BUDGET RESOLUTION
(2026)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) *ss.*
COUNTY OF DOUGLAS)

At the special meeting of the Board of Directors of Hillside at Castle Rock Metropolitan District, City of Castle Rock County of Douglas, Colorado, held at 11:30 a.m. on November 19, 2025 via zoom:
https://us02web.zoom.us/j/88935476428?pwd=WvA8SjYYehLDBoof4z6sy7EMoNrjz6.1;
Meeting ID: 889 3547 6428; Passcode: 511653; Telephone:
+17193594580,,88935476428#,,,,*511653# US, there were present:

Directors: Aaron Foy and Doug Erpelding.

Also present was Dianne Miller, Sonja Steele, and Rhonda Bilek of Miller Law pllc ("District Counsel"); Joy Tatton of Simmons & Wheeler P.C.

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a special meeting of the Board of Directors of the District and that the notice of the meeting was posted within the boundaries of the District, and to the best of their knowledge, remains posted to the date of this meeting.

Thereupon, Director Erpelding introduced and moved the adoption of the following Resolution:

RESOLUTION

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 HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT, CITY OF CASTLE ROCK, COUNTY OF DOUGLAS, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2026 AND ENDING ON THE LAST DAY OF DECEMBER 2026.

WHEREAS, the Board of Directors (the "Board") of the Hillside at Castle Rock Metropolitan District (the "District") has authorized its treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2025; and

WHEREAS, the proposed 2026 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on November 6, 2025 said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 a.m. on November 19, 2025, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2026 Revenues and 2026 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2026, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2025.

Section 3. 2026 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expenses is $30,490.00, and that the 2025 valuation for assessment, as certified by the Douglas County Assessor, is $2,393,980.00. That for the purposes of meeting all general operating expenses of the District during the 2026 budget year, there is hereby levied a tax of 12.736 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

Section 4. 2026 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money necessary to balance the budget for the Debt Service Fund for debt retirement expense is $152,449.00 and that the 2025 valuation for assessment, as certified by the Douglas County Assessor, is $2,393,980.00. That for the purposes of meeting all debt retirement expenses of the District during the 2026 budget year, there is hereby levied a tax of 63.680 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant, or manager for the District is hereby authorized and directed to certify to the *** County Board of County Commissioners, no later than December 15, 2025, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the Budget shall be certified by the Secretary/Treasurer of the District and made a part of the public records of the District.

Hillside at Castle Rock Metropolitan District

The foregoing Resolution was seconded by Director Foy.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 19, 2025.

HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT

Signed by:
By: Aaron Foy
9490950C4B144C6...
Aaron Foy, President

ATTEST:
DocuSigned by:
DOUG ERPELDING
AD291C93FE02464...
Doug Erpelding, Assistant Secretary

STATE OF COLORADO
COUNTY OF DOULGAS
HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT

I, Doug Erpelding, hereby certify that I am a director and the duly elected and qualified Assistant Secretary of the Hillside at Castle Rock Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 11:30 a.m. on November 19, 2025 via zoom: https://us02web.zoom.us/j/88935476428?pwd=WvA8SjYYehLDBoof4z6sy7EMoNrjz6.1; Meeting ID: 889 3547 6428; Passcode: 511653; Telephone: +17193594580,,88935476428#,,,,*511653# US as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2026; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on November 19, 2025.

DocuSigned by:
DOUG ERPELDING
AD291C93FE02464...

Doug Erpelding, Assistant Secretary.

EXHIBIT A
BUDGET DOCUMENT & BUDGET MESSAGE

HILLSIDE AT CASTLE ROCK METROPOLITAN DISTRICT
2026 BUDGET

Hillside at Castle Rock Metropolitan District
Proposed Budget
General Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 6/30/2025	Estimate 2025	Proposed Budget 2026
Beginning fund balance	$ -	$ -	$ -	$ -	$ 11,830
Revenues:					
Property taxes	19,959	26,353	3,591	26,353	30,490
Specific ownership taxes	1,198	2,108	831	1,670	2,439
Developer advances	6,891	21,539	14,550	14,550	5,241
Interest/ Miscellaneous income	-	-	7	7	-
Total revenues	28,048	50,000	18,979	42,580	38,170
Total funds available	28,048	50,000	18,979	42,580	50,000
Expenditures:					
Accounting	13,344	10,000	4,805	9,600	10,000
Audit	-	5,500	4,500	4,500	5,500
Insurance/SDA dues	2,972	3,100	3,055	3,055	3,200
Legal	11,430	20,000	6,538	13,100	20,000
Miscellaneous	10	100	30	100	100
Treasurer fees	292	395	51	395	457
Contingency	-	9,732	-	-	9,565
Emergency reserve (3%)	-	1,173	-	-	1,178
Total expenditures	28,048	50,000	18,979	30,750	50,000
Ending fund balance	$ -	$ -	$ -	$ 11,830	$ -
Assessed valuation		$2,218,250			$2,393,980
Mill Levy		11.880			12.736

Hillside at Castle Rock Metropolitan District
Proposed Budget
Capital Projects Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 6/30/2025	Estimate 2025	Proposed Budget 2026
Beginning fund balance	$1,427,546	$1,492,946	$ -	$ -	$ -
Revenues:					
Developer advances	1,688,553	-	-	-	2,000,000
Interest income	66,989	75,000	-	-	-
Total revenues	1,755,542	75,000	-	-	2,000,000
Total funds available	3,183,088	1,567,946	-	-	2,000,000
Expenditures:					
Capital expenditures	1,691,743	1,567,946	-	-	2,000,000
Repay developer advances	1,491,345	-	-	-	-
Total expenditures	3,183,088	1,567,946	-	-	2,000,000
Ending fund balance	$ -	$ -	$ -	$ -	$ -

Hillside at Castle Rock Metropolitan District
Proposed Budget
Debt Service Fund
For the Year ended December 31, 2026

	Actual 2024	Adopted Budget 2025	Actual 6/30/2025	Estimate 2025	Proposed Budget 2026
Beginning fund balance	$ 923,196	$ 755,918	$ 742,958	$ 742,958	$ 589,416
Revenues:					
Property taxes	99,802	131,771	17,958	131,771	152,449
Specific ownership taxes	5,990	10,542	4,158	8,320	12,196
Interest income	39,308	40,000	11,752	23,500	25,000
Total revenues	145,100	182,313	33,868	163,591	189,645
Total funds available	1,068,296	938,231	776,826	906,549	779,061
Expenditures:					
Bond interest expense	316,875	316,876	158,438	316,876	316,876
Bond principal	-	-	-	-	30,000
Treasurer's fees	1,463	1,977	257	257	2,287
Trustee / paying agent fees	7,000	-	-	-	-
Total expenditures	325,338	318,853	158,695	317,133	349,163
Ending fund balance	$ 742,958	$ 619,378	$ 618,131	$ 589,416	$ 429,898
Assessed valuation		$2,218,250			$2,393,980
Mill Levy		59.403			63.680
Total Mill Levy		71.283			76.416

County Tax Entity Code: 4595	DOLA LGID/SID: 66742

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO The County Commissioners of Douglas County, Colorado
On behalf of the Hillside at Castle Rock Metro District
the Board of Directors
of the Hillside at Castle Rock Metropolitan District

Hereby officially certifies the following mills to be levied against the taxing entity's **GROSS** assessed valuation of: **$2,393,980** 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: **$2,393,980**

Submitted: *Diane Wheeler* for budget/fiscal year *2026*

PURPOSE	LEVY	REVENUE
1. General Operating Expenses	12.736 mills	$30,490
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	-0.000 mills	-$0
SUBTOTAL FOR GENERAL OPERATING:	**12.736 mills**	**$30,490**
3. General Obligation Bonds and Interest	63.680 mills	$152,449
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:	**76.416 mills**	**$182,939**

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:	$5,070,000 Limited Tax General Obligation Bonds
	Series:	2022A
	Date of Issue:	9/20/2022
	Coupon Rate:	6.25

	Maturity Date:	12/1/2047
	Levy:	63.680
	Revenue:	$152,449
2.	Purpose of Issue:	$1,079,000 Subordinate Limited Tax General Obligation Bonds
	Series:	2022B
	Date of Issue:	9/20/2022
	Coupon Rate:	9.00
	Maturity Date:	12/15/2047
	Levy:	0.000
	Revenue:	$0

CONTRACTS

No Contracts Available

OTHER

No Other Available

JUDGMENT

No Judgements Available

Explanation of Change:

Generated On 12/15/2025

DISTRICT
2026 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Through its Service Plan, the District (the "District") is authorized to finance certain streets, street lighting, traffic and safety controls, sewer improvements, landscaping, and park and recreation improvements.

Revenue

Property Taxes

The primary source of funds for 2026 is property taxes. The District anticipates imposing a mill levy of ______ mills for the budget year 2026 for operations and maintenance expenses, which will yield $______ in property tax revenue.

Expenditures

Administrative Expenses

Administrative expenses have been primarily for legal services, insurance, and accounting costs.

Funds Available

The District's budget exists from property taxes and specific ownership taxes to cover the District's operations, including its administrative functions.

Accounting Method

The District prepares its budget on the modified accrual basis of accounting