

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3  
TOWN OF CASTLE ROCK, COLORADO**

**2014 ANNUAL REPORT**

Pursuant to the Service Plan for Castle Oaks Metropolitan District No. 3 (the "District"), the District is required to submit an annual report to the Town of Castle Rock, Colorado (the "Town") which reflects activity and financial events of the District through the preceding December 31 (the "report year") and includes the following:

For the year ending December 31, 2014, the District makes the following report:

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

The District issued bonds in 2014 and is using the proceeds to construct public improvements necessary for the project. See C. below.

B. Except when an exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the 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.

A copy of the District's application for exemption from the 2014 audit is attached hereto as **Exhibit A**.

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.

The following is a summary of the planned improvements for the next five (5) years:

**McMurdo Sewer** – The District began construction on the sewer line October 2014 and finished construction for phase 1 and phase 2 June 2015. Phase 3 is estimated to begin November 2015. The project budget is estimated at \$1,600,000.

**Autumn Sage Drive to Highway 86 (Includes Phase 1 of Valley View Road and a portion of Castle Oaks Drive)** – Project budget is estimated at \$3,351,000. Project started October 2014 and is estimated to complete November 2015.

**Highway 86 (North Side)** – The District began construction on improvements August 2015 and is expected to be complete November 2015. The estimated budget is \$1,600,000.

**Dog Park** – The District started construction on the Dog Park July 2015 and is expected to complete November 2015. The estimated budget is \$854,000.

**Community Trails (Phase 1 and Phase 2)** – The District has awarded the Phase 1 Trail installation with construction to begin September 2015 and complete November 2015. The phase 2 Trail has not been designed at this time and is expected to be installed in 2016. The estimated budget for the Trails is \$848,000.

**Valley View Phase 2** – Construction to begin November 2015 and complete September 2016. Estimated budget is \$966,000.

**Valley View Phase 3 (Includes Rocky View Road and High Point Access)** - Construction to begin November 2015 and complete November 2016. Estimated budget is \$4,800,000.

**McMurdo Drainage** - Construction to begin November 2015 and complete April 2016. Estimated budget is \$1,500,000.

**Ravenwood Park** - Construction to begin July 2016 and complete November 2016. Estimated budget is \$690,000.

**Castle Oaks Drive South** - Construction to begin March 2016 and complete December 2016. Estimated budget is \$3,400,000.

**Castle Oaks Drive North (Includes Rocky View North Section)** - Construction to begin October 2016 and complete August 2017. Estimated budget is \$5,200,000.

**Highway 86 (South Side)** - Construction to begin February 2017 and complete July 2017. Estimated budget is \$1,220,000.

**Traffic Signal (Autumn Sage/Hwy 86)** - Construction to begin July 2017 and complete September 2017. Estimated budget is \$310,000.

**South Sewer Outfall** - Construction to begin August 2016 and complete December 2016. Estimated budget is \$270,000.

**Green Zone Water Line** - Construction to begin January 2016 and complete June 2016. Estimated budget is \$740,000.

**Red Zone Water Line** - Construction to begin May 2016 and complete July 2016. Estimated budget is \$588,000.

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.

A summary of the financial obligations of the District can be found in the 2015 budget attached as **Exhibit B**.

E. The District's budget for the calendar year in which the annual report is submitted.

A copy of the District's 2015 budget is attached as **Exhibit B**.

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

No Residential or Commercial Development has occurred within the District.

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

The District imposes a facilities development fee on the property within the District in the amount of \$4,000.

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

The Certificate is attached as **Exhibit C**.

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

Boards of Directors:

**Craig Campbell**  
Starwood Land Ventures, LLC  
385 Inverness Parkway, Suite 310  
Englewood, CO 80112  
303-858-9992

**Christian Matthew Janke**  
E5X Management  
7353 South Alton Way  
Centennial, CO 80112  
303-770-9111

**Sandi Thomas**  
Sinclair-McLean, Inc.  
14 Cottonwood Lane  
Greenwood Village, CO 80121  
303-929-0261

Regular Meetings:

Date: The fourth Tuesday of each month  
Place: 2154 E. Commons Avenue, Suite 2000, Centennial, Colorado  
Time: 9:00 a.m.

General Counsel:

Kristin Tompkins, Esq.  
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law  
2154 E Commons Ave, Suite 2000  
Centennial, CO 80122

**EXHIBIT A**

**Audit Exemption Application for Year Ending December 31, 2014**



Office of the State Auditor

Dianne E. Ray, CPA  
State Auditor

May 20, 2015

Board Of Directors  
Castle Oaks Metropolitan District No. 3  
2154 E. Commons Ave.  
Centennial, CO 80122

Suite 2000

RE: 1028.03

Dear Board Of Directors:

We have reviewed the Application for Exemption from Audit of Castle Oaks Metropolitan District No. 3. Based on our review, the December 31, 2014 Application for Exemption from Audit has been approved. We noted the following item that we believe deserves your attention:

In "Part 4 - Debt Outstanding, Issued and Retired" the beginning balance of outstanding debt does not match the previous application's ending balance. Please ensure that the outstanding debt amounts are carried forward correctly in future applications.

**Changes effective for periods beginning after January 1, 2015:**

Senate Bill 15-024, passed during the 2015 Legislative Session, increased the maximum threshold for the application for exemption from audit to \$750,000. All applications for exemption from audit are subject to review by and approval of the State Auditor in accordance with the Local Government Audit Law, Section 29-1-601 et seq., C.R.S. Applications must be completed in accordance with regulations issued by the state auditor. We strongly advise that you familiarize yourself with the new requirements and all provisions of the Local Government Audit Law. Please consult our web site for current requirements prior to preparing your application for exemption from audit for the year December 31, 2015 which will be due March 31, 2016.

If we may be of any assistance to you, please feel free to call us at 303-869-3000. For further resources see our web site at: [www.leg.state.co.us/OSA/coauditor1.nsf](http://www.leg.state.co.us/OSA/coauditor1.nsf)

Sincerely,

Crystal L. Dorsey, CPA  
Local Government Audit Manager

cc: Colorado Department of Local Affairs, Division of Local Government



**We Set the Standard for Good Government**

**APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS**

Name of Government:	Castle Oaks Metropolitan District No. 3	For the Year Ended December 31, 2014 or fiscal year ended:
Address:	White Bear Ankele Tanaka & Waldron, PC 2154 E. Commons Avenue, Suite 2000 Centennial, CO 80122	
Contact Person:	Kristin Tompkins	
Telephone:	303/858-1800	
Email:	ktompkins@wbapc.com	
Fax:	303/858-1801	

Return to: Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203  
Fax: 303-866-4062  
Email: OSA.LG@state.co.us  
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE  
ABOVE INSTRUCTIONS  
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$500,000 in any year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$500,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

**Please review ALL instructions prior to the completion of this form.**

**Instructions:**

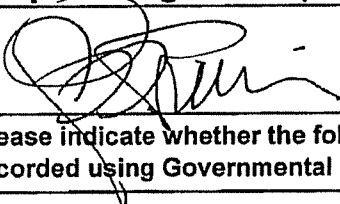
1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within **3 months** after the end of the year.  
For years ended December 31, the form **must** be **received** by the Office of the State Auditor by **March 31**.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
  - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
  - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

**CERTIFICATION OF PREPARER**

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

Name:	John Simmons, CPA
Title:	District Accountant
Firm Name (if applicable):	Simmons & Wheeler, P.C.
Address:	8005 S. Chester Street, Suite 150 Centennial, CO 80112
Telephone Number:	303-689-0833
Date Prepared:	2/20/15

**Preparer Signature (Required):** The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>Governmental</b>	<b>Proprietary</b>
	X	

**PART 2 - REVENUE**

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.		
Line#	Description	(Omit cents)
2-1	Taxes: Property	\$ 42,288
2-2	Specific ownership	\$ 3,794
2-3	Sales and use	\$ -
2-4	Other (specify):	\$ -
2-5	Licenses and permits	\$ -
2-6	Intergovernmental: Grants	\$ -
2-7	Conservation Trust Funds (Lottery)	\$ -
2-8	Highway Users Tax Funds (HUTF)	\$ -
2-9	Other (specify):	\$ -
2-10	Charges for services	\$ -
2-11	Fines and forfeits	\$ -
2-12	Special assessments	\$ -
2-13	Investment income	\$ -
2-14	Charges for utility services	\$ -
2-15	Debt proceeds (should agree with line 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ -
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Donations	\$ -
2-21	Other (specify):	\$ -
2-22		\$ -
2-23		\$ -
2-24	<b>(add lines 2-1 through 2-23) TOTAL REVENUE all sources</b>	\$ <b>46,082</b>

**PART 3 - EXPENDITURES**

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.		
Line#	Description	(Omit cents)
3-1	Administrative	\$ 634
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ -
3-5	Employee benefits	\$ -
3-6	Insurance	\$ 2,470
3-7	Accounting and legal fees	\$ 25,044
3-8	Repair and maintenance	\$ -
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with Part 6)	\$ -
3-17	Debt service principal (should agree with Part 4)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify):	\$ -
3-23	Change in repayment of Promissory note accrual	\$ 17,977
3-24	Cost of issuance	\$ 25,110
3-25	<b>(add lines 3-1 through 3-24) TOTAL EXPENDITURES all categories</b>	\$ <b>71,235</b>

**Note: If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) are greater than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - Long Form".**



**PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED**

Please answer the following questions by marking the appropriate boxes.						Yes	No
4-1	Does the entity have outstanding debt?					X	
	Is the debt repayment schedule attached? If no, please explain: No scheduled repayment						X
4-2	Is the entity current in its debt service payments? If no, please explain:					X	
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)		Outstanding at end of prior year	Issued during year	Retired during year	Outstanding at year-end	
	General obligation bonds		\$ -	\$ -	\$ -	align="right">\$ -	
	Revenue bonds		\$ -	\$ -	\$ -	align="right">\$ -	
	Notes/Loans		\$ 14,463	\$ -	\$ 14,463	align="right">\$ -	
	Leases		\$ -	\$ -	\$ -	align="right">\$ -	
	Developer Advances		\$ -	\$ -	\$ -	align="right">\$ -	
	Other (specify): Interest on Promissory note		\$ 2,723	\$ 791	\$ 3,514	align="right">\$ -	
	Total:		\$ 17,186	\$ 791	\$ 17,977	align="right">\$ -	
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-4	Does the entity have any authorized, but unissued, debt?					X	
If yes:	How much?	align="right">\$ 25,000,000.00					
	Date the debt was authorized:	align="center">11/1/2006					
4-5	Does the entity intend to issue debt within the next calendar year?					X	
If yes:	How much?	align="right">\$ 20,000,000.00					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X
If yes:	What is the amount outstanding?	align="right">\$ -					
Please answer the following questions by marking the appropriate boxes.						Yes	No
4-7	Does the entity have any lease agreements?						X
If yes:	What is being leased?						
	What is the original date of the lease?						
	Number of years of lease?						
	Is the lease subject to annual appropriation?					X	
	What are the annual lease payments?	align="right">\$ -					
4-8	Please use this space to provide any explanations or comments:						

**PART 5 - CASH AND INVESTMENTS**

Please provide the entity's cash deposit and investment balances.			Amount	Total
5-1	Checking accounts		\$ 117,864	
5-2	Savings accounts		\$ -	
5-3	Certificates of deposit		\$ -	
	Total Cash Deposits			\$ 117,864
	Investments (if investment is a mutual fund, please list underlying investments):			
5-4			\$ -	
5-5			\$ -	
5-6			\$ -	
5-7			\$ -	
	Total Investments			\$ -
	Total Cash and Investments			\$ 117,864
Please answer the following question by marking in the appropriate box.			Yes	No
5-8	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, please explain:		X	
5-9	Please use this space to provide any explanations or comments:			

**PART 6 - CAPITAL ASSETS**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
6-1	Does the entity have capital assets?		X
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, please explain:		N/A
	Complete the following table:		
		Balance - beginning of the year	Additions
		Deletions	Year-End Balance
	Land	\$ -	\$ -
	Buildings	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -
	Other (explain):	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -
	Total	\$ -	\$ -
6-2	Please use this space to provide any explanations or comments:		

**PART 7 - PENSION INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
7-1	Does the entity have an "old hire" firemen's pension plan?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	Total:	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	
7-3	Please use this space to provide any explanations or comments:		

**PART 8 - BUDGET INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Did the entity file a budget with the Department of Local Affairs for the current year? If no, please	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for the year:		
		Fund Name	Budgeted Expenditures
		\$	50,000
		\$	500,000
		\$	100,962
8-3	Please use this space to provide any explanations or comments:		

**PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)**

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

**PART 10 - GENERAL INFORMATION**

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: Streets, water, traffic control, sewer, parks and recreation		
10-5	Does the entity have an agreement with another government to provide services?		X
If yes:	List the name of the other governmental entity and the services provided:		
10-6	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

**PART 11 - GOVERNING BODY APPROVAL**

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column	
Board Member 1	Print Board Members Name	I <u>Matt Janke</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	MATT JANKE	Signed <u>Matt Janke</u>	Date: <u>3/5/2015</u> My term Expires: <u>May 2016</u>
Board Member 2	Print Board Members Name	I <u>Sandi Thomas</u> , attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	SANDI THOMAS	Signed <u>[Signature]</u>	Date: <u>3/5/2015</u> My term Expires: <u>May 2018</u>
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____	Date: _____ My term Expires: _____
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____	Date: _____ My term Expires: _____
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____	Date: _____ My term Expires: _____
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____	Date: _____ My term Expires: _____
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____	Date: _____ My term Expires: _____

**EXHIBIT B**

**2015 Budget**

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3**  
**2015**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2015 budget for the Castle Oaks Metropolitan District No. 3.

The Castle Oaks Metropolitan District No. 3 has adopted three separate funds, a General Fund to provide for the payment of operating expenditures; a Debt Service Fund to provide for payments on the outstanding Infrastructure Acquisition and Reimbursement Agreement; and a Capital Project Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District, bond issuance costs and transfers to the Debt Service Fund.

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

The primary sources of revenues for the District in 2015 will be bond proceeds, developer advances and property taxes. The District intends to impose a 56.000 mill levy on the property within the District for 2015, of which 10.000 mills will be dedicated to the General Fund and the balance of 46.000 mills will be allocated to the Debt Service Fund.

**Castle Oaks Metropolitan District No. 3**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2015**

	Actual 2013	Adopted Budget 2014	Actual 6/30/2014	Estimate 2014	Amended Budget 2014	Adopted Budget 2015
Beginning fund balance	\$ 31,465	\$ 36,926	\$ 67,192	\$ 67,192	\$ 36,926	\$ 50,463
Revenues:						
Property taxes	63,161	3,844	3,844	3,844	3,844	7,510
Ownership taxes	5,825	269	167	-	269	526
Interest income	-	-	-	-	8,961	-
Total revenues	<u>68,986</u>	<u>4,113</u>	<u>4,011</u>	<u>3,844</u>	<u>13,074</u>	<u>8,036</u>
Total funds available	<u>100,451</u>	<u>41,039</u>	<u>71,203</u>	<u>71,036</u>	<u>50,000</u>	<u>58,499</u>
Expenditures:						
Legal	-	-	-	-	20,000	20,000
Accounting and audit	-	-	-	-	15,000	15,000
Insurance	2,312	3,000	2,470	2,470	3,000	3,000
Miscellaneous	-	-	-	-	1,000	1,000
Treasurer's fees	947	58	58	58	58	113
Payment on promissory note	30,000	37,889	-	-	-	-
Contingency	-	-	-	18,045	9,770	18,213
Emergency reserve	-	92	-	-	1,172	1,173
Total expenditures	<u>33,259</u>	<u>41,039</u>	<u>2,528</u>	<u>20,573</u>	<u>50,000</u>	<u>58,499</u>
Ending fund balance	<u>\$ 67,192</u>	<u>\$ -</u>	<u>\$ 68,675</u>	<u>\$ 50,463</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed value (000's)	<u>\$ 1,627.230</u>	<u>\$ 961.100</u>			<u>\$ 961.100</u>	<u>\$ 751.030</u>
Mill levy	<u>40.000</u>	<u>4.000</u>			<u>4.000</u>	<u>10.000</u>

**Castle Oaks Metropolitan District No. 3  
Adopted Budget  
Capital Project Fund  
For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Bond proceeds	-	-	-	-	20,000,000
Developer advances	-	500,000	-	500,000	823,000
Interest income	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>20,823,000</u>
Total funds available	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>20,823,000</u>
Expenditures:					
Construction	-	500,000	-	500,000	13,978,000
Legal	-	-	-	-	30,000
Accounting	-	-	-	-	15,000
Issuance costs	-	-	-	-	800,000
Transfer to Debt Service	-	-	-	-	6,000,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>
Total expenditures	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>20,823,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



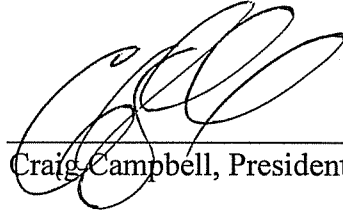
**Castle Oaks Metropolitan District No. 3**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ 53,605	\$ 59,827	\$ 49,826	\$ 49,826	\$ 72,339
Revenues:					
Property taxes	6,316	38,444	38,444	38,444	34,548
Ownership taxes	-	2,691	1,669	2,691	2,417
Transfer from Capital Project	-	-	-	-	6,000,000
Total revenues	<u>6,316</u>	<u>41,135</u>	<u>40,113</u>	<u>41,135</u>	<u>6,036,965</u>
Total funds available	<u>59,921</u>	<u>100,962</u>	<u>89,939</u>	<u>90,961</u>	<u>6,109,304</u>
Expenditures:					
Payment on promissory note	10,000	100,385	-	18,045	-
Bond interest payment	-	-	-	-	1,350,000
Treasurer's fees	95	577	577	577	518
Miscellaneous	-	-	-	-	-
Total expenditures	<u>10,095</u>	<u>100,962</u>	<u>577</u>	<u>18,622</u>	<u>1,350,518</u>
Ending fund balance	<u>\$ 49,826</u>	<u>\$ -</u>	<u>\$ 89,362</u>	<u>\$ 72,339</u>	<u>\$ 4,758,786</u>
Assessed value (000's)	<u>\$ 1,627.230</u>	<u>\$ 961.100</u>			<u>\$ 751.030</u>
Mill levy	<u>4.000</u>	<u>40.000</u>			<u>46.000</u>
Total levy	<u>44.000</u>	<u>44.000</u>			<u>56.000</u>

**EXHIBIT C**

**Certification**

On behalf of the Board of Directors of the Castle Oaks Metropolitan District No. 3, I hereby certify that with the exception of Section 11.02.060.D, no action, event or condition set forth in Section 11.02.060 of the Intergovernmental Affairs Chapter of the Town of Castle Rock Code has occurred in the report year.



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Craig Campbell, President