

**BUDGET RESOLUTION
(2024)**

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 Metropolitan District, Town of Castle Rock, County of Douglas, Colorado, held at 11:00 a.m., on Tuesday, November 14, 2023, via zoom:

<https://us02web.zoom.us/j/87677970872?pwd=RHBuWUI4bEVqRDNjcWh6Rm1PZ2NHUT09&from=addon>

Meeting ID: 876 7797 0872 Passcode: 319536 Telephone: 1 719 359 4580

there were present:

Aaron Foy
Maria Tom
Doug Erpelding

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

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 METROPOLITAN DISTRICT, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

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, 2023; and

WHEREAS, the proposed 2024 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 9, 2023, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:00 a.m. on Tuesday, November 14, 2023, 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, 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 METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, 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. 2024 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 \$19,425.00, and that the 2023 valuation for assessment, as certified by the Douglas County Assessor, is \$1,635,070.00. That for the purposes of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 11.880 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 4. 2024 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 \$97,128.00 and that the 2023 valuation for assessment, as certified by the Douglas County Assessor, is \$1,635,070.00. That for the purposes of meeting all debt retirement expenses of the District during the 2024 budget year, there is hereby levied a tax of 59.403 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

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 Douglas County Board of County Commissioners, no later than December 15, 2023, 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.

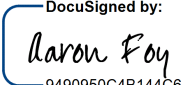
Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund to each fund, for the purposes stated and no other.

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.

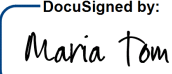
The foregoing Resolution was seconded by Director Tom.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 14, 2023.

HILLSIDE AT CASTLE ROCK METROPOLITAN
DISTRICT

By: _____
Aaron Foy, President

ATTEST:

_____
Maria Tom, Secretary/Treasurer

STATE OF COLORADO
COUNTY OF DOUGLAS
HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT

I, Maria Tom hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer 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 11:00 a.m.. on Tuesday, November 14, 2023, via zoom as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; 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 14, 2023.

DocuSigned by:

Maria Tom

F44522509C9E4BA...

Maria Tom, Secretary/Treasurer

EXHIBIT A
BUDGET DOCUMENT & BUDGET MESSAGE
HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT
2024 BUDGET

Hillside at Castle Rock MD
Adopted Budget
General Fund
For the Year ended December 31, 2024

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	14,109	-	14,109	19,425
Specific ownership taxes	-	1,129	-	1,300	1,554
Developer advances	-	36,233	-	28,303	30,357
Total revenues	<u>-</u>	<u>51,471</u>	<u>-</u>	<u>43,712</u>	<u>51,336</u>
Total funds available	<u>-</u>	<u>51,471</u>	<u>-</u>	<u>43,712</u>	<u>51,336</u>
Expenditures:					
Accounting/audit	-	12,750	-	14,000	12,750
Election	-	8,000	-	-	-
Insurance/SDA dues	-	2,500	-	2,500	2,500
Legal	-	20,000	-	27,000	20,000
Treasurer fees	-	229	-	212	291
Contingency	-	6,500	-	-	14,729
Emergency reserve (3%)	-	1,492	-	-	1,066
Total expenditures	<u>-</u>	<u>51,471</u>	<u>-</u>	<u>43,712</u>	<u>51,336</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0)</u>
Assessed valuation	<u>\$ -</u>	<u>\$ 1,267,390</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,635,070</u>
Mill Levy	<u>-</u>	<u>11.132</u>	<u>-</u>	<u>-</u>	<u>11.880</u>

Hillside at Castle Rock MD
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2024

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ 4,568,000	\$ 4,612,942	\$ 4,612,942	\$ 4,809,842
Revenues:					
Bond issue	6,149,000	-	-	-	-
Interest income	<u>44,943</u>	-	-	<u>217,300</u>	-
Total revenues	<u>6,193,943</u>	-	-	<u>217,300</u>	-
Total funds available	<u>6,193,943</u>	<u>4,568,000</u>	<u>4,612,942</u>	<u>4,830,242</u>	<u>4,809,842</u>
Expenditures:					
Issuance costs	408,818	-	-	-	-
Capital expenditures	-	4,568,000	-	20,400	4,809,842
Transfer to Debt Service	<u>1,172,183</u>	-	-	-	-
Total expenditures	<u>1,581,001</u>	<u>4,568,000</u>	-	<u>20,400</u>	<u>4,809,842</u>
Ending fund balance	<u>\$ 4,612,942</u>	<u>\$ -</u>	<u>\$ 4,612,942</u>	<u>\$ 4,809,842</u>	<u>\$ -</u>

Hillside at Castle Rock MD
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2024

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ 1,109,688	\$ 1,120,821	\$ 1,120,821	\$ 931,536
Revenues:					
Property taxes	-	70,548	-	70,548	97,128
Specific ownership taxes	-	5,644	-	6,500	7,770
Transfer from Capital Projects Fund	1,172,183	-	-	-	-
Interest income	11,133	-	-	51,600	-
Total revenues	<u>1,183,316</u>	<u>76,192</u>	<u>-</u>	<u>128,648</u>	<u>104,898</u>
Total funds available	<u>1,183,316</u>	<u>1,185,880</u>	<u>1,120,821</u>	<u>1,249,469</u>	<u>1,036,434</u>
Expenditures:					
Bond interest expense	62,495	316,875	-	316,875	316,876
Treasurer's fees	-	1,058	-	1,058	1,457
Total expenditures	<u>62,495</u>	<u>317,933</u>	<u>-</u>	<u>317,933</u>	<u>318,333</u>
Ending fund balance	<u>\$ 1,120,821</u>	<u>\$ 867,947</u>	<u>\$ 1,120,821</u>	<u>\$ 931,536</u>	<u>\$ 718,101</u>
Assessed valuation		<u>\$ 1,267,390</u>			<u>\$ 1,635,070</u>
Mill Levy		<u>55.664</u>			<u>59.403</u>
Total Mill Levy		<u>66.796</u>			<u>71.283</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
 On behalf of the Hillside at Castle Rock Metro District
 the Board of Directors
 of the Hillside at Castle Rock Metropolitan District**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$1,635,070** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area the tax levies must be calculated using the NET AV. The taxing entity 's total property tax revenue will be derived from the mill levy multiplied against the **NET** assessed valuation of: **\$1,635,070**

Submitted: *Diane Wheeler* for budget/fiscal year 2024

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	11.880 mills	\$19,425
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	11.880 mills	\$19,425
3. General Obligation Bonds and Interest	59.403 mills	\$97,128
4. Contractual Obligations	0.000 mills	\$0
5. Capital Expenditures	0.000 mills	\$0
6. Refunds/Abatements	0.000 mills	\$0
7. Other	0.000 mills	\$0
8. Judgment	0.000 mills	\$0
TOTAL:	71.283 mills	\$116,553

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.). Use additional pages as necessary.

The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

- Purpose of Issue: \$5,070,000 Limited Tax General Obligation Bonds
 Series: 2022A
 Date of Issue: 2022-09-20
 Coupon Rate: 6.25

Maturity Date:	2047-12-01
Levy:	59.403
Revenue:	\$97,128
2. Purpose of Issue:	\$1,079,000 Subordinate Limited Tax General Obligation Bonds
Series:	2022B
Date of Issue:	2022-09-20
Coupon Rate:	9.00
Maturity Date:	2047-12-15
Levy:	0.000
Revenue:	\$0

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Wed, 10 Jan 2024

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

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

IN DOUGLAS COUNTY ON 12/22/2023

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY
--

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 2023 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: *	\$1,635,070
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,635,070
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$107,390
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.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

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 2023 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2023

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$5,684,670
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$384,900
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
--	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

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
--	-----

** 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
2024
BUDGET MESSAGE**

Attached please find a copy of the adopted 2024 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 2024 will be developer advances and property taxes. The district intends to impose a 71.283 mill levy on property within the district for 2024, of which 11.880 mills will be dedicated to the General Fund and the balance of 59.403 mills will be allocated to the Debt Service Fund.