

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2019)

The Board of Directors of Castle Oaks Metropolitan District No. 3 (the “Board”), Town of Castle Rock, Colorado (the “District”) held a special meeting at 385 Inverness Parkway, Suite 310, Colorado, on Monday, November 5, 2018, at the hour of 9:00 A.M.

Prior to the meeting, each of the directors were 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 2019 BUDGET

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

Public Notice

NOTICE OF PUBLIC HEARING ON THE
PROPOSED 2019 BUDGET
AND NOTICE OF PUBLIC
HEARING ON THE AMENDED 2018 BUDGET

AFFIDAVIT OF PUBLICATION

NOTICE IS HEREBY GIVEN that a proposed 2019 budget has been submitted to the Board of Directors (the "Board") of the CASTLE OAKS METROPOLITAN DISTRICT NO. 3 (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

State of Colorado)
County of Douglas)ss

NOTICE IS FURTHER GIVEN that an amendment to the 2018 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

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 the 1st day of November A.D., 2018, 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.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held at 385 Inverness Parkway, Suite 310, Englewood, Colorado, on Monday, November 5, 2018 at 9:00 A.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.



for the Douglas County News Press
State of Colorado)
County of Arapahoe)ss

BY ORDER OF THE BOARD OF DIRECTORS:
CASTLE OAKS METROPOLITAN DISTRICT NO. 3

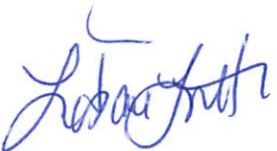
/s/ WHITE BEAR ANKELE
TANAKA & WALDRON
Attorneys at Law

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Gerard Healey, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 1st day of November A.D., 2018. Gerard Healey has verified to me that he has adopted an electronic signature to function as his signature on this document.

Legal Notice No.: 934232
First Publication: November 1, 2018
Last Publication: November 1, 2018
Publisher: Douglas County News-Press

LINDSAY L NICOLETTI
Notary Public
State of Colorado
Notary ID # 20134073610
My Commission Expires 02-22-2022

My Commission Expires 02/22/22



Notary Public

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 DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2019 AND ENDING ON THE LAST DAY OF DECEMBER 2019.

WHEREAS, the Board has authorized 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 open for inspection by the public at a designated place, a public hearing was held on November 5, 2018, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to 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 2019. 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 for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2019 budget year, there is hereby levied a tax of 4.422 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2019 budget year, there is hereby levied a tax of

50.855 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. 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 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.


Section 8. 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 9. 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 THIS 5TH DAY OF NOVEMBER 2018.

CASTLE OAKS METROPOLITAN DISTRICT NO. 3



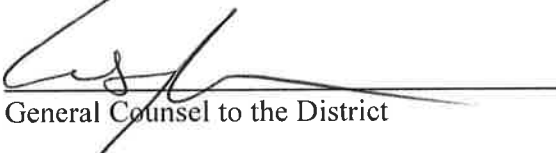
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
CASTLE OAKS METROPOLITAN DISTRICT NO. 3

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 on Monday, November 5, 2018, at 385 Inverness Parkway, Suite 310, Englewood, Colorado, 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 November 2018.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

Accountant's Compilation Report

Board of Directors
Castle Oaks Metropolitan District No. 3

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Castle Oaks Metropolitan District No. 3 for the year ending December 31, 2019, including the estimate of comparative information for the year ending December 31, 2018, and the actual comparative information for the year ending December 31, 2017, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Castle Oaks Metropolitan District No. 3.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 20, 2019

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
SUMMARY
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCES	\$ 13,107,887	\$ 2,820,246	\$ 2,821,646
REVENUES			
Property taxes	139,947	458,427	648,282
Specific ownership tax	15,333	48,479	64,830
Facilities fees	328,000	1,099,645	1,252,000
Interest income	94,114	49,133	40,000
Developer advance	10,196,483	35,000	7,000
Bond premium	293,924	-	-
Bond proceeds	34,105,000	-	-
Total revenues	<u>45,172,801</u>	<u>1,690,684</u>	<u>2,012,112</u>
TRANSFERS IN	<u>17</u>	<u>7,146</u>	<u>-</u>
Total funds available	<u>58,280,705</u>	<u>4,518,076</u>	<u>4,833,758</u>
EXPENDITURES			
General Fund	54,935	61,746	56,000
Debt Service Fund	40,055,546	1,594,431	1,725,000
Capital Projects Fund	15,349,961	33,107	-
Total expenditures	<u>55,460,442</u>	<u>1,689,284</u>	<u>1,781,000</u>
TRANSFERS OUT	<u>(17)</u>	<u>7,146</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>55,460,459</u>	<u>1,696,430</u>	<u>1,781,000</u>
ENDING FUND BALANCES	<u>\$ 2,820,246</u>	<u>\$ 2,821,646</u>	<u>\$ 3,052,758</u>
EMERGENCY RESERVE	\$ 400	\$ 1,200	\$ 1,700
DEBT SERVICE RESERVE	1,385,000	1,385,000	1,385,000
DEBT SERVICE SURPLUS RESERVE	1,421,794	1,442,487	1,665,548
TOTAL RESERVE	<u>\$ 2,807,194</u>	<u>\$ 2,828,687</u>	<u>\$ 3,052,248</u>

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

CASTLE OAKS METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,

1/20/19

ACTUAL	ESTIMATED	BUDGET
2017	2018	2019

ASSESSED VALUATION

Residential	\$ -	\$ 1,157,000	\$ 5,444,480
Commercial	-	220,580	240,420
Agricultural	2,330	2,260	1,690
State assessed	141,500	147,000	146,400
Vacant land	2,655,070	6,766,370	5,894,870
Other	20	20	20
Certified Assessed Value	\$ 2,798,920	\$ 8,293,230	\$ 11,727,880

MILL LEVY

General	4.000	4.422	4.422
Debt Service	46.000	50.855	50.855
Total mill levy	50.000	55.277	55.277

PROPERTY TAXES

General	\$ 11,196	\$ 36,673	\$ 51,861
Debt Service	128,750	421,752	596,421
Levied property taxes	139,946	458,425	648,282
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	\$ 139,947	\$ 458,425	\$ 648,282

BUDGETED PROPERTY TAXES

General	\$ 11,196	\$ 36,673	\$ 51,861
Debt Service	128,751	421,752	596,421
	\$ 139,947	\$ 458,425	\$ 648,282

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

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 10,003	\$ (12,509)	\$ (5,841)
REVENUES			
Property taxes	11,196	36,673	51,861
Specific ownership tax	1,227	3,878	5,190
Interest income	-	9	-
Developer advance	20,000	35,000	7,000
Total revenues	<u>32,423</u>	<u>75,560</u>	<u>64,051</u>
Total funds available	<u>42,426</u>	<u>63,051</u>	<u>58,210</u>
EXPENDITURES			
General and administrative			
Accounting	15,237	22,234	15,000
Auditing	5,750	5,950	5,900
County Treasurer's fee	168	550	780
Dues and licenses	308	294	350
Election expense	-	1,809	-
Insurance and bonds	3,261	3,261	3,600
Legal services	30,211	27,648	30,000
Contingency	-	-	370
Total expenditures	<u>54,935</u>	<u>61,746</u>	<u>56,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>7,146</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>54,935</u>	<u>68,892</u>	<u>56,000</u>
ENDING FUND BALANCE	<u>\$ (12,509)</u>	<u>\$ (5,841)</u>	<u>\$ 2,210</u>
EMERGENCY RESERVE	<u>\$ 400</u>	<u>\$ 1,200</u>	<u>\$ 1,700</u>
TOTAL RESERVE	<u>\$ 400</u>	<u>\$ 1,200</u>	<u>\$ 1,700</u>

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

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 7,926,985	\$ 2,806,794	\$ 2,827,487
REVENUES			
Property taxes	128,751	421,754	596,421
Specific ownership tax	14,106	44,601	59,640
Sales tax	-	-	-
Facilities fees	328,000	1,099,645	1,252,000
Interest income	65,557	49,124	40,000
Bond premium	293,924	-	-
Bond proceeds	34,105,000	-	-
Total revenues	<u>34,935,338</u>	<u>1,615,124</u>	<u>1,948,061</u>
TRANSFERS IN			
Transfers from other funds	<u>17</u>	<u>-</u>	<u>-</u>
Total funds available	<u>42,862,340</u>	<u>4,421,918</u>	<u>4,775,548</u>
EXPENDITURES			
Debt Service			
Bond interest Series 2015	1,112,500	-	-
Bond interest Series 2016	735,350	-	-
Bond interest Series 2017	-	1,577,356	1,705,250
Contingency	-	-	3,800
County Treasurer's fee	1,931	6,330	8,950
Paying agent fees	7,500	7,000	7,000
Miscellaneous	-	-	-
Bond issue costs	992,605	3,745	-
Repay developer advances	1,521,068	-	-
Payment to escrow account	35,684,592	-	-
Total expenditures	<u>40,055,546</u>	<u>1,594,431</u>	<u>1,725,000</u>
Total expenditures and transfers out requiring appropriation	<u>40,055,546</u>	<u>1,594,431</u>	<u>1,725,000</u>
ENDING FUND BALANCE	<u>\$ 2,806,794</u>	<u>\$ 2,827,487</u>	<u>\$ 3,050,548</u>
DEBT SERVICE RESERVE	\$ 1,385,000	\$ 1,385,000	\$ 1,385,000
DEBT SERVICE SURPLUS RESERVE	1,421,794	1,442,487	1,665,548
TOTAL RESERVE	<u>\$ 2,806,794</u>	<u>\$ 2,827,487</u>	<u>\$ 3,050,548</u>

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

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2019 BUDGET
WITH 2017 ACTUAL AND 2018 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/19

	ACTUAL 2017	ESTIMATED 2018	BUDGET 2019
BEGINNING FUND BALANCE	\$ 5,170,899	\$ 25,961	\$ -
REVENUES			
Interest income	28,557	-	-
Developer advance	10,176,483	-	-
Total revenues	<u>10,205,040</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>7,146</u>	<u>-</u>
Total funds available	<u>15,375,939</u>	<u>33,107</u>	<u>-</u>
EXPENDITURES			
Capital Projects			
Accounting	12,462	564	-
Legal services	7,743	2,543	-
Repay developer advance	4,300,377	-	-
Capital outlay	11,029,379	30,000	-
Total expenditures	<u>15,349,961</u>	<u>33,107</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>17</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>15,349,978</u>	<u>33,107</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 25,961</u>	<u>\$ -</u>	<u>\$ -</u>

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

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
2019 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 June 29, 2006, 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 3, 2015, District voters authorized the District to issue \$504,000,000 of general obligation bonds or other financial obligations for the infrastructure development of the services noted in the preceding paragraph, however, the District's amended Service Plan limits its general obligation debt to \$36,000,000. Additionally the District can levy up to \$10,000,000 annually to pay the administration.

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.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.20% from 7.96% for property tax years 2017-2018 on April 17, 2017 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the change assessed value calculation. The debt service mill levy increased to 50.855 from 46.000 mills and the general fund mill levy increased to 4.422 from 4.000 mills.

The calculation of 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 NO. 3
2019 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 10% of the property taxes collected.

Facilities Fees

The District imposes a Facilities Fee of \$4,000 on each single-family, town homes and patio homes, and a Facilities Fee of \$1,500 on apartments or other multifamily residential units. The fees are payable by homebuilders when the building permits are issued. The Facilities Fee revenue is pledged for debt service payments or any other District indebtedness.

Net Investment Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

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

Principal and interest payments are provided based on the debt amortization schedules from the Series 2017 General Obligation Limited Tax Refunding Bonds (discussed under Debt and Leases).

Debt and Leases

On December 28, 2017, the District issued General Obligation Limited Tax Refunding Bonds, Series 2017 ("Bonds"), in the aggregate amount of \$34,105,000, with an original issue premium of \$293,924. The proceeds from the sale of the Bonds will be used for purposes of: (i) advance refunding \$17,800,000 of General Obligation Limited Tax Bonds, Series 2015, (ii) advance refunding \$13,370,000

of General Obligation Limited Tax Completion Bonds, Series 2016, (iii) funding the Reserve Fund, (iv) funding an initial deposit to the Surplus Fund, and (v) paying the costs of issuance on the Bonds.

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
2019 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The Bonds include a \$12,325,000 term bond maturing on December 1, 2037, and a \$21,780,000 term bond maturing on December 1, 2047 with an interest rate of 5.00%, and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due December 1, beginning on December 1, 2024. The Bonds are subject to optional redemption as described in the Indenture starting in 2020.

The Series 2017 Bonds are secured by and payable solely from Pledged Revenue, net of any costs of collection, including: (i) property taxes derived from the Required Mill Levy; (ii) the Refunded Bonds Mill Levy revenue; (iii) Facilities fees; (iv) specific ownership taxes attributable to the Required Mill Levy; and, (v) any other legally available moneys of the District credited to the Bond Fund. The Series 2017 Bonds are also secured by amounts held in the Surplus Fund and amounts accumulated in the Reserve Fund, if any, on parity with the District's outstanding Series 2017 Bonds.

The Indenture provides a Required Mill Levy be imposed in an amount sufficient, when combined with moneys held in the Bond Fund and moneys in the Surplus Fund, if any, in excess of the Minimum Surplus Amount to pay the principal of and interest on the Bonds, and to fund the Reserve Fund up to the Required Reserve, but not in excess of 74.402 mills (as adjusted) and for so long as the Surplus Fund is less than the Maximum Surplus Amount of \$5,115,750, not less than 50.855 mills (as adjusted). Such maximum and minimum mill levies are subject to adjustment per the Gallagher Amendment from January 9, 2001 and are currently 74.402 and 50.855, respectively.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2019, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2017 Bonds in the amount of \$1,385,000.

This information is an integral part of the accompanying budget.

**CASTLE OAKS METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$34,105,000 General Obligation Limited Tax Refunding Bonds
Series 2017
Interest 5.00%
Dated December 28, 2017
Interest Payable June 1 and December 1
Principal Payable December 1**

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2019	\$ -	\$ 1,705,250	\$ 1,705,250
2020	-	1,705,250	1,705,250
2021	-	1,705,250	1,705,250
2022	-	1,705,250	1,705,250
2023	-	1,705,250	1,705,250
2024	210,000	1,705,250	1,915,250
2025	380,000	1,694,750	2,074,750
2026	550,000	1,675,750	2,225,750
2027	640,000	1,648,250	2,288,250
2028	750,000	1,616,250	2,366,250
2029	790,000	1,578,750	2,368,750
2030	875,000	1,539,250	2,414,250
2031	920,000	1,495,500	2,415,500
2032	1,015,000	1,449,500	2,464,500
2033	1,065,000	1,398,750	2,463,750
2034	1,165,000	1,345,500	2,510,500
2035	1,225,000	1,287,250	2,512,250
2036	1,335,000	1,226,000	2,561,000
2037	1,405,000	1,159,250	2,564,250
2038	1,525,000	1,089,000	2,614,000
2039	1,600,000	1,012,750	2,612,750
2040	1,735,000	932,750	2,667,750
2041	1,820,000	846,000	2,666,000
2042	1,965,000	755,000	2,720,000
2043	2,065,000	656,750	2,721,750
2044	2,220,000	553,500	2,773,500
2045	2,330,000	442,500	2,772,500
2046	2,505,000	326,000	2,831,000
2047	4,015,000	200,750	4,215,750
	\$ 34,105,000	\$ 36,161,250	\$ 70,266,250

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