

RESOLUTION
ADOPTING BUDGET, APPROPRIATING SUMS OF MONEY AND CERTIFYING
MILL LEVIES FOR THE CALENDAR YEAR 2025

The Board of Directors of Castle Oaks Metropolitan District (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference on December 4, 2024, at the hour of 6:00 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.

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NOTICE AS TO PROPOSED 2025 BUDGET

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

Castle Oaks MD (wba)**
c/o White, Bear & Ankele P.C.
2154 E. Commons Ave., Ste. 2000
Centennial CO 80122

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 11/21/2024, 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.



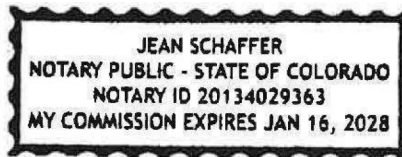
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/21/2024. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20134029363-359802

Jean Schaffer
Notary Public
My commission ends January 16, 2028



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2025 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2024 BUDGET

The Board of Directors (the "Board") of the CASTLE OAKS METROPOLITAN DISTRICT (the "District"), will hold a public hearing via teleconference on **December 4, 2024, at 6:00 p.m.**, to consider adoption of the District's proposed 2025 budget (the "Proposed Budget"), and, if necessary, adoption of an amendment to the 2024 budget (the "Amended Budget"). **The public hearing may be joined using the following teleconference information:**

<https://us06web.zoom.us/j/83523636761?pwd=4V2alHyYfihbmxltjrPDDDUtwa4ZaD.1>
Meeting ID: 835 2363 6761
Passcode: 598258
Call-in Number: +1-720-707-2699

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

The agenda for any meeting may be obtained at <https://castleoaksmetrodistrict.com/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
CASTLE OAKS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

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

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WHEREAS, the Board has appointed 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 available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the 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 2025. 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 of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2025 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. 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 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. 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 7. 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 DECEMBER 4, 2024.

DISTRICT:

CASTLE OAKS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Chris Pratt
Chris Pratt (Dec 6, 2024 13:11 MST)
Officer of the District

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Kristi J. Bowers
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
CASTLE OAKS METROPOLITAN DISTRICT

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 via teleconference on Wednesday, December 4, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5th day of December, 2024.

Chris Pratt
Chris Pratt (Dec 6, 2024 13:11 MST)
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

CASTLE OAKS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**CASTLE OAKS METROPOLITAN DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 2,164,575	\$ 2,743,712	\$ 3,400,592
REVENUES			
Property taxes	1,526,951	1,629,590	1,629,590
Specific ownership taxes	141,633	126,282	146,663
Interest Income	150,074	150,000	147,000
Other Revenue	-	4,171	-
Total revenues	<u>1,818,658</u>	<u>1,910,043</u>	<u>1,923,253</u>
Total funds available	<u>3,983,233</u>	<u>4,653,755</u>	<u>5,323,845</u>
EXPENDITURES			
General Fund	56,460	69,549	90,000
Debt Service Fund	1,183,061	1,183,614	1,185,000
Total expenditures	<u>1,239,521</u>	<u>1,253,163</u>	<u>1,275,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,239,521</u>	<u>1,253,163</u>	<u>1,275,000</u>
ENDING FUND BALANCES	<u>\$ 2,743,712</u>	<u>\$ 3,400,592</u>	<u>\$ 4,048,845</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ 4,300 534,024	\$ 5,500 644,081	\$ 5,000 718,216
TOTAL RESERVE	<u>\$ 538,324</u>	<u>\$ 649,581</u>	<u>\$ 723,216</u>

**CASTLE OAKS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	\$ 30,916,690	\$ 41,278,870	\$ 41,269,870
State assessed	22,600	22,400	23,300
Personal property	230,100	483,100	491,200
Certified Assessed Value	\$ 31,169,390	\$ 41,784,370	\$ 41,784,370
 MILL LEVY			
General	3.000	3.000	3.000
Debt Service	46.000	36.000	36.000
Total mill levy	49.000	39.000	39.000
 PROPERTY TAXES			
General	\$ 93,508	\$ 125,353	\$ 125,353
Debt Service	1,433,792	1,504,237	1,504,237
Levied property taxes	1,527,300	1,629,590	1,629,590
Adjustments to actual/rounding	(349)	-	-
Budgeted property taxes	\$ 1,526,951	\$ 1,629,590	\$ 1,629,590
 BUDGETED PROPERTY TAXES			
General	\$ 93,487	\$ 125,353	\$ 125,353
Debt Service	1,433,464	1,504,237	1,504,237
	\$ 1,526,951	\$ 1,629,590	\$ 1,629,590

**CASTLE OAKS METROPOLITAN DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 451,734	\$ 538,324	\$ 649,581
REVENUES			
Property taxes	93,487	125,353	125,353
Specific ownership taxes	8,671	11,282	11,282
Interest Income	40,892	40,000	27,000
Other Revenue	-	4,171	-
Total revenues	<u>143,050</u>	<u>180,806</u>	<u>163,635</u>
Total funds available	<u>594,784</u>	<u>719,130</u>	<u>813,216</u>
EXPENDITURES			
General and administrative			
Accounting	17,584	25,000	30,000
Auditing	6,300	7,000	7,500
County Treasurer's Fee	1,403	1,880	1,880
Dues and Membership	333	333	500
Insurance	3,714	3,565	4,500
Legal	23,970	30,000	31,500
Miscellaneous	-	500	2,000
Election	3,156	71	4,000
Website	-	1,200	1,200
Contingency	-	-	6,920
Total expenditures	<u>56,460</u>	<u>69,549</u>	<u>90,000</u>
Total expenditures and transfers out requiring appropriation	<u>56,460</u>	<u>69,549</u>	<u>90,000</u>
ENDING FUND BALANCES	<u>\$ 538,324</u>	<u>\$ 649,581</u>	<u>\$ 723,216</u>
EMERGENCY RESERVE	\$ 4,300	\$ 5,500	\$ 5,000
AVAILABLE FOR OPERATIONS	534,024	644,081	718,216
TOTAL RESERVE	<u>\$ 538,324</u>	<u>\$ 649,581</u>	<u>\$ 723,216</u>

**CASTLE OAKS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 1,712,841	\$ 2,205,388	\$ 2,751,011
REVENUES			
Property taxes	1,433,464	1,504,237	1,504,237
Specific ownership taxes	132,962	115,000	135,381
Interest Income	109,182	110,000	120,000
Total revenues	<u>1,675,608</u>	<u>1,729,237</u>	<u>1,759,618</u>
Total funds available	<u>3,388,449</u>	<u>3,934,625</u>	<u>4,510,629</u>
EXPENDITURES			
Debt Service			
Bond interest	648,050	622,550	595,800
Bond principal	510,000	535,000	560,000
County Treasurer's Fee	21,511	22,564	22,564
Paying agent fees	3,500	3,500	3,500
Contingency	-	-	3,136
Total expenditures	<u>1,183,061</u>	<u>1,183,614</u>	<u>1,185,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,183,061</u>	<u>1,183,614</u>	<u>1,185,000</u>
ENDING FUND BALANCES	<u>\$ 2,205,388</u>	<u>\$ 2,751,011</u>	<u>\$ 3,325,629</u>

**CASTLE OAKS METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Castle Oaks Metropolitan District (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
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2025, SB22-238, SB 22-238, SB 23B-001, **SB 24-233, and HB24B-1001** set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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 9.0% 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 4.0%.

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 2025 are provided based on the debt amortization schedule from the General Obligation Limited Tax refunding Bonds, Series 2018 (discussed under Debts and Leases).

**CASTLE OAKS METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

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 District has no operating or capital leases.

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024
G.O Bonds - Series 2018	\$ 13,665,000	\$ -	\$ 535,000	\$ 13,130,000
Bond Premium - Series 2018	643,894	-	66,686	577,208
Total	<u>\$ 14,308,894</u>	<u>\$ -</u>	<u>\$ 601,686</u>	<u>\$ 13,707,208</u>

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025
G.O Bonds - Series 2018	\$ 13,130,000	\$ -	\$ 560,000	\$ 12,570,000
Bond Premium - Series 2018	577,208	-	63,821	513,387
Total	<u>\$ 13,707,208</u>	<u>\$ -</u>	<u>\$ 623,821</u>	<u>\$ 13,083,387</u>

**CASTLE OAKS METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2025, 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
2024 BUDGET**

**\$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**

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
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
	<u>\$ 13,130,000</u>	<u>\$ 5,388,550</u>	<u>\$ 18,518,550</u>