

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (6,750)	\$ (6,918)	\$ 167,379
REVENUE			
Interest income	666	1,950	3,417
Other revenue	-	-	-
Property taxes	298,101	293,093	200,470
Specific ownership tax	28,841	23,433	18,042
Loan proceeds	-	4,545,000	-
Transfers from District No. 3	-	-	116,972
Transfers from District No. 1	-	34	-
Developer advance	135,200	22,900	-
Total revenue	<u>462,808</u>	<u>4,886,410</u>	<u>338,901</u>
TRANSFERS IN	-	5,189	-
Total funds available	<u>456,058</u>	<u>4,884,681</u>	<u>506,280</u>
EXPENDITURES			
General Fund	229,807	79,687	96,500
Debt Service Fund	233,169	4,637,616	252,000
Total expenditures	<u>462,976</u>	<u>4,717,303</u>	<u>348,500</u>
Total expenditures and transfers out requiring appropriation	<u>462,976</u>	<u>4,717,303</u>	<u>348,500</u>
ENDING FUND BALANCES	<u>\$ (6,918)</u>	<u>\$ 167,379</u>	<u>\$ 157,780</u>
EMERGENCY RESERVE	<u>\$ 2,900</u>	<u>\$ 2,800</u>	<u>\$ 2,700</u>
TOTAL RESERVE	<u>\$ 2,900</u>	<u>\$ 2,800</u>	<u>\$ 2,700</u>

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Commercial	\$ 8,052,880	\$ 8,039,190	\$ 7,427,830
State assessed	-	-	-
Vacant land	169,790	134,660	134,660
Personal property	400,420	338,510	359,930
Natural resources	30	30	30
Certified Assessed Value	<u>\$ 8,623,120</u>	<u>\$ 8,512,390</u>	<u>\$ 7,922,450</u>
MILL LEVY			
General	10.000	10.000	10.000
Debt Service	24.681	24.410	15.304
Total mill levy	<u>34.681</u>	<u>34.410</u>	<u>25.304</u>
PROPERTY TAXES			
General	\$ 86,231	\$ 85,124	\$ 79,225
Debt Service	212,827	207,787	121,245
Levied property taxes	299,058	292,912	200,470
Adjustments to actual/rounding	(491)	-	-
Refunds and abatements	(466)	180	-
Budgeted property taxes	<u>\$ 298,101</u>	<u>\$ 293,092</u>	<u>\$ 200,470</u>
ASSESSED VALUATION			
Certified Assessed Value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MILL LEVY			
Debt Service	0.000	0.000	15.304
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>15.304</u>
BUDGETED PROPERTY TAXES			
General	\$ 85,955	\$ 85,177	\$ 79,225
Debt Service	212,146	207,916	121,245
Budgeted property taxes	<u>\$ 298,101</u>	<u>\$ 293,092</u>	<u>\$ 200,470</u>

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (6,750)	\$ (6,918)	\$ 29,032
REVENUE			
Interest income	168	750	552
Developer advance	135,200	22,900	-
Property taxes	85,955	85,177	79,225
Specific ownership tax	8,316	6,810	7,130
Total revenue	<u>229,639</u>	<u>115,637</u>	<u>86,907</u>
Total funds available	<u>222,889</u>	<u>108,719</u>	<u>115,939</u>
EXPENDITURES			
General and administrative			
Accounting	22,456	15,300	20,000
Auditing	4,000	4,200	4,500
Contingency	-	-	2,212
County Treasurer's fee	1,292	1,277	1,188
District management	22,628	17,000	20,000
Dues and licenses	773	563	1,100
Election expense	-	1,689	2,000
Insurance and bonds	6,220	5,969	7,500
Landscaping	3,294	7,500	10,000
Legal services	166,947	18,000	25,000
Miscellaneous	117	-	-
Engineering	2,080	-	-
Snow removal	-	3,000	3,000
Total expenditures	<u>229,807</u>	<u>74,498</u>	<u>96,500</u>
TRANSFERS OUT			
Transfers to other fund	-	5,189	-
Total expenditures and transfers out requiring appropriation	<u>229,807</u>	<u>79,687</u>	<u>96,500</u>
ENDING FUND BALANCE	<u>\$ (6,918)</u>	<u>\$ 29,032</u>	<u>\$ 19,439</u>
EMERGENCY RESERVE	<u>\$ 2,900</u>	<u>\$ 2,800</u>	<u>\$ 2,700</u>
TOTAL RESERVE	<u>\$ 2,900</u>	<u>\$ 2,800</u>	<u>\$ 2,700</u>

No assurance provided. See summary of significant assumptions.

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 138,347
REVENUE			
Interest income	498	1,200	2,865
Other revenue	-	-	-
Property taxes	212,146	207,916	121,245
Specific ownership tax	20,525	16,623	10,912
Loan proceeds	-	4,545,000	-
Transfers from District No. 3	-	-	116,972
Transfers from District No. 1	-	34	-
Total revenue	<u>233,169</u>	<u>4,770,773</u>	<u>251,994</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>5,189</u>	<u>-</u>
Total funds available	<u>233,169</u>	<u>4,775,962</u>	<u>390,341</u>
EXPENDITURES			
Debt Service			
Contingency	-	-	3,720
County Treasurer's fee	3,189	3,119	1,819
Trustee fees	-	-	2,000
Bond interest	-	100,546	159,461
Bond principal	-	140,000	85,000
Loan issue costs	-	182,250	-
Transfer to CPCMD #1	229,980	4,211,701	-
Total expenditures	<u>233,169</u>	<u>4,637,616</u>	<u>252,000</u>
Total expenditures and transfers out requiring appropriation	<u>233,169</u>	<u>4,637,616</u>	<u>252,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 138,347</u>	<u>\$ 138,341</u>

CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
2023 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 expected to be 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

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes – (continued)

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.

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% of the property taxes collected.

Net Investment Income

Interest to be earned on the District's available funds has been estimated based on an average interest rate of approximately 2.0%.

Expenditures

General and administrative Expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and other administrative expenditures.

County Treasurer's Fees

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

Debt Service

Principal and interest payments are provided based on the debt amortization schedule for the Series 2022 Refunding Loan.

**CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On April 21, 2022, the District refunded District No. 1's Series 2015 Limited Tax Supported Revenue Bonds by the issuance of \$4,545,000 Tax-Exempt Refunding Loan, Series 2022. The loan bears interest at a rate of 5% and shall mature on December 1, 2042 with principal payments due December 1st. The notes are secured by and payable by ad valorem property taxes of the Taxing Districts.

The District has no operating or capital leases.

Developer Advances

The District has the following outstanding developer advances:

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
Developer Advance	\$ 135,200	\$ 22,900	\$ -	\$ 158,100
Developer Advance - Interest	6,159	12,426	-	18,585
Total	<u>\$ 141,359</u>	<u>\$ 35,326</u>	<u>\$ -</u>	<u>\$ 176,685</u>

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advance	\$ 158,100	\$ -	\$ -	\$ 158,100
Developer Advance - Interest	18,585	12,648	-	31,233
Total	<u>\$ 176,685</u>	<u>\$ 12,648</u>	<u>\$ -</u>	<u>\$ 189,333</u>

Reserves

Emergency Reserves

The District had provided for an Emergency Reserve fund equal to at least 3% of the fiscal year spending, as defined under TABOR.

This information is an integral part of the accompanying budget.