

CASTLE OAKS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**CASTLE OAKS METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 794,847	\$ 1,205,452	\$ 1,623,095
REVENUE			
Property taxes	1,503,899	1,514,480	1,572,509
Specific ownership tax	129,723	138,100	125,801
Interest income	8,198	1,396	3,570
Other revenue	-	-	500
Total revenue	<u>1,641,820</u>	<u>1,653,976</u>	<u>1,702,380</u>
Total funds available	<u>2,436,667</u>	<u>2,859,428</u>	<u>3,325,475</u>
EXPENDITURES			
General Fund	48,380	55,607	85,500
Debt Service Fund	1,182,835	1,180,726	1,188,500
Total expenditures	<u>1,231,215</u>	<u>1,236,333</u>	<u>1,274,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,231,215</u>	<u>1,236,333</u>	<u>1,274,000</u>
ENDING FUND BALANCES	<u>\$ 1,205,452</u>	<u>\$ 1,623,095</u>	<u>\$ 2,051,475</u>
EMERGENCY RESERVE	<u>\$ 3,100</u>	<u>\$ 3,100</u>	<u>\$ 3,200</u>
TOTAL RESERVE	<u>\$ 3,100</u>	<u>\$ 3,100</u>	<u>\$ 3,200</u>

**CASTLE OAKS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ 30,109,520	\$ 30,615,160	\$ 31,806,520
State assessed	6,000	4,700	4,700
Vacant land	201,060	-	-
Personal Property	375,210	287,900	280,800
Certified Assessed Value	\$ 30,691,790	\$ 30,907,760	\$ 32,092,020
MILL LEVY			
General	3.000	3.000	3.000
Debt Service	46.000	46.000	46.000
Total mill levy	49.000	49.000	49.000
PROPERTY TAXES			
General	\$ 92,075	\$ 92,723	\$ 96,276
Debt Service	1,411,824	1,421,757	1,476,233
Levied property taxes	1,503,899	1,514,480	1,572,509
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 1,503,899	\$ 1,514,480	\$ 1,572,509
BUDGETED PROPERTY TAXES			
General	\$ 92,075	\$ 92,723	\$ 96,276
Debt Service	1,411,824	1,421,757	1,476,233
	\$ 1,503,899	\$ 1,514,480	\$ 1,572,509

**CASTLE OAKS METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 277,556	\$ 331,538	\$ 377,050
REVENUE			
Property taxes	92,075	92,723	96,276
Specific ownership tax	7,942	8,100	7,702
Interest income	2,345	296	770
Other revenue	-	-	500
Total revenue	<u>102,362</u>	<u>101,119</u>	<u>105,248</u>
Total funds available	<u>379,918</u>	<u>432,657</u>	<u>482,298</u>
EXPENDITURES			
General and administrative			
Accounting	16,740	22,000	30,800
Audit	5,400	6,500	7,000
County Treasurer's fee	1,382	1,391	1,444
Dues and licenses	354	327	500
Election expense	5,068	-	5,000
Insurance and bonds	3,595	3,439	4,500
Legal services	15,811	21,000	32,000
Miscellaneous	30	-	500
Website	-	950	1,200
Contingency	-	-	2,556
Total expenditures	<u>48,380</u>	<u>55,607</u>	<u>85,500</u>
Total expenditures and transfers out requiring appropriation	<u>48,380</u>	<u>55,607</u>	<u>85,500</u>
ENDING FUND BALANCE	<u>\$ 331,538</u>	<u>\$ 377,050</u>	<u>\$ 396,798</u>
EMERGENCY RESERVE	<u>\$ 3,100</u>	<u>\$ 3,100</u>	<u>\$ 3,200</u>
TOTAL RESERVE	<u>\$ 3,100</u>	<u>\$ 3,100</u>	<u>\$ 3,200</u>

**CASTLE OAKS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/13/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 517,291	\$ 873,914	\$ 1,246,045
REVENUE			
Property taxes	1,411,824	1,421,757	1,476,233
Specific ownership tax	121,781	130,000	118,099
Interest income	5,853	1,100	2,800
Total revenue	<u>1,539,458</u>	<u>1,552,857</u>	<u>1,597,132</u>
Total funds available	<u>2,056,749</u>	<u>2,426,771</u>	<u>2,843,177</u>
EXPENDITURES			
Debt Service			
Bond interest - Series 2018	713,150	690,900	672,300
Bond principal - Series 2018	445,000	465,000	485,000
Contingency	-	-	5,557
County Treasurer's fee	21,185	21,326	22,143
Paying agent fees/bank fees	3,500	3,500	3,500
Total expenditures	<u>1,182,835</u>	<u>1,180,726</u>	<u>1,188,500</u>
Total expenditures and transfers out requiring appropriation	<u>1,182,835</u>	<u>1,180,726</u>	<u>1,188,500</u>
ENDING FUND BALANCE	<u>\$ 873,914</u>	<u>\$ 1,246,045</u>	<u>\$ 1,654,677</u>

**CASTLE OAKS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by court order and decree of the District Court for the County of Douglas on January 2, 2001, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located within the Town of Castle Rock, Colorado.

The District was established to provide financing for the operations and maintenance and design, acquisition, installation, construction, and completion of public improvements and services, including water, sanitation/storm sewer, streets, park and recreation, transportation, mosquito control, safety protection, television relay and translation, and security.

On November 7, 2000, District voters authorized the District to issue \$250,750,000 of general obligation bonds or other financial obligations for the infrastructure development, parks and recreation, performance of intergovernmental agreements, formation of a regional water authority, refinancing of district debt, and other uses. However, the District's Service Plan limits its general obligation debt to \$25,000,000.

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

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.

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, sale 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.

**CASTLE OAKS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

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.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of, approximately 0.20%.

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

County Treasurer's Fees

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

Debt Service

The principal and interest payments in 2022 are provided based on the debt amortization schedule from the General Obligation Limited Tax refunding Bonds, Series 2018 (discussed under Debts and Leases)

Debt and Leases

On October 24, 2018, the District refunded \$18,210,000 of Nontaxable Refunding Loan, Series 2015B by the issuance of \$16,415,000 General Obligation Limited Tax Refunding Bonds, Series 2018 (the "Bonds"). The proceeds were used for the purposes of: (i) advance refunding of the Nontaxable Refunding Loan, Series 2015B and (ii) paying the costs of issuance on the Bonds.

The Bonds are term bonds that bear interest at 5.00%, payable semi-annually On June 1 and December 1, 2018, beginning on December 1, 2018. The Bonds maturing on December 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on December 1, 2028, and on any date thereafter, upon payment of par plus accrued interest, without redemption premium. Annual mandatory sinking fund principal payments are due on December 1 of each year beginning on December 1, 2018. The Bonds mature on December 1, 2040.

**CASTLE OAKS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debts and Leases (continued)

The Bonds are secured by and payable from the Pledged Revenue, consisting of the monies derived by the District from the following sources, net of any costs of collection: (i) the Required Mill Levy (an amount sufficient to pay the principal of and interest on the Bonds, but not in excess of 50.000 mills, as adjusted); (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (iii) any other legally available monies which the District determines, in its absolute discretion, to credit to the Bond Fund.

Required Mill Levy means an ad valorem mill levy imposed upon all taxable property within the District each year in an amount sufficient, to pay the principal and interest on the Bonds as the same become due, but not in excess of 50.000 mills. These mill levies have been adjusted by the Board as a result of subsequent changes in the ratio of actual valuation to assessed valuation which have occurred since 2002. The current adjusted mill levy is 63.986.

The District has no operating or capital leases.

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021
G.O Bonds - Series 2018	\$ 15,125,000	\$ -	\$ 465,000	\$ 14,660,000
Bond Premium - Series 2018	859,335	-	74,008	785,327
Total	<u>\$ 15,984,335</u>	<u>\$ -</u>	<u>\$ 539,008</u>	<u>\$ 15,445,327</u>

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
G.O Bonds - Series 2018	\$ 14,660,000	\$ -	\$ 485,000	\$ 14,175,000
Bond Premium - Series 2018	785,327	-	72,015	713,312
Total	<u>\$ 15,445,327</u>	<u>\$ -</u>	<u>\$ 557,015</u>	<u>\$ 14,888,312</u>

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal 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.

**CASTLE OAKS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
2022 BUDGET**

Bonds and Interest Maturing in the Year Ending December 31,	\$16,415,000 General Obligation Limited Tax Refunding Bonds Series 2018 Interest 5.00% Dated October 24, 2018 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2022	\$ 485,000	\$ 672,300	\$ 1,157,300
2023	510,000	648,050	1,158,050
2024	535,000	622,550	1,157,550
2025	560,000	595,800	1,155,800
2026	590,000	567,800	1,157,800
2027	620,000	538,300	1,158,300
2028	650,000	507,300	1,157,300
2029	685,000	474,800	1,159,800
2030	715,000	440,550	1,155,550
2031	750,000	404,800	1,154,800
2032	790,000	367,300	1,157,300
2033	830,000	327,800	1,157,800
2034	870,000	286,300	1,156,300
2035	915,000	242,800	1,157,800
2036	950,000	206,200	1,156,200
2037	990,000	168,200	1,158,200
2038	1,030,000	128,600	1,158,600
2039	1,070,000	87,400	1,157,400
2040	1,115,000	44,600	1,159,600
	\$ 14,660,000	\$ 7,331,450	\$ 21,991,450

No assurance provided. See summary of significant assumptions.