

LETTER OF BUDGET TRANSMITTAL


Date: January 27, 2021

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2021 budget and budget message for TALLYN'S REACH METROPOLITAN DISTRICT NO. 3 in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2020. If there are any questions on the budget, please contact:

Denise Denslow, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.Denslow@claconnect.com

I, Denise Denslow, District Manager of the Tallyn's Reach Metropolitan District No. 3 hereby certify that the attached is a true and correct copy of the 2021 budget.

By:  DocuSigned by:
Denise Denslow
77517AF6E925439

Denise Denslow, District Manager

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS
(2021)

The Board of Directors of Tallyn’s Reach Metropolitan District No. 3 (the “**Board**”), City of Aurora, County of Arapahoe, Colorado (the “**District**”) held a special meeting held via teleconference on Tuesday, November 10, 2020, at the hour of 5:30 P.M.

Prior to the meeting, each of the directors was 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.

[Remainder of Page Intentionally Left Blank.]

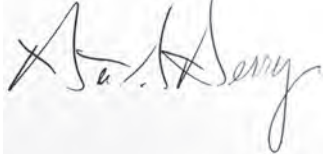
NOTICE AS TO PROPOSED 2021 BUDGET

SENTINEL
PROOF OF PUBLICATION

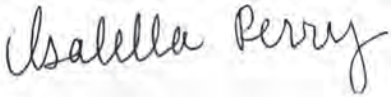
STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 29 A.D. 2020 and that the last publication of said notice was in the issue of said newspaper dated October 29 A.D. 2020.

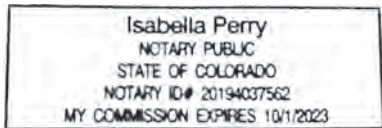
I witness whereof I have hereunto set my hand this 12th day of January A.D. 2021.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 12th day of January A.D. 2021.



Notary Public



NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2021 BUDGET
AND NOTICE OF PUBLIC HEARING
ON THE AMENDED 2020 BUDGET

NOTICE IS HEREBY GIVEN that proposed 2021 budgets have been submitted to the Boards of Directors (the "Boards") of the TALLYN'S REACH AUTHORITY AND TALLYN'S REACH METROPOLITAN DISTRICT NOS. 2 AND 3 (the "Districts"). A copy of each of the proposed budgets is on file in the office of CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2020 budgets have been submitted to the Districts. A copy of each of the proposed amended budgets is on file in the office of CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed budgets and amended budgets will be considered at a public hearing during a joint meeting of the Districts to be held on Tuesday, November 10, 2020 at 5:30 P.M. and 6:00 P.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the link: <https://zoom.us/j/94026039716> Meeting ID: 940 2603 9716 or via Phone: 1-312-626-6799.

Any interested elector of the Districts may file or register any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the District.

BY ORDER OF THE
BOARDS OF DIRECTORS:
TALLYN'S REACH AUTHORITY
AND TALLYN'S REACH
METROPOLITAN DISTRICT NOS. 2
AND 3
/s/ White Bear Ankele Tanaka & Waldron
Attorneys at Law

Publication: October 29, 2020
Sentinel

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 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

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 10, 2020, 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 2021. 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 2021 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 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

54.500 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 2021 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 2021 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 Arapahoe 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.

[Remainder of page intentionally left blank.]

ADOPTED THIS 10TH DAY OF NOVEMBER, 2020.

TALLYN'S REACH METROPOLITAN DISTRICT NO. 3

DocuSigned by:
Mike Dell'Orfano
359664F3786B44D...

Officer of the District

ATTEST:

DocuSigned by:
David Patterson
7BD319407C7A455...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Bob Dh

General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
TALLYN'S REACH 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 Tuesday, November 10, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 10th day of November 2020.

DocuSigned by:
David Patterson
7BD319407C7A455...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

TALLYNS REACH METRO DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

TALLYNS REACH METROPOLITAN DISTRICT NO. 3
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 3,270,823	\$ 1,945,978	\$ -
REVENUES			
Property taxes	3,239,857	3,581,158	3,625,071
Specific ownership taxes	254,001	248,000	253,755
Interest income	98,681	20,000	2,500
Bond proceeds	7,255,000	-	-
Bond premium	867,660	-	-
Loan issuance - 2020A	-	7,645,000	-
Loan issuance - 2020B	-	16,100,000	-
Total revenues	<u>11,715,199</u>	<u>27,594,158</u>	<u>3,881,326</u>
TRANSFERS IN	<u>5,005</u>	-	-
Total funds available	<u>14,991,027</u>	<u>29,540,136</u>	<u>3,881,326</u>
EXPENDITURES			
Debt Service Fund	13,040,044	29,540,136	3,881,326
Total expenditures	<u>13,040,044</u>	<u>29,540,136</u>	<u>3,881,326</u>
TRANSFERS OUT	<u>5,005</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>13,045,049</u>	<u>29,540,136</u>	<u>3,881,326</u>
ENDING FUND BALANCES	<u>\$ 1,945,978</u>	<u>\$ -</u>	<u>\$ -</u>
2012 RESERVE FUND	\$ 347,225	\$ -	\$ -
2013 RESERVE FUND	1,300,416	-	-
TOTAL RESERVE	<u>\$ 1,647,641</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

TALLYNS REACH METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION			
Residential	\$ 58,246,039	\$ 64,626,053	\$ 64,808,290
Commercial	379,489	445,352	440,889
State assessed	913,150	403,960	1,118,910
Vacant land	317,489	233,950	146,975
Certified Assessed Value	<u>\$ 59,856,167</u>	<u>\$ 65,709,315</u>	<u>\$ 66,515,064</u>
MILL LEVY			
Debt Service	54.128	54.500	54.500
Total mill levy	<u>54.128</u>	<u>54.500</u>	<u>54.500</u>
PROPERTY TAXES			
Debt Service	<u>\$ 3,239,895</u>	<u>\$ 3,581,158</u>	<u>\$ 3,625,071</u>
Levied property taxes	3,239,895	3,581,158	3,625,071
Adjustments to actual/rounding	(38)	-	-
Budgeted property taxes	<u>\$ 3,239,857</u>	<u>\$ 3,581,158</u>	<u>\$ 3,625,071</u>
BUDGETED PROPERTY TAXES			
Debt Service	<u>\$ 3,239,857</u>	<u>\$ 3,581,158</u>	<u>\$ 3,625,071</u>
	<u>\$ 3,239,857</u>	<u>\$ 3,581,158</u>	<u>\$ 3,625,071</u>

No assurance provided. See summary of significant assumptions.

**TALLYNS REACH METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 3,265,818	\$ 1,945,978	\$ -
REVENUES			
Property taxes	3,239,857	3,581,158	3,625,071
Specific ownership tax	254,001	248,000	253,755
Interest income	98,681	20,000	2,500
Bond proceeds	7,255,000	-	-
Bond premium	867,660	-	-
Loan issuance - 2020A	-	7,645,000	-
Loan issuance - 2020B	-	16,100,000	-
Total revenues	<u>11,715,199</u>	<u>27,594,158</u>	<u>3,881,326</u>
TRANSFERS IN			
Transfer from Other Fund	<u>5,005</u>	<u>-</u>	<u>-</u>
Total funds available	<u>14,986,022</u>	<u>29,540,136</u>	<u>3,881,326</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	48,626	53,728	54,376
Paying agent fees	8,800	8,800	3,000
Debt Service			
Bond interest - 2007	215,586	-	-
Bond principal - 2007	7,865,000	-	-
Bond interest - Series 2012	304,494	144,547	-
Bond principal - Series 2012	385,000	-	-
Bond interest - Series 2013	749,431	373,341	-
Bond principal - Series 2013	55,000	-	-
Bond interest -Series 2016A	662,580	544,565	390,560
Bond principal - Series 2016A	2,103,000	2,126,798	1,436,308
Bond interest - Series 2019	145,034	295,950	281,950
Bond principal - Series 2019	260,000	280,000	295,000
Bond issue costs	237,493	318,725	-
Loan interest - 2020A	-	-	211,146
Loan principal - 2020A	-	-	482,000
Loan interest - 2020B	-	-	488,986
Loan principal - 2020B	-	-	238,000
Refunding Escrow	-	25,393,682	-
Total expenditures	<u>13,040,044</u>	<u>29,540,136</u>	<u>3,881,326</u>
Total expenditures and transfers out requiring appropriation	<u>13,040,044</u>	<u>29,540,136</u>	<u>3,881,326</u>
ENDING FUND BALANCE	<u>\$ 1,945,978</u>	<u>\$ -</u>	<u>\$ -</u>
2012 RESERVE FUND	\$ 347,225	\$ -	\$ -
2013 RESERVE FUND	1,300,416	-	-
TOTAL RESERVE	<u>\$ 1,647,641</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**TALLYNS REACH METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 5,005	\$ -	\$ -
Total funds available	5,005	-	-
TRANSFERS OUT			
Transfer to Other Fund	5,005	-	-
Total expenditures and transfers out requiring appropriation	5,005	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**TALLYNS REACH METRO DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Tallyns Reach Metro District No. 3 was organized on November 6, 1998, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide water, street, traffic and safety control, television relay and translator, transportation, parks and recreation and sanitation improvements that benefit the citizens of the District. At the time of formation, Tallyn's Reach Metropolitan District No. 1 ("District No. 1") and the Tallyn's Reach Metropolitan District No. 2 ("District No. 2") were also formed. All three districts are governed by the same Service Plan, which provides that District No. 1 is the "Operating District" and the District and District No. 2 are the "Taxing Districts". The Taxing Districts are to provide funding to the Operating District for the construction, operation and maintenance of various public improvements and the Operating District is expected to manage such construction, operation and maintenance. During 2018 the District and District No. 2 formed Tallyn's Reach Authority to perform the duties and obligations of the Operating District. Subsequently all contracts and agreements were modified such that all responsibilities and obligations of Tallyn's Reach Metropolitan District No. 1 were assigned to Tallyn's Reach Authority and Tallyn's Reach Metropolitan District No. 1 was subsequently dissolved. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

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. 29-1-105 105 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 calculation of property taxes is reflected on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**TALLYNS REACH METRO DISTRICT NO. 3
2021 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 7% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .25%.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Debt Service

Amounts budgeted for debt service are based on the amortization schedule for the 2020A and 2020B Loans and 2019 Bond, which are attached.

Debt and Leases

\$7,645,000 Taxable Refunding Loan - 2020A

On November 20, 2020 ("Closing Date"), the District entered into a Loan Agreement ("2020A Loan") with BBVA Mortgage Corporation ("Lender") for a loan of \$7,645,000. The 2020A Taxable (Convertible to Tax-Exempt) Loan is evidenced by a promissory note. The 2020A Loan was issued to provide funds to refund the District's previous Bonds. The 2020A Loan matures on December 1, 2033. Principal payments are due on December 1 of each year beginning December 1, 2021. Interest is payable on June 1 and December 1 of each year beginning June 1, 2021. The 2020A Loan bears interest at a rate of 2.68% per annum calculated on the basis of a 360-day year and the actual number of days elapsed in the applicable accrual period. The 2020A Loan will become tax-exempt on September 1, 2022, and the interest rate will be converted to 2.12% per annum. The District may, at its option, prepay the 2020A Loan in whole or in part on any interest payment date at a prepayment price equal to the sum of the (a) the principal so prepaid; (b) accrued interest thereon at the rate then borne by the 2020A Loan to the date of such prepayment. Upon an Event of Default, the Loans shall, if elected by the Lender, bear interest at a rate per annum equal to the interest rate then in effect on the Loans plus 4.00%. If interest on the Loans (following any applicable Conversion Date) is determined to not be exempt from taxation as a result of any action or omission of action on the part of the District as provided, then the interest rate on the Loans, if elected by the Lender, shall convert to a rate per annum equal to the rate otherwise then in effect on each of the Loans divided by 79%.

**TALLYNS REACH METRO DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

The Pledged Revenue for the repayment of the 2020A Loan is a debt service mill levy fixed at 54.500 mills (which can be adjusted to account for changes in law) and specific ownership taxes.

\$16,030,000 Taxable Refunding Loan - 2020B

On November 20, 2020 ("Closing Date"), the District entered into a Loan Agreement ("2020B Loan") with BBVA Mortgage Corporation ("Lender") for a loan of \$16,030,000. The 2020B Taxable (Convertible to Tax-Exempt) Loan is evidenced by a promissory note. The 2020B Loan was issued to provide funds to refund the District's previous Bonds. The 2020B Loan matures on December 1, 2038. Principal payments are due on December 1 of each year beginning December 1, 2021. Interest is payable on June 1 and December 1 of each year beginning June 1, 2021. The 2020B Loan bears interest at a rate of 2.96% per annum calculated on the basis of a 360-day year and the actual number of days elapsed in the applicable accrual period. The 2020A Loan will become tax-exempt on September 1, 2023, and the interest rate will be converted to 2.34% per annum. The District may, at its option, prepay the 2020B Loan in whole or in part on any interest payment date at a prepayment price equal to the sum of the (a) the principal so prepaid; (b) accrued interest thereon at the rate then borne by the 2020B Loan to the date of such prepayment. Upon an Event of Default, the Loans shall, if elected by the Lender, bear interest at a rate per annum equal to the interest rate then in effect on the Loans plus 4.00%. If interest on the Loans (following any applicable Conversion Date) is determined to not be exempt from taxation as a result of any action or omission of action on the part of the District as provided, then the interest rate on the Loans, if elected by the Lender, shall convert to a rate per annum equal to the rate otherwise then in effect on each of the Loans divided by 79%.

The Pledged Revenue for the repayment of the 2020B Loan is a debt service mill levy fixed at 54.500 mills (which can be adjusted to account for changes in law) and specific ownership taxes.

\$7,255,000 General Obligation Refunding Bonds - 2019

On June 12, 2019, the District issued \$7,255,000 General Obligation Refunding Bonds Series 2019 ("Series 2019 Bonds") at a premium of \$867,660 with maturities through December 1, 2036. Interest rates on the Series 2019 Bonds range between 2.000% and 5.000% with yields ranging between 1.700% and 3.120%. Interest is payable on June 1 and December 1 of each year beginning December 1, 2019. Proceeds of the bond issue were used to fully refund the outstanding Series 2007 bonds and pay costs of issuance of the Series 2019 Bonds.

The Pledged Revenue for the repayment of the Series 2019 Bonds is a debt service mill levy without limitation of rate and in an amount sufficient to pay the principal of and interest on the Bonds when due, specific ownership taxes, and any other legally available funds. The Series 2019 Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2034, and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, commencing on December 1, 2029, upon payment of the principal amount thereof (without redemption premium) plus accrued interest.

The District refunded the Series 2007 Bonds to reduce its total future debt service payments by \$1,843,270 and to obtain an economic gain (difference between the present values of the debt service payments between the old and new debt) of \$1,476,431.

**TALLYNS REACH METRO DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

\$10,245,000 Subordinate Limited Tax General Obligation Bonds - 2016A

On August 31, 2016, the District issued \$10,245,000 Subordinate Limited Tax General Obligation Bonds, Series 2016A ("Series 2016A Bonds"), dated August 31, 2016. The Series 2016A Bonds bear interest at 6.75% and mature on November 1, 2038. Payment of principal and interest on these Bonds is subordinate to the payment of the Senior Obligations, which consist of the Series 2007 Bonds, the Series 2012 Bonds, and the Series 2013 Bonds. In addition, the Series 2016A Bonds are "cash flow" bonds such that principal and interest thereon is payable only to the extent of available Subordinate Pledged Revenue which consists of all moneys derived from the imposition by the District of the Required Mill Levy less the property tax revenue necessary to pay debt service on all Senior Obligations. The Series 2016A Bonds were issued for the purpose of financing the reimbursement of construction costs of public improvements benefiting the District and paying costs of issuance of the bonds.

The Series 2016A Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2016, and are 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, commencing on December 15, 2021, upon payment of par, accrued interest, and a redemption premium that ranges between 0% and 3%.

\$6,285,000 Junior Subordinate Limited Tax General Obligation Bonds - 2016B

On August 31, 2016, the District issued \$6,285,000 Junior Subordinate Limited Tax General Obligation Bonds, Series 2016B ("Series 2016B Bonds"), dated August 31, 2016. The Series 2016B Bonds bear interest at 4.99% payable annually on December 20 and mature on December 20, 2035. Payment of principal and interest on these Bonds is subordinate to the payment of the Senior Obligations, which consist of the Series 2007 Bonds, the Series 2012 Bonds, the Series 2013 Bonds and any other Senior Obligations outstanding. Principal and interest thereon is payable only to the extent of available Junior Pledged Revenue which consists of all moneys derived from the imposition by the District of the Junior Mill Levy, the related Specific Ownership Tax Revenue, and any other legally available moneys which the District determines, in its absolute discretion, to credit to the Junior Bond Account. The Series 2016B Bonds were issued for the purpose of financing the reimbursement of construction costs of public improvements benefiting the District and paying costs of issuance of the bonds.

The Series 2016B Bonds are subject to a mandatory redemption in part by lot on December 20 of each year including the Maturity date to the extent of moneys on deposit, if any, in the Mandatory Redemption Account of the Junior Bond Account 45 days prior, at a price equal to par plus accrued interest without redemption premium and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, on any date, upon payment of par and accrued interest without redemption premium. After December 20, 2035, any principal or interest remaining due on the Series 2016 Bonds shall be discharged and the bonds shall be deemed paid in full on such date.

The District has no operating or capital leases.

This information is an integral part of the accompanying budget.

**TALLYN'S REACH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$7,645,000 Taxable Refunding Loan 2020A
Dated November 20, 2020
Principal due December 1
Interest Rate 2.12% - 2.68% Payable
June 1 and December 1**

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 482,000	\$ 211,146	\$ 693,146
2022	508,000	181,940	689,940
2023	545,000	141,086	686,086
2024	553,000	129,532	682,532
2025	566,000	117,808	683,808
2026	577,000	105,809	682,809
2027	603,000	93,577	696,577
2028	603,000	80,793	683,793
2029	625,000	68,010	693,010
2030	625,000	54,760	679,760
2031	639,000	41,510	680,510
2032	658,000	27,963	685,963
2033	661,000	14,013	675,013
	<u>\$ 7,645,000</u>	<u>\$ 1,267,947</u>	<u>\$ 8,912,947</u>

No assurance provided. See summary of significant assumptions.

**TALLYN'S REACH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$16,030,000 Taxable Refunding Loan 2020B
Dated November 20, 2020
Principal due December 1
Interest Rate 2.34% - 2.96% Payable
June 1 and December 1**

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 238,000	\$ 488,986	\$ 726,986
2022	299,000	467,443	766,443
2023	336,000	434,579	770,579
2024	456,000	354,674	810,674
2025	468,000	344,003	812,003
2026	523,000	333,052	856,052
2027	521,000	320,814	841,814
2028	584,000	308,623	892,623
2029	591,000	294,957	885,957
2030	662,000	281,128	943,128
2031	673,000	265,637	938,637
2032	730,000	249,888	979,888
2033	757,000	232,806	989,806
2034	1,495,000	215,093	1,710,093
2035	1,531,000	180,110	1,711,110
2036	1,609,000	144,285	1,753,285
2037	2,229,000	106,634	2,335,634
2038	2,328,000	54,475	2,382,475
	<u>\$ 16,030,000</u>	<u>\$ 5,077,187</u>	<u>\$ 21,107,187</u>

No assurance provided. See summary of significant assumptions.

**TALLYN'S REACH METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$7,255,000 General Refunding Loan 2019

Dated June 5, 2019

Principal due December 1

Interest Rate 5% Payable

June 1 and December 1

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 295,000	\$ 281,950	\$ 731,122
2022	310,000	267,200	774,456
2023	325,000	251,700	776,318
2024	345,000	235,450	811,031
2025	360,000	218,200	815,384
2026	365,000	211,000	864,386
2027	380,000	196,400	851,984
2028	400,000	181,200	894,582
2029	415,000	163,950	890,893
2030	435,000	143,200	946,970
2031	460,000	121,450	941,409
2032	480,000	98,450	980,614
2033	505,000	74,450	993,532
2034	530,000	49,200	1,715,748
2035	545,000	33,300	1,715,648
2036	565,000	16,950	1,759,729
	<u>\$ 6,715,000</u>	<u>\$ 2,544,050</u>	<u>\$ 16,463,805</u>

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹
of ARAPAHOE COUNTY, COLORADO.

On behalf of the TALLYN'S REACH METROPOLITAN DISTRICT NO. 3,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the TALLYN'S REACH METROPOLITAN DISTRICT NO. 3
(local government)^C

Hereby officially certifies the following
mills to be levied against the taxing entity's \$ 66,515,064
GROSS assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: \$ 66,515,064
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2020 for budget/fiscal year 2021.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> ²	<u>REVENUE</u> ²
1. General Operating Expenses ^H	<u>0.000</u> mills	<u>\$ 0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u> </u> > mills	\$ < <u> </u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>0.000</u> mills	<u>\$ 0</u>
3. General Obligation Bonds and Interest ^J	<u>33.149</u> mills	<u>\$ 2,204,908</u>
4. Contractual Obligations ^K	<u>21.351</u> mills	<u>\$ 1,420,163</u>
5. Capital Expenditures ^L	<u> </u> mills	<u>\$</u>
6. Refunds/Abatements ^M	<u> </u> mills	<u>\$</u>
7. Other ^N (specify): <u> </u>	<u> </u> mills	<u>\$</u>
	<u> </u> mills	<u>\$</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>54.500</u> mills	<u>\$3,625,071</u>

Contact person: Shelby Clymer Daytime phone: (303) 779-5710
(print)
Signed: *Shelby Clymer* Title: Accountant for the District

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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: | <u>Refunding Series 2007 Bonds</u> |
| | Series: | <u>Series 2019 General Obligation Refunding Bonds</u> |
| | Date of Issue: | <u>June 12, 2019</u> |
| | Coupon Rate: | <u>2.000% - 5.000%</u> |
| | Maturity Date: | <u>December 1, 2036</u> |
| | Levy: | <u>8.674</u> |
| | Revenue: | <u>\$576,952</u> |
| | | |
| 2. | Purpose of Issue: | <u>Financing public improvements</u> |
| | Series: | <u>Series 2016A Subordinate Limited Tax General Obligation</u> |
| | Date of Issue: | <u>August 31, 2016</u> |
| | Coupon Rate: | <u>6.750%</u> |
| | Maturity Date: | <u>November 1, 2038</u> |
| | Levy: | <u>24.475</u> |
| | Revenue: | <u>\$1,627,956</u> |
| | | |
| 3. | Purpose of Issue: | <u>Financing public improvements</u> |
| | Series: | <u>Series 2016B Junior Subordinate Limited Tax General Obligation</u> |
| | Date of Issue: | <u>August 31, 2016</u> |
| | Coupon Rate: | <u>4.99%</u> |
| | Maturity Date: | <u>December 20, 2035</u> |
| | Levy: | <u>0.000</u> |
| | Revenue: | <u>\$0</u> |

CONTRACTS^K:

- | | | |
|----|----------------------|---|
| 4. | Purpose of Contract: | <u>Refunding Series 2012 and Series 2013 Bonds</u> |
| | Title: | <u>Taxable (Convertible to Tax-Exempt) Refunding Loan – 2020A</u> |
| | Date: | <u>November 20, 2020</u> |
| | Principal Amount: | <u>\$7,645,000</u> |
| | Maturity Date: | <u>December 1, 2033</u> |
| | Levy: | <u>10.421</u> |
| | Revenue: | <u>\$693,153</u> |

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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:

CONTRACTS^K:

5.	Purpose of Contract:	Refunding Series 2012 and Series 2013 Bonds
	Title:	Taxable (Convertible to Tax-Exempt) Refunding Loan – 2020B
	Date:	November 20, 2020
	Principal Amount:	\$16,030,000
	Maturity Date:	December 1, 2038
	Levy:	10.930
	Revenue:	\$727,010

6.	Purpose of Contract:	
	Title:	
	Date:	
	Principal Amount:	
	Maturity Date:	
	Levy:	
	Revenue:	