

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
ANNUAL REPORT
TO
TOWN OF CASTLE ROCK
FOR THE PERIOD ENDING DECEMBER 31, 2020**

Pursuant to Section VI of the Amended and Restated Consolidated Service Plan for Castle Pines Commercial Metropolitan District No. 1 (the “Service Plan”) dated January 6, 2015, the Castle Pines Commercial Metropolitan District No. 1 is required to submit an annual report to the Town of Castle Rock (the “Town”).

For the year ending December 31, 2020 (the “Report Year”), the District made the following report:

1. A narrative summary of the progress of the District in implementing its Service Plan in the report year:

The District continues to provide facilities and services as contemplated in the Service Plan.

2. The audited financial statements of the District, including a statement of financial condition (i.e. balance sheet) as of December 31 of the report year and a statement of operations (i.e. revenues and expenditures):

The 2020 Audit will be supplied upon completion.

3. 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:

There were \$-0- in capital expenditures incurred by the District in development of public facilities in the report year. The District budgeted \$-0- in public improvements for 2021 and does not anticipate further expenditures in the next five years.

4. A summary of the financial obligations of the District at the end of the report year, including (i) the amount of outstanding indebtedness, (ii) the amount and terms of any new District indebtedness or long-term obligations issues in the report year, (iii) the amount of payment or retirement of existing indebtedness of the District in the report year, (iv) the total assessed valuation of all taxable properties within the District as of January 1 of the report year, and (v) the current mill levy of the District pledged to Debt retirement in the report year:

- i. As of December 31, 2020, \$5,365,000 remains outstanding on the Series 2015 Bonds.
- ii. None.

- iii. As of December 31, 2020, the District has paid \$274,250 of Bond Interest and \$120,000 of Bond Principal in the Report Year.
- iv. \$6,178,350
- v. 0 Mills. District Nos. 3 and 4 impose a debt mill levy and pledges revenue to District No. 1 for the payment of the Series 2015 Bonds.

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

See Exhibit A attached.

6. A summary of residential and commercial development which has occurred within the District for the report year:

There was no residential or commercial development within the District during the report year.

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

There were no fees, charges or assessments imposed by the District.

8. Certification of the Board that no action, event or condition enumerated in Section 11.02.060 if this Chapter has occurred in the report year:

No action, event or condition enumerated in Section 11.02.060 has occurred.

9. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings for the Board:

See Exhibit B attached.

EXHIBIT A

(2021 Budget)

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/6/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 1,252,354	\$ 1,481,832	\$ 1,480,001
REVENUE			
Interest income	30,040	12,000	7,375
Intergovernmental revenue CPCMD #3	265,077	173,079	167,775
Intergovernmental revenue CPCMD #4	330,449	211,840	215,028
Total revenue	<u>625,566</u>	<u>396,919</u>	<u>390,178</u>
Total funds available	<u>1,877,920</u>	<u>1,878,751</u>	<u>1,870,179</u>
EXPENDITURES			
Debt Service			
Bond interest	279,750	274,250	268,250
Bond principal	110,000	120,000	125,000
Cash management fees	3,338	1,500	2,000
Contingency	-	-	1,750
Paying agent fees	3,000	3,000	3,000
Total expenditures	<u>396,088</u>	<u>398,750</u>	<u>400,000</u>
Total expenditures and transfers out requiring appropriation	<u>396,088</u>	<u>398,750</u>	<u>400,000</u>
ENDING FUND BALANCE	<u>\$ 1,481,832</u>	<u>\$ 1,480,001</u>	<u>\$ 1,470,179</u>
DEBT SERVICE RESERVE	<u>\$ 470,250</u>	<u>\$ 470,250</u>	<u>\$ 470,250</u>
TOTAL RESERVE	<u>\$ 470,250</u>	<u>\$ 470,250</u>	<u>\$ 470,250</u>

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/6/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Residential	\$ 2,806,070	\$ 5,465,460	\$ 5,465,460
Commercial	63,230	135,520	123,780
State assessed	17,300	3,600	5,400
Vacant land	372,960	573,770	573,770
	3,259,560	6,178,350	6,168,410
Certified Assessed Value	\$ 3,259,560	\$ 6,178,350	\$ 6,168,410
 MILL LEVY			
General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and summary of significant assumptions.

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was formed pursuant to an Order and Decree of the Douglas County District Court issued on March 25, 1987. Formation of the District was preceded by the approval by the Town of Castle Rock of a Consolidated Service Plan for Castle Pines Commercial Metropolitan Districts Nos. 1 – 5 in January 1987, as amended by an Amended and Restated Consolidated Service Plan for Castle Pines Commercial Metropolitan Districts Nos. 1, 3 and 4 which is dated January 6, 2015, and approved by the Town Council on the same date. The District's service area is located entirely in Douglas County, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitary sewer, storm sewer, streets and safety, parks and recreation, transportation facilities and fire protection.

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

Intergovernmental Transfers

Pursuant to a Capital Pledge Agreement, Castle Pines Commercial Metropolitan Districts Nos. 3 and 4 ("Taxing Districts") have limited tax general obligations to the District. Property taxes to be generated from the Taxing Districts' debt service mill levies, including specific ownership taxes to be received as a result of imposition of such mill levies, are expected to be transferred, net of fees, to the District to pay for debt service expenditures.

Net Investment Income

Interest to be earned on the District's available funds has been estimated based on an average interest rate of approximately .50%

Expenditures

Debt Service

Bond principal and interest payments are provided based on the attached debt amortization schedule (discussed under Debt and Leases).

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Debt and Leases

On January 16, 2015, the District issued Limited Tax Supported Revenue Bonds in the principal amount of \$5,875,000. The Bonds were issued for the purposes of financing: (i) the reimbursement of construction costs of public improvements benefitting the Districts, (ii) a Reserve Fund, and (iii) the costs of issuing the Bonds. The Bonds are expected to be payable from property taxes to be generated from debt service mill levies to be imposed by Castle Pines Commercial Metropolitan Districts Nos. 3 and 4, including the specific ownership taxes to be received as a result of imposition of such mill levies, and other legally available moneys of the District.

The District does not have any operating or capital leases.

Reserves

Debt Service Reserve

The District maintains a Debt Service Reserve of \$470,250 as required with the issuance of the Series 2015 Bonds.

Emergency Reserves

The District has not provided for an emergency reserve fund equal to at least 3% of the fiscal year spending, as defined under TABOR, because no General Fund activity is anticipated.

This information is an integral part of the accompanying budget.

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$5,875,000 Limited Tax Supported Revenue Bonds

Series 2015

Interest 5.0%

Dated January 16, 2015

Interest Payable June 1 and December 1

Principal Payable December 1

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2021	\$ 125,000	\$ 268,250	\$ 393,250
2022	140,000	262,000	402,000
2023	150,000	255,000	405,000
2024	165,000	247,500	412,500
2025	170,000	239,250	409,250
2026	190,000	230,750	420,750
2027	200,000	221,250	421,250
2028	215,000	211,250	426,250
2029	230,000	200,500	430,500
2030	245,000	189,000	434,000
2031	260,000	176,750	436,750
2032	280,000	163,750	443,750
2033	295,000	149,750	444,750
2034	320,000	135,000	455,000
2035	335,000	119,000	454,000
2036	360,000	102,250	462,250
2037	380,000	84,250	464,250
2038	405,000	65,250	470,250
2039	900,000	45,000	945,000
	\$ 5,365,000	\$ 3,365,750	\$ 8,730,750

EXHIBIT B

(Director Information)

**CASTLE PINES COMMERCIAL METRO DISTRICT NO. 1
8390 E. CRESCENT PARKWAY, SUITE 300 GREENWOOD
VILLAGE, CO 80111
303-770-5710 (b) 303-779-0348 (f)**

President:	Tim O'Connor tim@albdev.com	Term Exp.: 5/2023 Elec. 5/2020 to 3 yr
Secretary	Vacant	Term Exp.: 5/2022 4 year term
Treasurer	Vacant	Term Exp.: 2023
Asst. Sec.	Donald G. Provost Alberta Development Partners, LLC 5750 DTC Parkway, Suite 210 Greenwood Village, CO 80111 303-771-4004 (b) 303-771-4086 (f) E-mail: dgp@albdev.com	Term Exp.: 5/2022 Appt. 2014 2 yrs Elected 2016 2 yrs Elected 2018 4 yrs
Asst. Sec.	Vacant	Term. Exp., 5/2022 4 year term

Chief Administrative Officer:

Denise Denslow
Clifton Larson Allen LLP
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General Counsel:

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White Bear Ankele Tanaka & Waldron
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Centennial, CO 80122
303-858-1800 (b) 303-858-1801 (f)
E-mail: kbear@wbapc.com

2021 Meetings are held at 2:15 p.m. at Alberta Development Partners on the first Monday of July and November.