

**Rock Canyon Metropolitan District
2021 ANNUAL REPORT**

(For Activities Completed in 2021, and With Information About Prospective Years)

I. District Description - General Information

a. Board members, officers' titles, and terms

- 1) **Peter J. Klymkow, President – Term expires May, 2022**
- 2) **Matthew Valente, Secretary – Term expires May, 2022**
- 3) **Natalie Fatseas, Treasurer – Term expires May, 2022**
- 4) **VACANCY – Term expires May, 2023**
- 5) **VACANCY – Term expires May, 2023**

b. Changes in board membership in past year: **No changes to board membership were made in 2021.**

c. Name and address for official District contacts:

**Paula J. Williams
McGeady Becher P.C.
450 E. 17th Ave., Suite 400
Denver, CO 80203-1254
Phone: 303-592-4380
Fax: 303-592-4385
E-mail: pwilliams@specialdistrictlaw.com**

d. Elections held in the past year and their purpose: **There were no elections held in 2021.**

II. Boundary changes for the report year and proposed changes for the coming year: **There were no boundary changes during 2021, and no boundary changes are anticipated for 2022.**

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements

- a. Contracts for operations, debt, and other contractual obligations with sub- districts or operating and taxing districts: **None.**
- b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District: **The District is a party to the following reimbursement agreements:**

1) **“2020-2021 Operation Funding Agreement,”** dated 8/28/20 and effective 9/1/20 (and as amended on 11/20/20 and 11/11/21), with Taylor Morrison of Colorado (“Taylor Morrison”), whereby Taylor Morrison shall advance funds for the operation of the District through 2022 up to a maximum amount of \$100,000. Advances incur interest at a rate not to exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%). Agreement terminates on December 31, 2061, unless terminated earlier by the parties.

2) **“Facilities Funding and Acquisition Agreement,”** dated 12/10/19 and effective 2/28/19, with UDCM Rock Canyon, LLC (“UDCM”), whereby UDCM shall advance funds to the District for capital improvements through fiscal year 2023 up to a maximum amount of \$5,000,000. Advances incur interest at a rate not to exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%). Agreement terminates on December 31, 2059, unless terminated earlier by the parties.

IV. Service Plan

- a. List and description of services authorized in Service Plan: **Water, storm sewer, sanitation and wastewater treatment, street improvements, traffic safety protection, parks and recreation, television relay and translation, mosquito control, covenant enforcement and design review, and security services, all as more particularly described in the Service Plan.**
- b. List and description of facilities authorized in Service Plan: **Water, storm sewer, sanitation and wastewater treatment, street improvement, traffic safety protection, parks and recreation, and television relay and translation facilities, all as more particularly described in the Service Plan.**
- c. List and description of any extraterritorial services, facilities, and agreements: **None.**

V. Development Progress:

- a. Indicate the estimated year of build-out, as set forth in the Service Plan: **2021 is the estimated year of build-out.**
- b. List the services provided with the date service began compared to the date authorized by the Service Plan: **N/A**
- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented: **None.**

- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan: **N/A**
- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any: **N/A**
- f. List facilities currently under construction with the percentage complete and an anticipated date of completion: **The land development work for Rock Canyon was commenced in early 2020 with the overlot grading/over-excavation work and was followed up with the sanitary sewer, water and storm drain improvements completing in late summer. Subgrade preparation work on Jaguar Drive commenced in early fall 2020 and was completed in spring 2021 along with all infrastructure work. Six (6) homes were constructed and completed in 2021. The District received probationary acceptance from Douglas County Roadways and Storm Drainage, along with Northern Douglas County Water and Sanitation District, and the entirety of the infrastructure improvements in the District are now under a two-year Warranty Period. Common area landscaping commenced in fall of 2021 with a seasonal shutdown occurring in winter 2021. Landscaping work is anticipated to recommence in early spring 2022 with a projected completion date of late summer 2022. At this time, there are 34 homes under construction and are projected to be completed by the end of 2022.**
- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years: **Population was zero for the previous five years. As of 12/31/2021, the District had a total of five closings, with a population estimate of 15. At build-out, population will be approximately 162 (assuming 3 occupants for each of the 54 single-family residential units in the District).**
- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial

and industrial properties to the amount planned in the Service Plan. **54 single-family residential units are anticipated to be constructed in the District.**

- i. List any enterprises created by and/or operated by or on behalf of the District and summarize the purpose of each. N/A

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year. **The District's 2021 Audit will be prepared and filed with the State Auditor by July 29, 2022, pursuant to statute. A copy of the 2021 Audit will be provided when available.**
- b. Provide a copy of the budget, showing the reporting and previous years. **A copy of the District's budget proceedings for 2022 is attached hereto as Exhibit A.**
- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation). **For projections for the next five (5) years, see the Financial Plan of the District, previously provided with the 2019 Annual Report.**
- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired. **The District issued the following debt in 2020. See the District's 2022 Budget Proceedings (Exhibit A) for the debt retirement schedule.**
 - 1) **General Obligation Limited Tax Bonds, Series 2020A, in the amount of \$1,637,000;**
 - 2) **Subordinate General Obligation Limited Tax Bonds, Series 2020B(3), in the amount of \$398,000.**
- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued. **See the Board of Canvassers' Certificate of Election results for the**

November 6, 2018 organizational election, provided with the 2019 Annual Report for authorized debt. As of December 31, 2020, the authorized debt amount has been reduced by \$2,035,000, due to the issuance of the Series 2020A and Series 2020B(3) Bonds.

- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan. **The District is authorized under its Service Plan to issue up to \$5,000,000 in debt. As of December 31, 2021, the District has issued \$2,035,000 in debt, leaving \$2,965,000 in debt authorized but unissued.**
- g. Enterprises of the District. **N/A**
 - 1) Include revenues of the enterprise, showing both direct support from the District and all other sources.
 - 2) Include expenses of the enterprise, showing both direct payments to the District and all other obligations.
- h. Detail contractual obligations.
 - 1) Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments. **See the District's 2021 Audit (when available) for obligations pursuant to the Series 2020A and Series 2020B(3) Bonds.**
 - 2) Report any inability of the District to pay current obligations that are due within the current budget year: **None.**
 - 3) Describe any District financial obligations in default: **None.**
- i. Actual and Assessed Valuation History. **See Exhibit B.**
 - 1) Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year
 - 2) For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.
- j. Mill Levy History. **See Exhibit C.**

- 1) Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)
 - 2) For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.
- k. Miscellaneous Taxes History. **N/A**
- 1) Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)
 - 2) For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.
- l. Estimated Assessed Valuation of District at 100% Build-Out. **See the Financial Plan of the District, previously provided with the 2019 Annual Report.**
- 1) Provide an updated estimate and compare this with the Service Plan estimate.
- m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out. **See the Financial Plan of the District, previously provided with the 2019 Annual Report.**
- 1) Provide an updated estimate based on current events. Do not include refunding bonds. **No current plans to issue the \$2,965,000 in authorized but unissued debt.**

EXHIBIT A

2022 Budget Proceedings

RESOLUTION NO. 2021-11-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF ROCK CANYON
METROPOLITAN DISTRICT, DOUGLAS 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 2022**

A. The Board of Directors of Rock Canyon Metropolitan District (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 or before October 15, 2021 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 November 11, 2021, 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 ROCK CANYON METROPOLITAN DISTRICT, DOUGLAS 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.

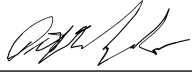
3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED on November 11, 2021.

**ROCK CANYON METROPOLITAN
DISTRICT**

By: 

President

Attest:

By: *Matthew Valente*

Secretary

EXHIBIT A

Budget

ROCK CANYON METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**ROCK CANYON METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/30/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ 292,705	\$ 249,965
REVENUES			
Property taxes	-	42,502	62,745
Specific ownership taxes	-	4,170	5,019
Developer advance	-	46,472	40,467
Interest income	6,522	120	230
Bond issuance	2,035,000	-	-
Total revenues	<u>2,041,522</u>	<u>93,264</u>	<u>108,461</u>
TRANSFERS IN	<u>374,557</u>	-	-
Total funds available	<u>2,416,079</u>	<u>385,969</u>	<u>358,426</u>
EXPENDITURES			
General Fund	10,187	46,664	56,000
Debt Service Fund	73,665	89,340	92,000
Capital Projects Fund	1,664,965	-	-
Total expenditures	<u>1,748,817</u>	<u>136,004</u>	<u>148,000</u>
TRANSFERS OUT	<u>374,557</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>2,123,374</u>	<u>136,004</u>	<u>148,000</u>
ENDING FUND BALANCES	<u>\$ 292,705</u>	<u>\$ 249,965</u>	<u>\$ 210,426</u>
EMERGENCY RESERVE	\$ 100	\$ 400	\$ 500
CAPITALIZED INTEREST	173,176	91,366	9,516
SURPLUS FUND (Maximum:\$327,400)	-	158,199	200,406
TOTAL RESERVE	<u>\$ 173,276</u>	<u>\$ 249,965</u>	<u>\$ 210,422</u>

No assurance provided. See summary of significant assumptions.

**ROCK CANYON METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/30/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
State assessed	\$ -	\$ 300	\$ 300
Vacant land	-	649,050	958,330
Certified Assessed Value	\$ -	\$ 649,350	\$ 958,630
 MILL LEVY			
General	15.104	15.104	15.104
Debt Service	50.349	50.349	50.349
Total mill levy	65.453	65.453	65.453
 PROPERTY TAXES			
General	\$ -	\$ 9,808	\$ 14,479
Debt Service	-	32,694	48,266
Budgeted property taxes	\$ -	\$ 42,502	\$ 62,745
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ 9,808	\$ 14,479
Debt Service	-	32,694	48,266
	\$ -	\$ 42,502	\$ 62,745

No assurance provided. See summary of significant assumptions.

**ROCK CANYON METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/30/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ (10,186)	\$ 400
REVENUES			
Property taxes	-	9,808	14,479
Specific ownership taxes	-	970	1,158
Interest income	1	-	-
Developer advance	-	46,472	40,467
Total revenues	<u>1</u>	<u>57,250</u>	<u>56,104</u>
Total funds available	<u>1</u>	<u>47,064</u>	<u>56,504</u>
EXPENDITURES			
Accounting	5,379	27,000	27,500
Audit	-	4,700	5,000
County Treasurer's fee	-	147	217
Dues and licenses	194	317	500
Director Fees	-	-	200
Election expense	-	-	2,000
Insurance and bonds	-	2,500	3,000
Legal services	4,614	12,000	15,000
Website	-	-	1,500
Contingency	-	-	1,083
Total expenditures	<u>10,187</u>	<u>46,664</u>	<u>56,000</u>
Total expenditures and transfers out requiring appropriation	<u>10,187</u>	<u>46,664</u>	<u>56,000</u>
ENDING FUND BALANCE	<u>\$ (10,186)</u>	<u>\$ 400</u>	<u>\$ 504</u>
EMERGENCY RESERVE	<u>\$ 100</u>	<u>\$ 400</u>	<u>\$ 500</u>
TOTAL RESERVE	<u>\$ 100</u>	<u>\$ 400</u>	<u>\$ 500</u>

No assurance provided. See summary of significant assumptions.

**ROCK CANYON METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/30/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ 302,891	\$ 249,565
REVENUES			
Property taxes	-	32,694	48,266
Specific ownership taxes	-	3,200	3,861
Interest income	1,999	120	230
Total revenues	<u>1,999</u>	<u>36,014</u>	<u>52,357</u>
TRANSFERS IN			
Transfers from other funds	<u>374,557</u>	-	-
Total funds available	<u>376,556</u>	<u>338,905</u>	<u>301,922</u>
EXPENDITURES			
Debt Service			
County Treasurer's fee	-	490	724
Bond interest	73,665	81,850	81,850
Paying agent fees	-	7,000	7,000
Contingency	-	-	2,426
Total expenditures	<u>73,665</u>	<u>89,340</u>	<u>92,000</u>
Total expenditures and transfers out requiring appropriation	<u>73,665</u>	<u>89,340</u>	<u>92,000</u>
ENDING FUND BALANCE	<u>\$ 302,891</u>	<u>\$ 249,565</u>	<u>\$ 209,922</u>
CAPITALIZED INTEREST	\$ 173,176	\$ 91,366	\$ 9,516
SURPLUS FUND (Maximum:\$327,400)	129,715	158,199	200,406
TOTAL RESERVE	<u>\$ 302,891</u>	<u>\$ 249,565</u>	<u>\$ 209,922</u>

No assurance provided. See summary of significant assumptions.

**ROCK CANYON METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/30/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Bond issuance	2,035,000	-	-
Interest income	4,522	-	-
Total revenues	<u>2,039,522</u>	<u>-</u>	<u>-</u>
Total funds available	<u>2,039,522</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital outlay	1,423,700	-	-
Bond issue costs	241,265	-	-
Total expenditures	<u>1,664,965</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>374,557</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>2,039,522</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**ROCK CANYON METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Order and Decree of the District Court of Douglas County, Colorado on February 28, 2019, to provide financing for design, acquisition, construction and installation and financing of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, and sewer and drainage facilities, and the operation and maintenance of the District. The District's service area is located entirely within the boundaries of Douglas County, Colorado.

The budget is in accordance with the TABOR Amendment limitations, which were modified by the voters in an election held on November 6, 2018. Additionally, the election allows the District to collect, spend, and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

On November 6, 2018, the District's voters authorized general obligation indebtedness of \$65,000,000 for District improvements, \$5,000,000 for the purpose of refunding debt, \$5,000,000 for intergovernmental agreements, and \$5,000,000 for operations and maintenance debt. The service plan has a limitation on the issuance of debt to \$10,000,000.

The total authorized debt limit for the District shall be Ten Million Dollars (\$10,000,000). The initial debt service mill levy will be 50.000 mills subject to the Gallagher Adjustment, with a Maximum Debt Service Mill Levy of 55.277 mills. The initial operations and maintenance mill levy will be 15.000 mills, with a Maximum Operations and Maintenance Mill Levy of 15.000 mills. The combined initial mill levy for the District will be 65.000 mills, with a maximum combined mill levy of 65.000 mills. After the Gallagher Adjustment, the District will initially levy a general fund mill levy of 15.104 mills and a debt service mill levy of 50.349 mills for a combined mill levy of 65.453 mills.

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.T.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.

**ROCK CANYON METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 primary source of revenue is property taxes. The calculation of the taxes levied is displayed on the Property Tax Summary pages 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 8% of the property taxes collected by the District.

Developer Advance

The District is in the development stage. As such, the operating and administrative costs for 2022 will be mainly funded by the Developer.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .10%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, and meeting costs.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2020A Bonds (discussed under Debt and Leases).

**ROCK CANYON METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District issued Senior Bonds and the Subordinate Bonds on January 7, 2020, in the respective amounts of \$1,637,000 and \$398,000.

Proceeds from the sale of the Senior Bonds were used to: (a) pay or reimburse the Project Costs; (b) make a deposit to the Senior Surplus Fund; (c) fund capitalized interest on the Senior Bonds; and (d) pay costs of issuance of the Bonds. Proceeds from the sale of the Subordinate Bonds were used to: (a) pay or reimburse Project Costs; and (b) pay other costs incurred in connection with the issuance of the Subordinate Bonds.

The Senior Bonds bear interest of 5.000% and are payable semi-annually on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2024. The Senior Bonds mature on December 1, 2049. To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by the Senior Bond. To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each interest payment date at the rate then borne by the Senior Bonds. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Senior Bonds.

The Subordinate Bonds were issued at the rate of 8.750% (with a combined yield with the Senior Bonds of 5.8152% per Form 8038-G) per annum and are payable annually on December 15, beginning December 15, 2019 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Subordinate Bonds. All of the Subordinate Bonds and interest thereon are to be deemed to be paid, satisfied, and discharged on December 16, 2059 (the "Termination Date"), regardless of the amount of principal and interest paid prior to the Termination Date.

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue, net of any costs of collection, which includes:

- (a) the Senior Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue, net of any costs of collection, which includes:

- (a) the Subordinate Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

**ROCK CANYON METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The Senior Bonds are additionally secured by capitalized interest which will be funded from the proceeds of the Senior Bonds and by amounts, if any, in the Senior Surplus Fund.

Except for an initial deposit of \$129,000 from proceeds of the Senior Bonds, the Senior Surplus Fund will be funded solely from Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year up to the Maximum Surplus Amount of \$327,400. Pursuant to the Senior Indenture, the Senior Surplus Fund shall be maintained for so long as any Senior Bond is outstanding. The use of moneys released from the Senior Surplus Fund when no Senior Bonds are outstanding shall be subject to any pledges, liens, or other encumbrances, including any pledge, lien, or encumbrance created under the terms of any other Parity Bonds or Subordinate Bonds.

Optional Redemption. The Series 2020A Senior Bonds are also 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, 2024, and on any date thereafter, upon payment of par, accrued interest and a redemption premium of a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	3.00%
December 1, 2025, to November 30, 2026	2.00
December 1, 2026, to November 30, 2027	1.00
December 1, 2027, and thereafter	0.00

Optional Redemption. The Series 2020B₍₃₎ Subordinate Bonds are also subject to redemption prior to maturity, at the option of the District, as a whole or integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest and a redemption premium of a principal so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	3.00%
December 1, 2025, to November 30, 2026	2.00
December 1, 2026, to November 30, 2027	1.00
December 1, 2027, and thereafter	0.00

The District has no operating or capital leases.

Reserves

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

This information is an integral part of the accompanying budget.

**ROCK CANYON METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$1,637,000 General Obligation Bonds, Series 2020A

Dated January 7, 2020

Principal due December 1

Interest Rate 5.000% Payable

June 1 and December 1

Year Ended December 31,	Principal	Interest	Total
2022	\$ -	\$ 81,850	\$ 81,850
2023	-	81,850	81,850
2024	19,000	81,850	100,850
2025	20,000	80,900	100,900
2026	23,000	79,900	102,900
2027	25,000	78,750	103,750
2028	28,000	77,500	105,500
2029	29,000	76,100	105,100
2030	33,000	74,650	107,650
2031	35,000	73,000	108,000
2032	38,000	71,250	109,250
2033	40,000	69,350	109,350
2034	44,000	67,350	111,350
2035	47,000	65,150	112,150
2036	51,000	62,800	113,800
2037	54,000	60,250	114,250
2038	59,000	57,550	116,550
2039	62,000	54,600	116,600
2040	67,000	51,500	118,500
2041	71,000	48,150	119,150
2042	77,000	44,600	121,600
2043	80,000	40,750	120,750
2044	87,000	36,750	123,750
2045	91,000	32,400	123,400
2046	98,000	27,850	125,850
2047	103,000	22,950	125,950
2048	111,000	17,800	128,800
2049	245,000	12,250	257,250
	\$ 1,637,000	\$ 1,629,650	\$ 3,266,650

I, Matthew Valente, hereby certify that I am the duly appointed Secretary of the Rock Canyon Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Rock Canyon Metropolitan District held on November 11, 2021.

Matthew Valente

Secretary

RESOLUTION NO. 2021-11-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE ROCK CANYON METROPOLITAN DISTRICT LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2022
BUDGET YEAR**

A. The Board of Directors of the Rock Canyon Metropolitan District (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 11, 2021.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt retirement expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Rock Canyon Metropolitan District, Douglas County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

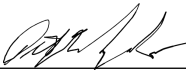
4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 11, 2021.

**ROCK CANYON METROPOLITAN
DISTRICT**

By: 

President

Attest:

By: *Matthew Valente*

Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|-------|-------------------|---|
| 1. | Purpose of Issue: | Public Infrastructure |
| | Series: | Series 2020A – General Obligation Limited Tax Bonds |
| | Date of Issue: | January 7, 2020 |
| | Coupon Rate: | 5.00% |
| | Maturity Date: | December 1, 2049 |
| | Levy: | 50.349 |
| | Revenue: | \$48,266 |
| <hr/> | | |
| 2. | Purpose of Issue: | Public Infrastructure |
| | Series: | Series 2020B – Subordinate General Obligation Limited Tax Bonds |
| | Date of Issue: | January 7, 2020 |
| | Coupon Rate: | 8.75% |
| | Maturity Date: | December 15, 2049 |
| | Levy: | 0.000 |
| | Revenue: | \$0 |

CONTRACTS^K:

- | | | |
|-------|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| <hr/> | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO The County Commissioners of Douglas County, Colorado
 On behalf of the Rock Canyon Metro District
 the Board of Directors
 of the Rock Canyon Metro District**

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **\$958,630** Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area the tax levies must be calculated using the NET AV. The taxing entity 's total property tax revenue will be derived from the mill levy multiplied against the **NET** assessed valuation of: **\$958,630**

Submitted: *Lindsay Ross* for budget/fiscal year 2022

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	15.104 mills	\$14,479
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-\$0
SUBTOTAL FOR GENERAL OPERATING:	15.104 mills	\$14,479
3. General Obligation Bonds and Interest	50.349 mills	\$48,266
4. Contractual Obligations	0.000 mills	\$0
5. Capital Expenditures	0.000 mills	\$0
6. Refunds/Abatements	0.000 mills	\$0
7. Other	0.000 mills	\$0
8. Judgment	0.000 mills	\$0
TOTAL:	65.453 mills	\$62,745

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.). Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND, CONTRACT, OTHER, AND/OR JUDGMENT:

BONDS

- 1. Purpose of Issue: Public infrastructure
- Series: 2020B - Subordinate GO Limited Tax Bonds
- Date of Issue: 2020-01-07
- Coupon Rate: 8.75

Maturity Date:	2049-12-15
Levy:	0.000
Revenue:	\$0
2. Purpose of Issue:	Public infrastructure
Series:	2020A - GO Limited Tax Bonds
Date of Issue:	2020-01-07
Coupon Rate:	5.00
Maturity Date:	2049-12-01
Levy:	50.349
Revenue:	\$48,266

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgment Available

Explanation of Change:

Generated On Tue, 14 Dec 2021

I, Matthew Valente, hereby certify that I am the duly appointed Secretary of the Rock Canyon Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Rock Canyon Metropolitan District held on November 11, 2021.

Matthew Valente

Secretary

EXHIBIT B

Actual and Assessed Valuation History

YEAR	ACTUAL VALUE	ASSESSED VALUE	SERVICE PLAN ESTIMATE
2019*	\$1,992,372	\$577,790	-0-
2020	\$2,237,934	\$649,350	-0-
2021	\$3,304,523	\$958,630	\$765,600

*The District was organized on February 28, 2019.

EXHIBIT C

Mill Levy History

BUDGET YEAR	MILL LEVY: OPERATIONS	MILL LEVY: DEBT	TOTAL MILL LEVY	SERVICE PLAN ESTIMATE
2019*	0.000	0.000	0.000	0.000
2020	15.104	50.349	65.453	60.000
2021	15.104	50.349	65.453	60.000
2022	15.104	50.349	65.453	60.000

*The District was organized on February 28, 2019.