

RESOLUTION NO. 2022-12-2-3

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF CCP METROPOLITAN
DISTRICT NO. 3, ADAMS COUNTY, COLORADO, PURSUANT TO SECTION 29-1-
108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND,
ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE
BUDGET YEAR 2023**

A. The Board of Directors of CCP Metropolitan District No. 3 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body on October 15, 2022 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 2, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CCP METROPOLITAN DISTRICT NO. 3, ADAMS COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on December 2, 2022.

CCP METROPOLITAN DISTRICT NO. 3

DocuSigned by:
By: Sarah Laverty
President

Attest:

DocuSigned by:
By: Cameron Bertron
Treasurer

EXHIBIT A

Budget

CCP METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2023

**CCP METROPOLITAN DISTRICT NO. 3
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|-----------------------------------------------------------------|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 1,373,178 | \$ 1,330,445 | \$ 1,545,270 |
| REVENUES | | | |
| Property taxes | 5,251 | 7,788 | 6,803 |
| Property taxes DURA | 700,877 | 880,934 | 909,960 |
| Specific ownership tax | 65,053 | 63,065 | 65,144 |
| Interest income | 2,890 | 15,000 | 20,000 |
| Intergovernmental revenue | 223,385 | 303,232 | 297,208 |
| Total revenues | <u>997,456</u> | <u>1,270,019</u> | <u>1,299,115</u> |
| Total funds available | <u>2,370,634</u> | <u>2,600,464</u> | <u>2,844,385</u> |
| EXPENDITURES | | | |
| General Fund | 211,200 | 211,243 | 308,000 |
| Debt Service Fund | 828,989 | 843,951 | 913,420 |
| Total expenditures | <u>1,040,189</u> | <u>1,055,194</u> | <u>1,221,420</u> |
| Total expenditures and transfers out requiring appropriation | <u>1,040,189</u> | <u>1,055,194</u> | <u>1,221,420</u> |
| ENDING FUND BALANCES | <u>\$ 1,330,445</u> | <u>\$ 1,545,270</u> | <u>\$ 1,622,965</u> |
| EMERGENCY RESERVE | \$ 6,800 | \$ 7,200 | \$ 7,400 |
| AVAILABLE FOR OPERATIONS | 366,999 | 396,356 | 214,152 |
| INSURANCE | 100,000 | 100,000 | 100,000 |
| MAINTENANCE RESERVE | 178,000 | 178,000 | 300,000 |
| DEBT SERVICE RESERVE FUND | 450,000 | 450,000 | 450,000 |
| CAPITALIZED INTEREST | 96,383 | - | - |
| TOTAL RESERVE | <u>\$ 1,198,182</u> | <u>\$ 1,131,556</u> | <u>\$ 1,071,552</u> |

No assurance provided. See summary of significant assumptions.

**CCP METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|-----------------------------------|-------------------|-------------------|-------------------|
| ASSESSED VALUATION - ADAMS | | | |
| Commercial | \$ 54,070 | \$ 18,268,570 | \$ 18,268,570 |
| Industrial | 59,930 | - | - |
| Personal property | 20,510 | 2,681,010 | 3,372,370 |
| State assessed | 20 | 2,340 | 1,330 |
| Vacant land | 18,231,110 | 30 | 30 |
| | <u>18,365,640</u> | <u>20,951,950</u> | <u>21,642,300</u> |
| Adjustments | (18,231,110) | (20,798,810) | (21,484,110) |
| Certified Assessed Value | <u>\$ 134,530</u> | <u>\$ 153,140</u> | <u>\$ 158,190</u> |
| MILL LEVY | | | |
| General | 9.000 | 8.000 | 8.000 |
| Debt Service | 30.000 | 35.000 | 35.000 |
| Total mill levy | <u>39.000</u> | <u>43.000</u> | <u>43.000</u> |
| PROPERTY TAXES | | | |
| General | \$ 1,211 | \$ 1,225 | \$ 1,266 |
| Debt Service | 4,036 | 5,360 | 5,537 |
| | <u>5,247</u> | <u>6,585</u> | <u>6,803</u> |
| Levied property taxes | 5,247 | 6,585 | 6,803 |
| Adjustments to actual/rounding | 4 | 1,187 | - |
| Budgeted property taxes | <u>\$ 5,251</u> | <u>\$ 7,772</u> | <u>\$ 6,803</u> |
| BUDGETED PROPERTY TAXES | | | |
| General | \$ 1,212 | \$ 1,446 | \$ 1,266 |
| Debt Service | 4,039 | 6,326 | 5,537 |
| | <u>\$ 5,251</u> | <u>\$ 7,772</u> | <u>\$ 6,803</u> |

No assurance provided. See summary of significant assumptions.

**CCP METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|-----------------------------------------------------------------|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCE | \$ 639,074 | \$ 651,799 | \$ 681,556 |
| REVENUES | | | |
| Property taxes | 1,212 | 1,449 | 1,266 |
| Property taxes DURA | 161,761 | 163,895 | 169,295 |
| Specific ownership tax | 15,013 | 11,733 | 12,120 |
| Interest income | 247 | 7,500 | 10,000 |
| Intergovernmental revenue | 45,692 | 56,423 | 55,316 |
| Total revenues | <u>223,925</u> | <u>241,000</u> | <u>247,997</u> |
| Total funds available | <u>862,999</u> | <u>892,799</u> | <u>929,552</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 32,747 | 30,000 | 35,000 |
| Auditing | 6,900 | 7,600 | 8,000 |
| County treasurer's fee | 18 | 18 | 16 |
| District management | 32,666 | 25,000 | 30,000 |
| Dues and licenses | 7,025 | 6,844 | 7,500 |
| Election expense | - | 3,000 | 5,000 |
| Insurance and bonds | 9,156 | 8,335 | 9,000 |
| Legal services | 23,803 | 25,000 | 30,000 |
| Miscellaneous | 971 | - | 1,000 |
| Reserve study | 2,590 | - | - |
| Operations and maintenance | | | |
| Dentention pond maintenance | - | - | 20,000 |
| Design review committee | - | 3,000 | 3,000 |
| Electricity - lighting/irrigation/signage | 1,598 | 2,000 | 2,500 |
| Environmental compliance | - | - | 10,000 |
| Landscaping | 66,833 | 60,000 | 75,000 |
| Lighting maintenance/inspection | - | - | 500 |
| Plant replacement | - | - | 10,000 |
| Snow removal | 4,566 | 15,000 | 20,000 |
| Storm drainage maintenance | 446 | 446 | 500 |
| Water/Sewer | 21,881 | 25,000 | 25,000 |
| Contingency | - | - | 15,984 |
| Total expenditures | <u>211,200</u> | <u>211,243</u> | <u>308,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>211,200</u> | <u>211,243</u> | <u>308,000</u> |
| ENDING FUND BALANCE | <u>\$ 651,799</u> | <u>\$ 681,556</u> | <u>\$ 621,552</u> |
| EMERGENCY RESERVE | \$ 6,800 | \$ 7,200 | \$ 7,400 |
| AVAILABLE FOR OPERATIONS | 366,999 | 396,356 | 214,152 |
| INSURANCE | 100,000 | 100,000 | 100,000 |
| MAINTENANCE RESERVE | 178,000 | 178,000 | 300,000 |
| TOTAL RESERVE | <u>\$ 651,799</u> | <u>\$ 681,556</u> | <u>\$ 621,552</u> |

No assurance provided. See summary of significant assumptions.

**CCP METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|-----------------------------------------------------------------|-------------------|-------------------|---------------------|
| BEGINNING FUND BALANCE | \$ 734,104 | \$ 678,646 | \$ 863,714 |
| REVENUES | | | |
| Property taxes | 4,039 | 6,339 | 5,537 |
| Property taxes DURA | 539,116 | 717,039 | 740,665 |
| Specific ownership tax | 50,040 | 51,332 | 53,024 |
| Interest income | 2,643 | 7,500 | 10,000 |
| Intergovernmental revenue | 177,693 | 246,809 | 241,892 |
| Total revenues | <u>773,531</u> | <u>1,029,019</u> | <u>1,051,118</u> |
| Total funds available | <u>1,507,635</u> | <u>1,707,665</u> | <u>1,914,833</u> |
| EXPENDITURES | | | |
| Debt Service | | | |
| 2018 Loan interest | 425,846 | 398,091 | 398,091 |
| 2018 Loan principal | 308,000 | 352,000 | 376,500 |
| 2020 Loan interest | 95,081 | 93,779 | 93,779 |
| 2020 Loan principal | - | - | 35,000 |
| Contingency | - | - | 10,000 |
| County treasurer's fee | 62 | 81 | 50 |
| Paying agent fees | - | - | - |
| Total expenditures | <u>828,989</u> | <u>843,951</u> | <u>913,420</u> |
| Total expenditures and transfers out requiring appropriation | <u>828,989</u> | <u>843,951</u> | <u>913,420</u> |
| ENDING FUND BALANCE | <u>\$ 678,646</u> | <u>\$ 863,714</u> | <u>\$ 1,001,413</u> |
| DEBT SERVICE RESERVE FUND | \$ 450,000 | \$ 450,000 | \$ 450,000 |
| CAPITALIZED INTEREST | 96,383 | - | - |
| TOTAL RESERVE | <u>\$ 546,383</u> | <u>\$ 450,000</u> | <u>\$ 450,000</u> |

No assurance provided. See summary of significant assumptions.

**CCP METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District (formerly GCC Metropolitan District No. 3) a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County, Colorado recorded on January 22, 2015, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Board of County Commissioners of Adams County on July 22, 2014. The District's service area is located within Adams County, Colorado.

The District was organized in conjunction with CCP Metropolitan District Nos. 1, 2 and 4 (collectively with District No. 3, "the Districts"). The Districts were established to manage, implement and coordinate the financing, acquisition, construction, completion, and operation and maintenance of all public improvements and services within the Districts' boundaries.

On November 4, 2014, the District's voters authorized total indebtedness of \$225,000,000 with \$25,000,000 for each of the following listed facilities; street improvements, water, storm or sanitary sewer, parks and recreation, traffic and safety control, mosquito control, public transportation, security services, and operations and maintenance. Voters also authorized indebtedness of \$25,000,000 for refunding of debt and \$25,000,000 for intergovernmental contracts. Pursuant to the Service Plan, the aggregate debt of the Districts for funding costs of improvements shall not exceed \$25,000,000. Additionally, the maximum debt mill levy is 50 mills as adjusted. The election also approved an annual increase in ad valorem property taxes of \$5,000,000 and an increase in fees of \$5,000,000 to pay the District's operation and maintenance costs. The electors further authorized an increase in ad valorem property taxes of \$5,000,000 to pay expenses pursuant to intergovernmental agreements.

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.

**CCP METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

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 26.40% from 29.00%. Producing oil and gas remains at 87.50%. All other nonresidential property stays at 29.00%.

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.

Property Taxes – DURA

On January 29, 2015, the Districts entered into a Cooperation Agreement with Denver Urban Renewal Authority (DURA). In consideration of the Districts providing Public Improvements and services to the property encompassed by the Inclusion Area and the Urban Redevelopment Plan, DURA agrees to remit, on a monthly basis, all District Property Tax Increment Revenues, to the extent DURA receives the same.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurers, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurers to all taxing entities within the Counties. The budget assumes that the District's share will be equal to approximately 7.00% of the property taxes collected by Adams County and DURA.

Expenditures

Administrative and Operating Expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, engineering, and insurance. Estimated expenditures related to landscaping, irrigation, snow removal, utilities, and other common area maintenance were also included the General Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

**CCP METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

Principal and interest payments in 2022 are provided based on the attached debt amortization schedules of the 2018 and 2020 Loan.

Debt and Leases

2018 Loan

The District executed a promissory note evidencing the indebtedness of the Loan Agreement between Compass Mortgage Corporation (the “Lender”) and the District dated March 28, 2018 (the “Original Loan”) in a maximum aggregate principal amount up to \$12,500,000. The Lender will advance funds to the District periodically, as requested by the District, from the date of closing on the Original Loan through and including March 28, 2021.

The Initial Funded Amount was \$9,600,000, the proceeds of which were used to: (i) reimburse the Developer for a portion of the funds advanced for the costs of capital infrastructure improvements; (ii) provide capitalized interest; (iii) provide a Reserve Fund; and (iv) pay costs of issuance of the Loan.

The Initial Funded Amount bears interest at a Fixed Rate of 3.55%. At the District’s option, to be exercised in each Advance Request Certificate, each Advance may bear interest at either a Fixed Rate or the Variable Rate. If elected by the District, the Fixed Rate applicable to any Advance Amount shall be determined by the Lender and agreed to by the District on the applicable Advance Date.

During 2019 subsequent Advances of \$902,871 and \$1,997,129 were made on March 7, 2019 and September 27, 2019, respectively. The March 7, 2019 subsequent Advance bears interest at a Fixed Rate of 3.72% and the September 27, 2019 subsequent Advance bears interest at a Fixed Rate of 2.98%. The total proceeds of the subsequent Advances total \$2,900,000 and were used in the same manner as the Initial Funded Amount.

On March 2, 2020, the District executed the First Amendment to the Loan Agreement with the Lender (the “First Amendment”, and together with the Original Loan, the “Loan”). The First Amendment increased the maximum principal of the Original Loan by making an additional advance of \$3,095,000. The Additional Advance Amount bears interest at a Fixed Rate of 3.03% and will be used in the same manner as the initial Funded Amount. A new Promissory Note was issued at the time of the incurrence of the Additional Advance in the aggregate principal amount of \$15,595,000.

Variable Rate means a rate of interest which varies periodically and is not fixed, which shall be a rate equal to either (i) the sum of 1.40% plus 79% of LIBOR, so long as LIBOR is the applicable Index, (ii) the sum of 1.40% plus 79% of the index that is the replacement for LIBOR, if such replacement index is the applicable Index, or (iii) the sum of 1.52% plus 79% of the Federal Funds Rate if the Federal Funds Rate is the applicable index. The applicable Variable Rate shall be initially calculated as of (x) each Advance Date with respect to an Advance that will be bearing interest at the Variable Rate and (y) the Maturity Date with respect to the Post-Maturity Default Period, as applicable, and resetting on each Interest Reset Date, as described in the Loan Agreement.

**CCP METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

2018 Loan (continued)

Interest on the Loan is payable semi-annually on June 1 and December 1 of each year, beginning on June 1, 2018. All interest is calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall remain due and owing, but shall not compound or bear additional interest.

Annual principal payments are due on December 1 of each year, beginning on December 1, 2019 with final maturity on March 28, 2025. The Loan is subject to optional redemption on any June 1 or December 1 after the Closing Date upon payment of (i) principal, (ii) accrued interest on the amount being prepaid, (iii) if prior to the third anniversary of the Closing Date, a Prepayment Premium of 3.00% of the principal amount prepaid, and (iv) if all or a portion of the Fixed Rate Loan Balance is being prepaid, a Yield Maintenance Fee as described in the Loan Agreement.

The Loan is secured by and payable solely from and to the extent of the Pledged Revenue, which includes moneys derived from the following sources, net of costs of collection: (i) the Required Mill Levy; (ii) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; (iii) the Pledge Agreement Revenues; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to apply as Pledged Revenue.

Required Mill Levy means:

(a) prior to the time when the Debt to Assessed Ratio is 50% or less, a mill levy imposed each year in an amount which maintains the Debt Mill Levy Ratio and which, when combined with (i) moneys held in the Revenue Fund not required to be applied to the payment of the Loan in the then-current Fiscal Year, and (ii) Pledge Agreement Revenues to be received from District No. 1 pursuant to the Pledge Agreement, will generate tax revenues of not less than the Estimated Debt Requirements for the next Fiscal Year, but not in excess of 50 mills, and not less than 30 mills.

However, if the District fails to provide the Refinancing Certificate to the Lender prior to the District's certification of the Required Mill Levy for collection in Fiscal Year 2025, then the "Required Mill Levy" to be imposed in Fiscal Year 2024 and any Fiscal Year thereafter in which the Loan Balance remains unpaid, unsatisfied and undischarged, shall be no less than 50 mills without maintaining the Debt Mill Levy Ratio.

In the event the method of calculating assessed valuation is changed after January 1, 2014, the maximum and minimum mill levies will be increased or decreased to reflect such changes so that to the extent possible, the actual revenues generated by the minimum or maximum mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (a "Gallagher Adjustment"). For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

**CCP METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

2018 Loan (continued)

(b) once the Debt to Assessed Ratio is 50% or less, a mill levy imposed each year in an amount which maintains the Debt Mill Levy Ratio and which, when combined with (i) moneys in the Revenue Fund not required to be applied to the payment of the Loan in the then-current Fiscal Year, including capitalized interest capitalized therein in connection with an advance, and (ii) Pledge Agreement Revenues to be received from District No. 1 pursuant to the Pledge Agreement, will generate tax revenues of not less than the Estimated Debt Requirements for the next Fiscal Year, without limitation of rate and in amounts sufficient to make such payments when due.

However, if the District fails to provide the Refinancing Certificate to the Lender prior to the District's certification of the Required Mill Levy for collection in Fiscal year 2025, then the "Required Mill Levy" to be imposed in 2024 and in any year thereafter in which the Loan remains unpaid, unsatisfied and undischarged, shall be an amount sufficient to pay the Estimated Debt Requirements, but not higher than 75 mills (exclusive of an operations and maintenance mill levy of the District of not higher than 15 mills) which mill levy shall not be subject to the Gallagher Adjustment.

For tax collection year 2022, the adjusted Required Mill Levy was 30. The District certified 30 mills for debt service taxes collected in 2022.

Debt to Assessed Ratio is defined in the Loan Agreement as the ratio derived by dividing the then-outstanding Debt of the District and District No. 1 (except for the debt created by the Pledge Agreement) by the most recent Final Assessed Valuation of all taxable property in the District and in District No. 1, as such Final Assessed Valuation is certified from time to time by the Assessors.

Debt Mill Levy Ratio means the relationship of the Capital Mill Levy, imposed by District No. 1, to the Required Mill Levy, imposed by the District, represented by the imposition of the Capital Levy in the amount which is five (5) mills greater than the amount of the Required Mill Levy. The Capital Levy may not be in excess of 50 mills and not less than 35 mills, as adjusted.

The District entered into a Pledge Agreement with District No. 1 on March 28, 2018 (as amended on March 2, 2020), pursuant to which the District agrees to finance public improvements by incurring the Loan and District No. 1 agrees to impose the Capital Mill Levy and remit all resulting Pledge Agreement Revenues to the Lender.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve of \$450,000 as required by the 2018 Loan.

This information is an integral part of the accompanying budget.

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

| Bonds and Interest Maturing in the Year Ending <u>December 31,</u> | \$9,600,000 Tax Exempt Loan Draw #1 Dated March 28, 2018 Series 2018 Interest Rate of 3.55% Payable June 1 and December 1 Principal Due December 1 | | | \$902,871 Tax Exempt Loan Draw #2 Dated March 7, 2019 Series 2018 Interest Rate of 3.72% Payable June 1 and December 1 Principal Due December 1 | | |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2023 | \$ 275,000 | \$ 309,360 | \$ 584,360 | \$ 31,600 | \$ 32,010 | \$ 63,610 |
| 2024 | 300,000 | 300,283 | 600,283 | 31,600 | 30,903 | 62,503 |
| 2025 | 8,145,000 | 92,531 | 8,237,531 | 785,498 | 9,497 | 794,995 |
| Total | <u>\$ 8,720,000</u> | <u>\$ 702,174</u> | <u>\$ 9,422,174</u> | <u>\$ 848,698</u> | <u>\$ 72,410</u> | <u>\$ 921,108</u> |

No assurance is provided. See summary of significant assumptions.

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

| Bonds and Interest Maturing in the Year Ending <u>December 31,</u> | \$1,997,129 Tax Exempt Loan Draw #3 Dated September 27, 2019 Series 2018 Interest Rate of 2.98% Payable June 1 and December 1 Principal Due December 1 | | | \$3,095,000 Tax Exempt Loan Dated March 2, 2020 Series 2020 Interest Rate of 3.03% Payable June 1 and December 1 Principal Due December 1 | | | Total | | |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2023 | \$ 69,900 | \$ 56,721 | \$ 126,621 | \$ 35,000 | \$ 93,779 | \$ 128,779 | \$ 411,500 | \$ 491,870 | \$ 903,370 |
| 2024 | 69,900 | 54,758 | 124,658 | 40,000 | 92,718 | 132,718 | 441,500 | 478,662 | 920,162 |
| 2025 | <u>1,737,502</u> | <u>16,828</u> | <u>1,754,330</u> | <u>3,020,000</u> | <u>23,566</u> | <u>3,043,566</u> | <u>13,688,000</u> | <u>142,422</u> | <u>13,830,422</u> |
| Total | <u>\$1,877,302</u> | <u>\$ 128,307</u> | <u>\$ 2,005,609</u> | <u>\$ 3,095,000</u> | <u>\$ 210,063</u> | <u>\$ 3,305,063</u> | <u>\$14,541,000</u> | <u>\$ 1,112,953</u> | <u>\$15,653,953</u> |

No assurance is provided. See summary of significant assumptions.

I, Cameron Bertron, hereby certify that I am the duly appointed Secretary of the CCP Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the CCP Metropolitan District No. 3 held on December 2, 2022.

DocuSigned by:
Cameron Bertron
Treasurer