</u>	<u>1,841,918</u>	<u>753,800</u>
TRANSFERS OUT	<u>24,931</u>	<u>492,685</u>	<u>57,446</u>
Total expenditures and transfers out requiring appropriation	<u>1,258,445</u>	<u>2,334,603</u>	<u>811,246</u>
ENDING FUND BALANCES	<u>\$ 282,080</u>	<u>\$ 60,653</u>	<u>\$ 234,059</u>
EMERGENCY RESERVE	<u>\$ 3,300</u>	<u>\$ 13,400</u>	<u>\$ 20,800</u>
TOTAL RESERVE	<u>\$ 3,300</u>	<u>\$ 13,400</u>	<u>\$ 20,800</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
----------------	-------------------	----------------

ASSESSED VALUATION Certified Assessed Value	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> </tr> </table>	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		

MILL LEVY

PROPERTY TAXES Budgeted property taxes	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> </tr> </table>	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		

BUDGETED PROPERTY TAXES	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> <td style="width: 33%; text-align: center;">\$ -</td> </tr> </table>	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (56,032)	\$ (96,228)	\$ 60,653
REVENUES			
Developer advance	13,634	-	-
Other revenue	-	82	-
Intergovernmental revenue - District No. 1	8,534	34,226	67,027
Intergovernmental revenue - District No. 3	330,655	410,006	624,625
Total revenues	<u>352,823</u>	<u>444,314</u>	<u>691,652</u>
TRANSFERS IN			
Transfers from other funds	-	374,721	-
Total funds available	<u>296,791</u>	<u>722,807</u>	<u>752,305</u>
EXPENDITURES			
General and administrative			
Accounting	85,409	60,000	60,000
Auditing	9,400	12,000	12,500
Dues and licenses	1,607	3,701	3,800
Insurance and bonds	10,599	10,489	11,900
District management	32,610	20,000	25,000
Legal services	212,340	275,000	125,000
Miscellaneous	2,489	2,000	2,000
Repay developer advances	13,634	150,000	200,000
Contingency	-	-	9,600
Operations and maintenance			
Snow removal	-	5,800	5,800
Detention pond	-	2,000	2,000
Utilities	-	3,200	3,200
Total expenditures	<u>368,088</u>	<u>544,190</u>	<u>460,800</u>
TRANSFERS OUT			
Transfers to other funds	<u>24,931</u>	<u>117,964</u>	<u>57,446</u>
Total expenditures and transfers out requiring appropriation	<u>393,019</u>	<u>662,154</u>	<u>518,246</u>
ENDING FUND BALANCE	<u>\$ (96,228)</u>	<u>\$ 60,653</u>	<u>\$ 234,059</u>
EMERGENCY RESERVE	<u>\$ 3,300</u>	<u>\$ 13,400</u>	<u>\$ 20,800</u>
TOTAL RESERVE	<u>\$ 3,300</u>	<u>\$ 13,400</u>	<u>\$ 20,800</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SPECIAL REVENUE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 68,317	\$ -	\$ -
REVENUES			
Revenue - CAM	236,018	241,059	235,554
Total revenues	<u>236,018</u>	<u>241,059</u>	<u>235,554</u>
TRANSFERS IN			
Transfers from other funds	<u>24,931</u>	<u>47,000</u>	<u>57,446</u>
Total funds available	<u>329,266</u>	<u>288,059</u>	<u>293,000</u>
EXPENDITURES			
General and administrative			
Accounting	32,081	30,000	30,000
Contingency	-	6,759	5,200
Legal services	-	2,000	-
Miscellaneous	3,183	5,000	5,000
Property management	-	10,800	10,800
Repay developer advances	68,317	-	-
Operations and maintenance			
Detention pond	-	5,000	5,000
Electricity	2,699	7,500	7,500
Landscaping	99,966	120,000	125,000
Other CAM expenditures	3,569	2,000	1,000
Portering	11,214	10,000	11,500
Repair and maintenance	62,566	25,000	25,000
Signage Maintenance	888	2,000	2,000
Snow removal	2,165	25,000	20,000
Water	42,618	37,000	45,000
Total expenditures	<u>329,266</u>	<u>288,059</u>	<u>293,000</u>
Total expenditures and transfers out requiring appropriation	<u>329,266</u>	<u>288,059</u>	<u>293,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (2,571,024)	\$ 378,308	\$ -
REVENUES			
Developer advance	130,000	460,068	-
Other revenue	1,043	-	-
WEO Settlement proceeds	-	475,000	-
Intergovernmental revenue - District No. 1	3,354,449	50	-
Total revenues	<u>3,485,492</u>	<u>935,118</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>70,964</u>	<u>-</u>
Total funds available	<u>914,468</u>	<u>1,384,390</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Accounting	47,174	13,000	-
Legal services	17,767	16,000	-
Capital Projects			
Repay developer advance	250,000	977,687	-
Engineering	16,624	2,982	-
Capital outlay	204,595	-	-
Total expenditures	<u>536,160</u>	<u>1,009,669</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>374,721</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>536,160</u>	<u>1,384,390</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 378,308</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

Revenues

Intergovernmental Transfers

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Common Area Maintenance

The District anticipates the collection of CAM revenue, subsidized with funds transferred from the general fund, to offset additional operations and maintenance expenses in 2020.

Expenditures

General and Administrative

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

Operations and Maintenance

The District anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 4 of the budget.

Capital Outlay

The District does not anticipate infrastructure improvements during 2020.

Debt and Leases

The District has no outstanding debt. It has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve to at least 3% of the fiscal year spending for 2020, as defined under TABOR.

This information is an integral part of the accompanying budget.

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2020)

The Board of Directors of Promenade at Castle Rock Metropolitan District No. 3 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, on Wednesday, October 16, 2019, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2020 BUDGET

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

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the DOUGLAS COUNTY NEWS PRESS , a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, --1-- successive week(s), the last of which publication was made 10th day of October A.D., 2019, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the abovenamed Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on the 10th day of October A.D., 2019. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20134073610-225224

Lindsay L. Nicoletti
Notary Public
My commission ends February 22, 2022

LINDSAY L NICOLETTI
Notary Public
State of Colorado
Notary ID # 20134073610
My Commission Expires 02-22-2022

Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2020 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2019 BUDGETS

NOTICE IS HEREBY GIVEN that proposed 2020 budgets have been submitted to the Boards of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1-3 (the "Districts"). Copies of the proposed budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2019 budgets have been submitted to the Districts. Copies of the proposed amended budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2020 budgets and amended 2019 budgets will be considered at a public hearing during a meeting of the Districts to be held at Alberta Development, 5750 DTC Parkway, Suite 210, Greenwood Village, CO, on Wednesday, October 16, 2019 at 10:00 A.M. Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing bodies of the Districts.

BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT
CASTLE ROCK METROPOLITAN
DISTRICT NOS. 1-3

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

Legal Notice No.: 935856
First Publication: October 10, 2019
Last Publication: October 10, 2019
Publisher: Douglas County News-Press

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 16, 2019, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2020. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2020 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2020 budget year, there is hereby levied a tax of

0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2020 budget year, there is hereby levied a tax of 40.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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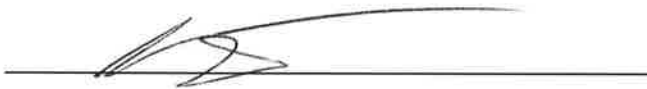
ADOPTED THIS 16TH DAY OF OCTOBER, 2019.

PROMENADE AT CASTLE ROCK METROPOLITAN
DISTRICT NO. 3



Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Wednesday, October 16, 2019, at 5750 DTC Parkway, Suite 210, Greenwood Village, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 16th day of October, 2019.

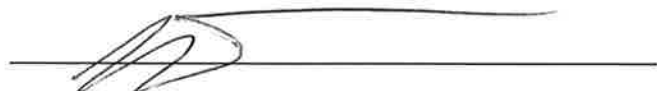


EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAAconnect.com

Accountant's Compilation Report

Board of Directors
Promenade at Castle Rock Metropolitan District No. 3

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Promenade at Castle Rock Metropolitan District No. 3 for the year ending December 31, 2020, including the estimate of comparative information for the year ended December 31, 2019, and the actual comparative information for the year ending December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Promenade at Castle Rock Metropolitan District No. 3.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 13, 2020

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 635	\$ 2,142	\$ -
REVENUES			
Property taxes	1,513,970	1,890,554	2,878,977
Specific ownership tax	163,671	183,382	259,108
Interest income	-	3,255	7,383
Other revenue	-	-	24,532
Total revenues	<u>1,677,641</u>	<u>2,077,191</u>	<u>3,170,000</u>
Total funds available	<u>1,678,276</u>	<u>2,079,333</u>	<u>3,170,000</u>
EXPENDITURES			
General and administrative	1,676,134	2,079,333	3,170,000
Total expenditures	<u>1,676,134</u>	<u>2,079,333</u>	<u>3,170,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,676,134</u>	<u>2,079,333</u>	<u>3,170,000</u>
ENDING FUND BALANCES	<u>\$ 2,142</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
ASSESSED VALUATION			
Commercial	\$ 22,688,050	\$ 33,061,330	\$ 49,815,630
Vacant land	7,986,460	6,653,600	7,763,900
Natural resources	-	10	10
State assessed	279,700	250,000	-
	<u>30,954,210</u>	<u>39,964,940</u>	<u>57,579,540</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 30,954,210</u>	<u>\$ 39,964,940</u>	<u>\$ 57,579,540</u>
 MILL LEVY			
General	10.000	10.000	10.000
Debt Service	40.000	40.000	40.000
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
 PROPERTY TAXES			
General	\$ 309,542	\$ 399,649	\$ 575,795
Debt Service	1,238,168	1,598,598	2,303,182
Levied property taxes	1,547,710	1,998,247	2,878,977
Adjustments to actual/rounding	(668)	-	-
Refunds and abatements	(33,072)	(107,693)	-
Budgeted property taxes	<u>\$ 1,513,970</u>	<u>\$ 1,890,554</u>	<u>\$ 2,878,977</u>
 BUDGETED PROPERTY TAXES			
General	\$ 302,794	\$ 378,111	\$ 575,795
Debt Service	1,211,176	1,512,443	2,303,182
	<u>\$ 1,513,970</u>	<u>\$ 1,890,554</u>	<u>\$ 2,878,977</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 127	\$ 428	\$ -
REVENUES			
Property taxes	302,794	378,111	575,795
Specific ownership tax	32,734	36,676	51,822
Interest income	-	651	7,383
Total revenues	<u>335,528</u>	<u>415,438</u>	<u>635,000</u>
Total funds available	<u>335,655</u>	<u>415,866</u>	<u>635,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,545	5,860	8,637
Contingency	27	-	1,738
Intergovernmental transfer District No. 2	330,655	410,006	624,625
Total expenditures	<u>335,227</u>	<u>415,866</u>	<u>635,000</u>
Total expenditures and transfers out requiring appropriation	<u>335,227</u>	<u>415,866</u>	<u>635,000</u>
ENDING FUND BALANCE	<u>\$ 428</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/20

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 508	\$ 1,714	\$ -
REVENUES			
Property taxes	1,211,176	1,512,443	2,303,182
Specific ownership tax	130,937	146,706	207,286
Interest income	-	2,604	-
Other revenue	-	-	24,532
Total revenues	1,342,113	1,661,753	2,535,000
Total funds available	1,342,621	1,663,467	2,535,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	18,181	23,439	34,548
Intergovernmental transfer District No. 1	1,322,622	1,640,028	2,498,501
Contingency	104	-	1,951
Total expenditures	1,340,907	1,663,467	2,535,000
Total expenditures and transfers out requiring appropriation	1,340,907	1,663,467	2,535,000
ENDING FUND BALANCE	\$ 1,714	\$ -	\$ -

This financial information should be read only in connection with the accompanying
accountant's compilation report and summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers

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

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

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2020 Budget.

This information is an integral part of the accompanying budget.

Resolution No. 2021-02-01

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
RESOLUTION TO AMEND 2020 BUDGET**

WHEREAS, the Board of Directors of Promenade at Castle Rock Metropolitan District No. 2 (the “**District**”) certifies that at a **special** meeting of the Board of Directors of the District held February 22, 2021, a public hearing was held regarding the 2020 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2020 as follows:

General Fund	\$460,800
Capital Projects Fund	\$0
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2020; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2020 as follows:

General Fund	\$600,000
Capital Projects Fund	\$45,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

[Remainder of page intentionally left blank.]

ADOPTED this 22nd day of February, 2021.

**PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 2**



Officer of the District

ATTEST:



APPROVED AS TO FORM:

**WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law**



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on Monday, February 22, 2021, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of February, 2021.



EXHIBIT B
2021 Budgets

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2021

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

Attached are the 2021 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 2, 2020. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-4525
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2021 budget.

DocuSigned by:
Denise Denslow
By: 77517AF6E925439
Denise Denslow, District Manager

Resolution No. 2020-11-01

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2021)

The Board of Directors of Promenade Castle Rock Metropolitan District No. 1 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting held via teleconference on Monday, November 2, 2020, at the hour of 2:30 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2021 BUDGET

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

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

Description: No. 938187 PROPOSED 2021 BUDGETS

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/29/2020, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



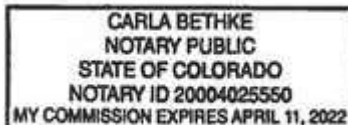
For the Douglas County News-Press

State of Colorado }
County of Douglas } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the above named Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/29/2020. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20004025550-896626

Carla Bethke
Notary Public
My commission ends April 11, 2022



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2020 BUDGETS

NOTICE IS HEREBY GIVEN that the proposed 2021 budgets have been submitted to the Board of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1 - 3 (the "Districts"). A copy of the proposed budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2020 budgets has been submitted to the District. A copy of the proposed amended budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2021 budgets and amended 2020 budgets will be considered at a public hearing during a joint meeting of the Districts to be held on **November 2, 2020 at 2:30 P.M.** Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

<https://zoom.us/j/99672567339?pwd=SkIpa3RiY1hRc3VFRE8xdTZONjNkUT09>
Call-in Number: 720-707-2699; Meeting ID: 996 7256 7339; Passcode: 130873

Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the District.

**BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1 - 3**

/s/ CLIFTONLARSONALLEN

Legal Notice No. 938187
First Publication: October 29, 2020
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A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 2, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 11.132 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

44.531 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 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.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations 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.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED THIS 2ND DAY OF NOVEMBER, 2020.

PROMENADE AT CASTLE METROPOLITAN
DISTRICT NO. 1

DocuSigned by:
Tim O'Connor
AD164E4B4BA64D6...

Officer of the District

ATTEST:

DocuSigned by:
Kelly Goodnough
BE0F692F7A0F4D6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Monday, November 2, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 2nd day of November, 2020.

DocuSigned by:
Kelly Goodnough
BE0F692F7A0F4D6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 4,209,473	\$ 5,013,682	\$ 5,244,724
REVENUES			
Property taxes	158,606	311,770	311,314
Specific ownership taxes	15,908	28,060	24,905
Interest income	104,732	58,000	19,467
Other revenue	-	-	8,739
Credit - PIF	1,424,366	1,600,000	1,993,052
Add-On - PIF	330,338	335,000	493,819
Intergovernmental revenue - District No. 3	1,677,532	2,500,272	2,605,149
Total revenues	<u>3,711,482</u>	<u>4,833,102</u>	<u>5,456,445</u>
Total funds available	<u>7,920,955</u>	<u>9,846,784</u>	<u>10,701,169</u>
EXPENDITURES			
General and administrative	61,806	96,706	114,434
Debt service	2,845,467	3,245,800	3,412,569
Total expenditures	<u>2,907,273</u>	<u>3,342,506</u>	<u>3,527,003</u>
Total expenditures and transfers out requiring appropriation	<u>2,907,273</u>	<u>3,342,506</u>	<u>3,527,003</u>
ENDING FUND BALANCES	<u>\$ 5,013,682</u>	<u>\$ 6,504,278</u>	<u>\$ 7,174,166</u>
DEBT SERVICE RESERVE	3,097,888	3,097,888	3,097,888
DEBT SERVICE SURPLUS	1,915,794	3,406,390	2,848,484
TOTAL RESERVE	<u>\$ 5,013,682</u>	<u>\$ 6,504,278</u>	<u>\$ 5,946,372</u>

No assurance provided. See summary of significant assumptions.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Residential	\$ 2,806,070	\$ 5,465,460	\$ 5,465,460
Commercial	63,230	135,520	127,380
Vacant land	-	-	-
	<u>2,869,300</u>	<u>5,600,980</u>	<u>5,592,840</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 2,869,300</u>	<u>\$ 5,600,980</u>	<u>\$ 5,592,840</u>
MILL LEVY			
General	11.055	11.132	11.132
Debt Service	44.222	44.531	44.531
Total mill levy	<u>55.277</u>	<u>55.663</u>	<u>55.663</u>
PROPERTY TAXES			
General	\$ 31,720	\$ 62,350	\$ 62,259
Debt Service	126,886	249,417	249,055
	<u>158,606</u>	<u>311,767</u>	<u>311,314</u>
Levied property taxes	158,606	311,767	311,314
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 158,606</u>	<u>\$ 311,767</u>	<u>\$ 311,314</u>
BUDGETED PROPERTY TAXES			
General	\$ 31,720	\$ 62,350	\$ 62,259
Debt Service	126,886	249,417	249,055
	<u>\$ 158,606</u>	<u>\$ 311,767</u>	<u>\$ 311,314</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	31,721	62,353	62,259
Specific ownership taxes	3,182	5,612	4,981
Other revenue	-	-	2,760
Total revenues	<u>34,903</u>	<u>67,965</u>	<u>70,000</u>
Total funds available	<u>34,903</u>	<u>67,965</u>	<u>70,000</u>
EXPENDITURES			
General and administrative			
County treasurer's fee	476	935	934
Contingency	-	-	2,850
Intergovernmental expenditure - District No. 2	34,427	67,030	66,216
Total expenditures	<u>34,903</u>	<u>67,965</u>	<u>70,000</u>
Total expenditures and transfers out requiring appropriation	<u>34,903</u>	<u>67,965</u>	<u>70,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 4,209,473	\$ 5,013,682	\$ 5,244,724
REVENUES			
Property taxes	126,885	249,417	249,055
Specific ownership taxes	12,726	22,448	19,924
Interest income	104,732	58,000	19,467
Other revenue	-	-	5,979
Credit - PIF	1,424,366	1,600,000	1,993,052
Add-On - PIF	330,338	335,000	493,819
Intergovernmental revenue - District No. 3	1,677,532	2,500,272	2,605,149
Total revenues	<u>3,676,579</u>	<u>4,765,137</u>	<u>5,386,445</u>
Total funds available	<u>7,886,052</u>	<u>9,778,819</u>	<u>10,631,169</u>
EXPENDITURES			
General and administrative			
County treasurer's fee	1,903	3,741	3,736
PIF Collection fee	25,000	25,000	35,000
Contingency	-	-	5,698
Debt Service			
Paying agent fees	3,500	3,500	3,500
Bond interest - Series 2015A	1,942,900	1,913,431	1,878,838
Bond interest - Series 2015B	324,067	653,869	392,184
Bond principal	575,000	675,000	725,000
Bond principal - Series 2015B	-	-	413,047
Total expenditures	<u>2,872,370</u>	<u>3,274,541</u>	<u>3,457,003</u>
Total expenditures and transfers out requiring appropriation	<u>2,872,370</u>	<u>3,274,541</u>	<u>3,457,003</u>
ENDING FUND BALANCE	<u>\$ 5,013,682</u>	<u>\$ 6,504,278</u>	<u>\$ 7,174,166</u>
DEBT SERVICE RESERVE	\$ 3,097,888	\$ 3,097,888	\$ 3,097,888
DEBT SERVICE SURPLUS	1,915,794	3,406,390	2,848,484
TOTAL RESERVE	<u>\$ 5,013,682</u>	<u>\$ 6,504,278</u>	<u>\$ 5,946,372</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 on April 10, 2019 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the change assessed value calculation. The debt service mill levy increased to 44.531 from 44.222 mills and the general fund mill levy increased to 11.132 from 11.055 mills.

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 8% of the property taxes collected.

Credit Public Improvement Fees

The Credit PIF is a public improvement fee in the amount of 1.10% of taxable retail sales within the Districts which will be imposed in lieu of, or as a credit against, a corresponding amount of the Town Sales Tax. Credit PIF revenue is pledged first to the payment of the Series A Bonds, and on a subordinate basis to the Series B Bonds.

Add-On Public Improvement Fees

The Add-On PIF is a public improvement fee in the amount of .25% of taxable retail sales within the Districts. Unlike the Credit PIF, the Add-On PIF does not constitute a fee imposed in lieu of, or as a credit against, any part of the Town Sales Tax. Instead, the Add-On PIF constitutes an additional fee imposed upon PIF Sales. The Add-On PIF is initially pledged solely to the Series B Bonds until no longer outstanding.

Intergovernmental Revenue – District No. 3

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Net Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.005%.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers - District No. 2

Property taxes generated from the 11.132 mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to District No. 2, the Operating District, which pays all administrative expenditures of the District.

Debt Service

Interest payments in 2020 are provided based on the attached debt amortization schedule for the Series 2015A Bonds (discussed under Debt and Leases). The Series 2015B Bonds are paid based on available funds, as such a debt amortization schedule has not been included.

Debt and Leases

Series 2015 Special Revenue Bonds

The District issued Bonds on August 25, 2015, in the amounts of \$34,615,000 in General Obligation Bonds Series 2015A and \$2,825,000 in Taxable Special Revenue Bonds Series 2015B. The proceeds from the sale of the Series A Bonds will be used for the purposes of: (i) paying a portion of the costs of public improvements or reimbursing the Developer for the advancement of those costs, to the extent of available proceeds; (ii) providing capitalized interest; (iii) providing the Series A Reserve Fund; and (iv) paying costs of issuance of the Series A Bonds. Proceeds from the sale of the Series B Bonds will be used to: (i) pay a portion of the costs of public improvements or reimbursing the Developer for the advancement of those costs, to the extent of available proceeds; and (ii) paying costs of issuance of the Series B Bonds.

The Series A Bonds bear interest at rates ranging from 5.125% to 5.750% payable semi-annually on June 1 and December 1, beginning on December 1, 2015. Annual mandatory sinking fund principal payments on the Series A Bonds are due on December 1, beginning on December 1, 2018. The Series A Bonds mature on December 1, 2039.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Series 2015 Special Revenue Bonds (Continued)

The Series B Bonds are assumed to bear interest at 9.0% payable annually on December 1, beginning on December 1, 2015. Annual mandatory sinking fund principal payments on the Series A Bonds are due on December 1, to the extent of moneys on deposit, if any, in the Series B Mandatory Redemption Account of the Series B Bond Fund. The Series B Bonds mature on December 1, 2039.

	Balance at December 31, 2019	Additions	Reductions	Balance at December 31, 2020
Limited Tax General Obligation Bonds, Series 2015A	\$ 33,820,000	\$ -	\$ 675,000	\$ 33,145,000
Original Issue Discount, Series 2015A	(353,633)	-	(25,845)	(327,788)
Taxable Special Revenue Bonds, Series 2015B	2,825,000	-	-	2,825,000
Accrued Interest Series 2015B Bonds	512,474	300,373	653,869	158,978
Total	<u>\$ 36,803,841</u>	<u>\$ 300,373</u>	<u>\$ 1,303,024</u>	<u>\$ 35,801,190</u>

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021
Limited Tax General Obligation Bonds, Series 2015A	\$ 33,145,000	\$ -	\$ 725,000	\$ 32,420,000
Original Issue Discount, Series 2015A	(327,788)	-	(25,377)	(302,411)
Taxable Special Revenue Bonds, Series 2015B	2,825,000	-	413,047	2,411,953
Accrued Interest Series 2015B Bonds	158,978	268,558	392,184	35,352
Total	<u>\$ 35,801,190</u>	<u>\$ 268,558</u>	<u>\$ 1,504,854</u>	<u>\$ 34,564,894</u>

The District has no operating or capital leases.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2019 Budget. The Emergency Reserve for these revenues is reflected in District No. 2.

Debt Service Reserve

The District has a \$3,097,888 Debt Service Reserve as required with the issuance of the Series 2015 bonds.

This information is an integral part of the accompanying budget.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2021 BUDGET**

**\$34,615,000 Limited Tax General Obligation Bonds, Series 2015A
Dated August 25, 2015
Principal Due Annually December 1
Interest from 5.125 to 5.75%, Due June and December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	725,000	1,878,838	2,603,838
2022	800,000	1,841,681	2,641,681
2023	855,000	1,800,681	2,655,681
2024	940,000	1,756,863	2,696,863
2025	1,000,000	1,708,688	2,708,688
2026	1,095,000	1,657,438	2,752,438
2027	1,170,000	1,594,475	2,764,475
2028	1,280,000	1,527,200	2,807,200
2029	1,365,000	1,453,600	2,818,600
2030	1,485,000	1,375,113	2,860,113
2031	1,585,000	1,289,725	2,874,725
2032	1,720,000	1,198,588	2,918,588
2033	1,835,000	1,099,688	2,934,688
2034	1,985,000	994,175	2,979,175
2035	2,115,000	880,038	2,995,038
2036	2,280,000	758,425	3,038,425
2037	2,425,000	627,325	3,052,325
2038	2,610,000	487,888	3,097,888
2039	5,875,000	337,813	6,212,813
Total	<u>\$ 33,145,000</u>	<u>\$ 24,268,242</u>	<u>\$ 57,413,242</u>

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

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

the Board of Directors
 (governing body)^B

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

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 5,592,840 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 5,592,840 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/11/2020 for budget/fiscal year 2021.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>11.132</u> mills	\$ <u>62,259</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.132</u> mills	\$ <u>62,259</u>
3. General Obligation Bonds and Interest ^J	<u>44.531</u> mills	\$ <u>249,055</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>55.663</u> mills	\$ <u>311,314</u>

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

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1.	Purpose of Issue:	<u>Public Improvements</u>
	Series:	<u>Limited Tax General Obligation Bonds, Series 2015A</u>
	Date of Issue:	<u>August 25, 2015</u>
	Coupon Rate:	<u>5.125% to 5.75%</u>
	Maturity Date:	<u>December 1, 2025 / December 1, 2039</u>
	Levy:	<u>34.013</u>
	Revenue:	<u>\$190,229</u>

2.	Purpose of Issue:	<u>Public Improvements</u>
	Series:	<u>Taxable Special Revenue Bonds, Series 2015B</u>
	Date of Issue:	<u>August 25, 2015</u>
	Coupon Rate:	<u>9.000%</u>
	Maturity Date:	<u>December 1, 2039</u>
	Levy:	<u>10.518</u>
	Revenue:	<u>\$58,826</u>

CONTRACTS^K:

3.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

4.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2021

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

Attached are the 2021 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 2, 2020. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-4525
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No.2, hereby certify that the attached is a true and correct copy of the 2021 budget.

DocuSigned by:
Denise Denslow
By: 77517AF6E925439...
Denise Denslow, District Manager

Resolution No. 2020-11-02

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2021)

The Board of Directors of Promenade Castle Rock Metropolitan District No. 2 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting held via teleconference on Monday, November 2, 2020, at the hour of 2:30 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2021 BUDGET

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

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

Description: No. 938187 PROPOSED 2021 BUDGETS

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/29/2020, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



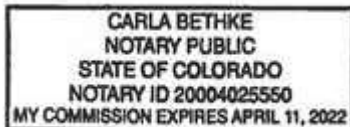
For the Douglas County News-Press

State of Colorado }
County of Douglas } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the above named Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/29/2020. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20004025550-896626

Carla Bethke
Notary Public
My commission ends April 11, 2022



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2020 BUDGETS

NOTICE IS HEREBY GIVEN that the proposed 2021 budgets have been submitted to the Board of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1 - 3 (the "Districts"). A copy of the proposed budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2020 budgets has been submitted to the District. A copy of the proposed amended budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2021 budgets and amended 2020 budgets will be considered at a public hearing during a joint meeting of the Districts to be held on **November 2, 2020 at 2:30 P.M.** Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

<https://zoom.us/j/99672567339?pwd=SkIpa3RiY1hRc3VFRE8xdTZONjNkUT09>
Call-in Number: 720-707-2699; Meeting ID: 996 7256 7339; Passcode: 130873

Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the District.

**BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1 - 3**

/s/ CLIFTONLARSONALLEN

Legal Notice No. 938187
First Publication: October 29, 2020
Last Publication: October 29, 2020
Publisher: Douglas County News-Press

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 2, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 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.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations 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.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations 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.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations 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.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 2ND DAY OF NOVEMBER, 2020.

PROMENADE AT CASTLE METROPOLITAN
DISTRICT NO. 2

DocuSigned by:
Tim O'Connor
AB184E4D1BA54DB...

Officer of the District

ATTEST:

DocuSigned by:
Kelly Goodnough
BECF892F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Monday, November 2, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 2nd day of November, 2020.

DocuSigned by:
Kelly Goodnough
BECF892F7A8F4B6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 282,080	\$ (212,391)	\$ 111,403
REVENUES			
Developer advance	619,534	-	-
Other revenue	85	158	-
WEO settlement proceeds	652,000	-	-
Intergovernmental revenue - District No. 1	34,427	128,462	66,216
Intergovernmental revenue - District No. 3	419,382	625,980	646,440
Revenue - CAM	236,761	235,554	236,052
Total revenues	<u>1,962,189</u>	<u>990,154</u>	<u>948,708</u>
TRANSFERS IN	<u>164,611</u>	<u>185,236</u>	<u>66,948</u>
Total funds available	<u>2,408,880</u>	<u>962,999</u>	<u>1,127,059</u>
EXPENDITURES			
General and administrative	399,164	431,025	501,300
Operations and maintenance	326,567	194,754	251,000
Capital projects	1,730,929	40,581	-
Total expenditures	<u>2,456,660</u>	<u>666,360</u>	<u>752,300</u>
TRANSFERS OUT	<u>164,611</u>	<u>185,236</u>	<u>66,948</u>
Total expenditures and transfers out requiring appropriation	<u>2,621,271</u>	<u>851,596</u>	<u>819,248</u>
ENDING FUND BALANCES	<u>\$ (212,391)</u>	<u>\$ 111,403</u>	<u>\$ 307,811</u>
EMERGENCY RESERVE	<u>\$ 3,300</u>	<u>\$ 20,900</u>	<u>\$ 21,500</u>
TOTAL RESERVE	<u>\$ 3,300</u>	<u>\$ 20,900</u>	<u>\$ 21,500</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
 PROPERTY TAX SUMMARY INFORMATION
 2021 BUDGET
 WITH 2019 ACTUAL AND 2020 ESTIMATED
 For the Years Ended and Ending December 31,**

1/5/21

ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
----------------	-------------------	----------------

ASSESSED VALUATION

Certified Assessed Value

\$	-	\$	-	\$	-
----	---	----	---	----	---

MILL LEVY

PROPERTY TAXES

Budgeted property taxes

\$	-	\$	-	\$	-
----	---	----	---	----	---

BUDGETED PROPERTY TAXES

\$	-	\$	-	\$	-
----	---	----	---	----	---

No assurance provided. See summary of significant assumptions.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (96,228)	\$ (6,304)	\$ 111,403
REVENUES			
Other revenue	85	158	-
Intergovernmental revenue - District No. 1	34,427	67,030	66,216
Intergovernmental revenue - District No. 3	419,382	625,980	646,440
Total revenues	453,894	693,168	712,656
TRANSFERS IN			
Transfers from other funds	125,000	-	-
Total funds available	482,666	686,864	824,059
EXPENDITURES			
General and administrative			
Accounting	62,434	60,000	60,000
Auditing	12,000	12,000	13,500
Dues and licenses	3,701	2,391	3,800
Insurance and bonds	10,489	13,834	15,000
District management	17,480	25,000	25,000
Legal services	249,746	75,000	125,000
Miscellaneous	1,098	2,000	2,000
Repay developer advances	-	200,000	200,000
Contingency	-	-	5,000
Operations and maintenance			
Repairs and maintenance	92,411	-	-
Total expenditures	449,359	390,225	449,300
TRANSFERS OUT			
Transfers to other fund	39,611	185,236	66,948
Total expenditures and transfers out requiring appropriation	488,970	575,461	516,248
ENDING FUND BALANCE	\$ (6,304)	\$ 111,403	\$ 307,811
EMERGENCY RESERVE	\$ 3,300	\$ 20,900	\$ 21,500
TOTAL RESERVE	\$ 3,300	\$ 20,900	\$ 21,500

No assurance provided. See summary of significant assumptions.

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
SPECIAL REVENUE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Revenue - CAM	236,761	235,554	236,052
Total revenues	<u>236,761</u>	<u>235,554</u>	<u>236,052</u>
TRANSFERS IN			
Transfers from other funds	<u>39,611</u>	<u>-</u>	<u>66,948</u>
Total funds available	<u>276,372</u>	<u>235,554</u>	<u>303,000</u>
EXPENDITURES			
General and administrative			
Accounting	30,085	30,000	30,000
Contingency	-	-	5,000
Miscellaneous	1,331	-	5,000
District management	10,800	10,800	12,000
Operations and maintenance			
Detention pond	-	-	5,000
Electricity	6,293	7,500	7,500
Landscaping	170,811	125,000	135,000
Portering	9,855	10,500	11,500
Repair and maintenance	10,150	6,754	25,000
Signage maintenance	-	-	2,000
Snow removal	5,174	15,000	20,000
Water	31,873	30,000	45,000
Total expenditures	<u>276,372</u>	<u>235,554</u>	<u>303,000</u>
Total expenditures and transfers out requiring appropriation	<u>276,372</u>	<u>235,554</u>	<u>303,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 2
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 378,308	\$ (206,087)	\$ -
REVENUES			
Developer advance	619,534	-	-
WEO settlement proceeds	652,000	-	-
Intergovernmental revenue - District No. 1	-	61,432	-
Total revenues	<u>1,271,534</u>	<u>61,432</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>185,236</u>	<u>-</u>
Total funds available	<u>1,649,842</u>	<u>40,581</u>	<u>-</u>
EXPENDITURES			
General and Administrative			
Accounting	17,813	581	-
Legal services	15,918	-	-
Capital Projects			
Repay developer advance	1,081,602	-	-
Engineering	33,897	-	-
Capital outlay	581,699	40,000	-
Total expenditures	<u>1,730,929</u>	<u>40,581</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>125,000</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,855,929</u>	<u>40,581</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ (206,087)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Intergovernmental Transfers

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

Common Area Maintenance

The District anticipates the collection of CAM revenue, subsidized with funds transferred from the general fund, to offset additional operations and maintenance expenses in 2021.

Expenditures

General and Administrative

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

Operations and Maintenance

The District anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 4 and 5 of the budget.

Capital Outlay

The District does not anticipate infrastructure improvements during 2021.

Debt and Leases

Developer Advances

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

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

	Balance at December 31, 2019	Additions	Reductions	Balance at December 31, 2020
Developer Advances - Operations	\$ 456,041	\$ -	\$ 200,000	\$ 256,041
Accrued Interest:				
Developer Advances - Operations	131,619	22,253	-	153,872
Developer Advances - Capital	14,763,155	-	-	14,763,155
Accrued Interest:				
Developer Advances - Capital	3,776,146	922,697	-	4,698,843
Total	<u>\$ 19,126,961</u>	<u>\$ 944,950</u>	<u>\$ 200,000</u>	<u>\$ 19,871,911</u>
	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021
Developer Advances - Operations	\$ 256,041	\$ -	\$ 200,000	\$ 56,041
Accrued Interest:				
Developer Advances - Operations	153,872	9,753	-	163,624
Developer Advances - Capital	14,763,155	-	-	14,763,155
Accrued Interest:				
Developer Advances - Capital	4,698,843	922,697	-	5,621,540
Total	<u>\$ 19,871,911</u>	<u>\$ 932,450</u>	<u>\$ 200,000</u>	<u>\$ 20,604,361</u>

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve to at least 3% of the fiscal year spending for 2021, as defined under TABOR.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

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

the Board of Directors
 (governing body)^B

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

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 0 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 0 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/2/2020 for budget/fiscal year 2021.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0.00</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0.00
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	0.000 mills	\$ 0.00

Contact person: (print) Carrie Bartow Daytime phone: (303) 779-5710
 Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

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

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

CONTRACTS^K:

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

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

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL


Date: January 28, 2021

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

Attached are the 2021 budget and budget message for PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 2, 2020. If there are any questions on the budget, please contact

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-4525
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Promenade at Castle Rock Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2021 budget.

DocuSigned by:
By: 
77617AF6E925499...
Denise Denslow, District Manager

Resolution No. 2020-11-01

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2021)

The Board of Directors of Promenade Castle Rock Metropolitan District No. 3 (the “**Board**”), Town of Castle Rock, Colorado (the “**District**”) held a special meeting held via teleconference on Monday, November 2, 2020, at the hour of 2:30 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2021 BUDGET

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

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

Description: No. 938187 PROPOSED 2021 BUDGETS

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/29/2020, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



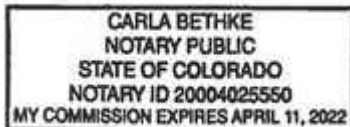
For the Douglas County News-Press

State of Colorado }
County of Douglas } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before by the above named Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/29/2020. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

20004025550-896626

Carla Bethke
Notary Public
My commission ends April 11, 2022



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2020 BUDGETS

NOTICE IS HEREBY GIVEN that the proposed 2021 budgets have been submitted to the Board of Directors (the "Boards") of the PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NOS. 1 - 3 (the "Districts"). A copy of the proposed budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2020 budgets has been submitted to the District. A copy of the proposed amended budgets are on file in the office of CliftonLarsonAllen at 8390 E. Crescent Pkwy, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed 2021 budgets and amended 2020 budgets will be considered at a public hearing during a joint meeting of the Districts to be held on **November 2, 2020 at 2:30 P.M.** Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

<https://zoom.us/j/99672567339?pwd=SkIpa3RiY1hRc3VFRE8xdTZONjNkUT09>
Call-in Number: 720-707-2699; Meeting ID: 996 7256 7339; Passcode: 130873

Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the District.

**BY ORDER OF THE BOARDS
OF DIRECTORS:
PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NOS. 1 - 3**

/s/ CLIFTONLARSONALLEN

Legal Notice No. 938187
First Publication: October 29, 2020
Last Publication: October 29, 2020
Publisher: Douglas County News-Press

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 2, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

40.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 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.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations 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.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 2ND DAY OF NOVEMBER, 2020.

PROMENADE AT CASTLE METROPOLITAN
DISTRICT NO. 3

DocuSigned by:
Tim O'Connor
AB184E4D1BA54D8...

Officer of the District

ATTEST:

DocuSigned by:
Kelly Goodnough
BECF802F7A8F4B6...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Monday, November 2, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 2nd day of November, 2020.

DocuSigned by:
Kelly Goodnough
BECF802F7A8F4B6...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 2,142	\$ -	\$ -
REVENUES			
Property taxes	1,917,418	2,878,977	3,034,755
Specific ownership tax	199,787	259,108	242,780
Interest income	6,488	31,352	27,825
Other revenue	-	-	-
Total revenues	<u>2,123,693</u>	<u>3,169,437</u>	<u>3,305,360</u>
Total funds available	<u>2,125,835</u>	<u>3,169,437</u>	<u>3,305,360</u>
EXPENDITURES			
General and administrative	2,125,835	3,169,437	3,305,360
Total expenditures	<u>2,125,835</u>	<u>3,169,437</u>	<u>3,305,360</u>
Total expenditures and transfers out requiring appropriation	<u>2,125,835</u>	<u>3,169,437</u>	<u>3,305,360</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Commercial	\$ 33,061,330	\$ 49,815,630	\$ 53,345,250
Vacant land	6,653,600	7,763,900	6,472,950
Natural resources	10	10	10
State assessed	250,000	-	876,900
	<u>39,964,940</u>	<u>57,579,540</u>	<u>60,695,110</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 39,964,940</u>	<u>\$ 57,579,540</u>	<u>\$ 60,695,110</u>
MILL LEVY			
General	10.000	10.000	10.000
Debt Service	40.000	40.000	40.000
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
PROPERTY TAXES			
General	\$ 399,649	\$ 575,795	\$ 606,951
Debt Service	1,598,598	2,303,182	2,427,804
Levied property taxes	<u>1,998,247</u>	<u>2,878,977</u>	<u>3,034,755</u>
Adjustments to actual/rounding	-	-	-
Refunds and abatements	(80,829)	-	-
Budgeted property taxes	<u>\$ 1,917,418</u>	<u>\$ 2,878,977</u>	<u>\$ 3,034,755</u>
BUDGETED PROPERTY TAXES			
General	\$ 383,484	\$ 575,795	\$ 606,951
Debt Service	1,533,934	2,303,182	2,427,804
	<u>\$ 1,917,418</u>	<u>\$ 2,878,977</u>	<u>\$ 3,034,755</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 428	\$ -	\$ -
REVENUES			
Property taxes	383,483	575,795	606,951
Specific ownership tax	39,957	51,822	48,556
Interest income	1,298	7,000	5,565
Total revenues	<u>424,738</u>	<u>634,617</u>	<u>661,072</u>
Total funds available	<u>425,166</u>	<u>634,617</u>	<u>661,072</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	5,784	8,637	9,104
Contingency	-	-	5,528
Intergovernmental transfer District No. 2	419,382	625,980	646,440
Total expenditures	<u>425,166</u>	<u>634,617</u>	<u>661,072</u>
Total expenditures and transfers out requiring appropriation	<u>425,166</u>	<u>634,617</u>	<u>661,072</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO 3
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 1,714	\$ -	\$ -
REVENUES			
Property taxes	1,533,935	2,303,182	2,427,804
Specific ownership tax	159,830	207,286	194,224
Interest income	5,190	24,352	22,260
Total revenues	<u>1,698,955</u>	<u>2,534,820</u>	<u>2,644,288</u>
Total funds available	<u>1,700,669</u>	<u>2,534,820</u>	<u>2,644,288</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	23,137	34,548	36,417
Intergovernmental transfer District No. 1	1,677,532	2,500,272	2,605,149
Contingency	-	-	2,722
Total expenditures	<u>1,700,669</u>	<u>2,534,820</u>	<u>2,644,288</u>
Total expenditures and transfers out requiring appropriation	<u>1,700,669</u>	<u>2,534,820</u>	<u>2,644,288</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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

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

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 8% of the property taxes collected.

Expenditures

County Treasurer's Fees

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

Intergovernmental Transfers

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

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

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 2, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2021 Budget.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

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

the Board of Directors
 (governing body)^B


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

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 60,695,110 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 60,695,110 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/04/2020 for budget/fiscal year 2021.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>10.000</u> mills	\$ <u>606,951</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 606,951
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>40.000</u> mills	\$ <u>2,427,804</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	50.000 mills	\$ 3,034,755

Contact person: (print) Carrie Bartow Daytime phone: (303) 779-5710
 Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).**

Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**BONDS^J:**

1. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

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

CONTRACTS^K:

3. Purpose of Contract: Repay Promenade at Castle Rock Metro District No. 1 Series 2015A Limited Tax General Obligation Bonds issued to fund Promenade at Castle Rock Metro District No. 3 infrastructure improvements
 Title: Capital Pledge Agreement
 Date: 8/25/15
 Principal Amount: N/A
 Maturity Date: December 1, 2025 / December 1, 2039
 Levy: 40.000
 Revenue: \$ 2,427,804

4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Resolution No. 2021-03-22

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
RESOLUTION TO AMEND 2021 BUDGET**

WHEREAS, the Board of Directors of Promenade at Castle Rock Metropolitan District No. 1 (the “**District**”) certifies that at a **special** meeting of the Board of Directors of the District held March 22, 2021, a public hearing was held regarding the 2021 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2021 as follows:

Debt Service Fund	\$3,412,569
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2021; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2021 as follows:

Debt Service Fund	\$73,500,000
-------------------	--------------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

[Remainder of page intentionally left blank.]

ADOPTED this 22nd day of March, 2021.

**PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 1**

Tim O'Connor

Tim O'Connor (Mar 23, 2021 08:46 MDT)

Officer of the District

ATTEST:

Kelly Goodnough

Kelly Goodnough (Mar 22, 2021 17:44 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on Monday, March 22, 2021, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of March, 2021.

Kelly Goodnough

Kelly Goodnough (Mar 22, 2021 17:44 MDT)

Resolution No. 2021-03-23

**PROMENADE AT CASTLE ROCK METROPOLITAN DISTRICT NO. 2
RESOLUTION TO AMEND 2021 BUDGET**

WHEREAS, the Board of Directors of Promenade at Castle Rock Metropolitan District No. 2 (the “**District**”) certifies that at a **special** meeting of the Board of Directors of the District held March 22, 2021, a public hearing was held regarding the 2021 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2021 as follows:

Capital Projects Fund	\$0
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2021; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2021 as follows:

Capital Projects Fund	\$30,000,000
-----------------------	--------------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

[Remainder of page intentionally left blank.]

ADOPTED this 22nd day of March, 2021.

**PROMENADE AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 2**

Tim OConnor

Tim OConnor (Mar 23, 2021 08:46 MDT)

Officer of the District

ATTEST:

Kelly Goodnough

Kelly Goodnough (Mar 22, 2021 17:44 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on Monday, March 22, 2021, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of March 2021.

Kelly Goodnough

Kelly Goodnough (Mar 22, 2021 17:44 MDT)