

**BUDGET RESOLUTION  
(2023)**

**CERTIFIED COPY OF RESOLUTION**

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DOUGLAS )

At the special meeting of the Board of Directors of Hillside at Castle Rock, Castle Rock, County of Douglas, Colorado, held at 1:00 p.m. on Tuesday November 8, 2022, via zoom:  
<https://us02web.zoom.us/j/82567362703?pwd=THVSd2Zrbmtlc0kyMHJVbW5KdlhnZz09&from=addon>  
Meeting ID: 825 6736 2703 Passcode: 030377 Telephone: 1 719 359 4580

there were present:

Aaron Foy  
Doug Erpelding

Also present was Dianne Miller (“District Counsel”), Sonja Steele, and Rhonda Bilek of Miller Law pllc; Joy Tatton of Simmons & Wheeler, P.C. and Maria Tom, BLVD Builders.

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a special meeting of the Board of Directors of the District and that the notice of the meeting was posted within the boundaries of the District, and to the best of their knowledge, remains posted to the date of this meeting.

Thereupon, Director Foy introduced and moved the adoption of the following Resolution:

RESOLUTION

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 HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT, CITY OF CASTLE ROCK, COUNTY OF DOUGLAS, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors (the “Board”) of the Hillside at Castle Rock Metropolitan District (the “District”) has authorized its treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2022; and

WHEREAS, the proposed 2023 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on November 3, 2022, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 1:00 p.m. on Tuesday November 8, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HILLSIDE AT CASTLE ROCK, DOUGLAS, COLORADO, AS FOLLOWS:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted, and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023.

Section 3. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expenses is \$14,109.00, and that the 2022 valuation for assessment, as certified by the Douglas County Assessor, is \$1,267,390.00. That for the purposes of meeting all general operating expenses of the District during the 2023 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 for the year 2022.

Section 4. 2023 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$70,548.00 and that the 2022 valuation for assessment, as certified by the Douglas County Assessor, is \$1,267,390.00. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 55.664 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant, or manager for the District is hereby authorized and directed to certify to the «County» County Board of County Commissioners, no later than December 15, 2022, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.


Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the Budget shall be certified by the Secretary/Treasurer of the District and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Erpelding.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 8, 2022.

HILLSIDE AT CASTLE ROCK METROPOLITAN  
DISTRICT

By:   
9490950C4B144C8...  
\_\_\_\_\_  
Aaron Foy, President

ATTEST:

  
AD291C93FE02464...  
\_\_\_\_\_  
Doug Erpelding, Assistant Secretary

STATE OF COLORADO  
COUNTY OF DOUGLAS  
HILLSIDE AT CASTLE ROCK

I, Doug Erpelding, hereby certify that I am a director and the duly elected and qualified Assistant Secretary of the Hillside at Castle Rock Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 1:00 p.m. on Tuesday November 8, 2022, via zoom conference as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on November 8, 2022.

DocuSigned by:

*DOUG ERPELDING*

AD294C93FE02464...

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Doug Erpelding, Assistant Secretary

**EXHIBIT A**  
**BUDGET DOCUMENT & BUDGET MESSAGE**

**HILLSIDE AT CASTLE ROCK**  
**2023 BUDGET**

**Hillside at Castle Rock MD**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 1,440	\$ -	\$ -
Revenues:				
Property taxes	-	-	-	14,109
Specific ownership taxes	-	-	-	1,129
Developer advances	-	48,000	34,196	36,233
	<u>-</u>	<u>48,000</u>	<u>34,196</u>	<u>36,233</u>
Total revenues	<u>-</u>	<u>48,000</u>	<u>34,196</u>	<u>51,471</u>
Total funds available	<u>-</u>	<u>49,440</u>	<u>34,196</u>	<u>51,471</u>
Expenditures:				
Accounting/audit	-	20,000	3,500	12,750
Election	-	3,000	-	8,000
Insurance/SDA dues	-	3,000	10,696	2,500
Legal	-	20,000	20,000	20,000
Contingency	-	2,000	-	6,500
Emergency reserve (3%)	-	1,440	-	1,492
	<u>-</u>	<u>49,440</u>	<u>34,196</u>	<u>51,471</u>
Total expenditures	<u>-</u>	<u>49,440</u>	<u>34,196</u>	<u>51,471</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ -</u>	<u>\$ 1,267,390</u>	<u>\$ -</u>	<u>\$ 1,267,390</u>
Mill Levy	<u>-</u>	<u>-</u>	<u>-</u>	<u>11.132</u>

**Hillside at Castle Rock MD**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ 4,568,000
Revenues:				
Bond issue	-	-	6,149,000	-
Total revenues	-	-	6,149,000	-
Total funds available	-	-	6,149,000	4,568,000
Expenditures:				
Issuance costs	-	-	408,817	-
Capital expenditures	-	-	-	4,568,000
Transfer to Debt Service	-	-	1,172,183	-
Total expenditures	-	-	1,581,000	4,568,000
Ending fund balance	\$ -	\$ -	\$ 4,568,000	\$ -



**Hillside at Castle Rock MD**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ 1,109,688
Revenues:				
Property taxes	-	-	-	70,548
Specific ownership taxes	-	-	-	5,644
Transfer from Capital Projects Fund	-	-	1,172,183	-
Total revenues	<u>-</u>	<u>-</u>	<u>1,172,183</u>	<u>76,192</u>
Total funds available	<u>-</u>	<u>-</u>	<u>1,172,183</u>	<u>1,185,880</u>
Expenditures:				
Bond interest expense	-	-	62,495	316,875
Treasurer's fees	-	-	-	1,058
Total expenditures	<u>-</u>	<u>-</u>	<u>62,495</u>	<u>317,933</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,109,688</u>	<u>\$ 867,947</u>
Assessed valuation		<u>\$ 1,267,390</u>		<u>\$ 1,267,390</u>
Mill Levy		<u>-</u>		<u>55.664</u>
Total Mill Levy		<u>-</u>		<u>66.796</u>

# CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: **4595 - Hillside at Castle Rock Metro District**

IN DOUGLAS COUNTY ON 11/18/2022

New Entity: No

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
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IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,267,390
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$1,267,390
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,267,390
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

<b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
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IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$4,370,371
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
<small>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</small>	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

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

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

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

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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**NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022**

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$0
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\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

**HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT  
2023  
BUDGET MESSAGE**

Attached please find a copy of the adopted 2023 budget for the Hillside At Castle Rock Metropolitan District.

The Hillside At Castle Rock Metropolitan District has adopted budgets for three separate funds, a General Fund to provide for general operating and maintenance expenditures; a Capital Projects Fund to provide for capital improvements to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the proposed general obligation bonds.

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

The primary source of revenue for the district in 2023 will be developer advances and property taxes. The district intends to impose a 66.796 mill levy on property within the district for 2023, of which 11.132 mills will be dedicated to the General Fund and the balance of 55.664 mills will be allocated to the Debt Service Fund.