

**PROMONTORY METROPOLITAN DISTRICT NO. 3  
RESOLUTION TO AMEND 2021 BUDGET**

WHEREAS, the Board of Directors of Promontory Metropolitan District No. 3 (the “District”) certifies that at a special meeting of the Board of Directors of the District held December 3, 2021, a public hearing was held regarding the 2021 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2021 as follows:

Capital Project Fund	\$0
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2021; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2021 as follows:

Capital Project Fund	\$741,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

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ADOPTED this 3<sup>rd</sup> day of December, 2021.

**PROMONTORY METROPOLITAN  
DISTRICT NO. 3**

*J.R. Osborne*

J.R. Osborne (Dec 3, 2021 08:39 MST)

\_\_\_\_\_  
Officer of the District

ATTEST:

*George R Hanlon, Jr.*

George R Hanlon, Jr. (Dec 9, 2021 17:00 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

*Bob Dh*

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General Counsel to the District

STATE OF COLORADO  
COUNTY OF ADAMS  
PROMONTORY 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 at a meeting held via teleconference on Friday, December 3, 2021, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 3<sup>rd</sup> day of December, 2021.

*George R Hanlon, Jr.*

George R Hanlon, Jr. (Dec 9, 2021 17:00 MST)

Promontory Metropolitan District No. 3  
Statement of Net Position  
August 31, 2021

	General Fund	Non O&G Debt Service Fund	O&G IGA Fund	Fixed Assets & LTD	Total
<b>ASSETS</b>					
<b>CASH</b>					
Chase Bank Checking	1,199,370	-	-	-	1,199,370
ColoTrust	-	-	-	-	-
Series 2020A3-Bond Account	-	96,012	-	-	96,012
Series 2020A3-Project Account	-	-	-	-	-
Pooled Cash	(998,683)	197	998,486	-	-
<b>TOTAL CASH</b>	<b>200,687</b>	<b>96,209</b>	<b>998,486</b>	<b>-</b>	<b>1,295,382</b>
<b>OTHER CURRENT ASSETS</b>					
Accounts Receivable	-	-	-	-	-
Due From County Treasurer	-	-	-	-	-
Property Taxes Receivable	7	0	33	-	39
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>7</b>	<b>0</b>	<b>33</b>	<b>-</b>	<b>39</b>
<b>TOTAL ASSETS</b>	<b>200,693</b>	<b>96,209</b>	<b>998,519</b>	<b>-</b>	<b>1,295,421</b>
<b>LIABILITIES &amp; DEFERED INFLOWS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	-	-	-	-	-
Due to District No. 1	-	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS</b>					
Deferred Property Taxes	7	0	33	-	39
<b>TOTAL DEFERRED INFLOWS</b>	<b>7</b>	<b>0</b>	<b>33</b>	<b>-</b>	<b>39</b>
<b>LONG-TERM LIABILITIES</b>					
Series 2020A Bonds	-	-	-	1,040,000	1,040,000
Accrued Interest - Bonds	-	-	-	12,458	12,458
Accrued Interest - Dev Advance - Operations	-	-	-	-	-
Accrued Interest - Dev Advance - Capital	-	-	-	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,052,458</b>	<b>1,052,458</b>
<b>TOTAL LIAB &amp; DEF INFLOWS</b>	<b>7</b>	<b>0</b>	<b>33</b>	<b>1,052,458</b>	<b>1,052,497</b>
<b>NET POSITION</b>					
Inv in Capital Assets, Net of Debt	-	-	-	(1,052,458)	(1,052,458)
Fund Balance- Non-Spendable	-	-	-	-	-
Fund Balance- Restricted	-	96,209	998,486	-	1,094,695
Fund Balance- Unassigned	200,687	-	-	-	200,687
<b>TOTAL NET POSITION</b>	<b>200,687</b>	<b>96,209</b>	<b>998,486</b>	<b>(1,052,458)</b>	<b>242,924</b>
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No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

Promontory Metropolitan District No. 3  
 Statement of Revenues, Expenditures, & Changes In Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 1/11/2022

	2020 Audited Actual	2021 Adopted Budget	2021 Amended Budget	2021 Forecast	YTD Thru 08/31/21 Actual	YTD Thru 08/31/21 Budget	Variance Positive (Negative)	2022 Adopted Budget	Budget Notes/Assumptions
<b>PROPERTY TAXES</b>									
<b>Total Assessed Valuation</b>									
Oil & Gas (Production & Property)	15,683,840	39,621,100	39,621,100	39,621,100			-	11-24-2021 Final AV Per County	
Agricultural							170	11-24-2021 Final AV Per County	
Residential	-	-	-	-			-	11-24-2021 Final AV Per County	
Vacant Land							634,560	11-24-2021 Final AV Per County	
Personal								11-24-2021 Final AV Per County	
Other/ State Assessed	1,390	3,870	3,870	3,870			47,720	11-24-2021 Final AV Per County	
<b>Total AV</b>	<b>15,685,230</b>	<b>39,624,970</b>	<b>39,624,970</b>	<b>39,624,970</b>			<b>682,450</b>		
<b>Mill Levy</b>									
Debt Service/Contractual Obligations	-	50.000	50.000	50.000			50.000	50 Mills Gallagherized	
Operations- Contractual Obligations	50.000	10.000	10.000	10.000			10.000	10 Mills	
<b>Total</b>	<b>50.000</b>	<b>60.000</b>	<b>60.000</b>	<b>60.000</b>			<b>60.000</b>		
<b>Property Tax Revenue</b>									
Debt Service Taxes - Pledged to Bonds									
Residential & Vacant Land	-	-	-	-			31,728	AV * Mills / 1,000	
Other	-	194	194	194			2,395	AV * Mills / 1,000	
<b>Total Pledged to Bonds (fund 2)</b>	<b>-</b>	<b>194</b>	<b>194</b>	<b>194</b>			<b>34,123</b>		
Contractual Obligations Taxes - Not Pledged to Bonds									
Oil & Gas	-	1,981,055	1,981,055	1,981,055			-		
Other	-	-	-	-			-		
<b>Total Not Pledged to Bonds (fund 3)</b>	<b>-</b>	<b>1,981,055</b>	<b>1,981,055</b>	<b>1,981,055</b>			<b>-</b>		
Contractual Obligations Taxes - Operations									
Oil & Gas	784,192	396,211	396,211	396,211			-	AV * Mills / 1,000	
Residential & Vacant Land	-	-	-	-			6,346	AV * Mills / 1,000	
Other	70	39	39	39			479	AV * Mills / 1,000	
<b>Total Operations (fund 1)</b>	<b>784,262</b>	<b>396,250</b>	<b>396,250</b>	<b>396,250</b>			<b>6,825</b>		
<b>Total Property Tax Revenue</b>	<b>784,262</b>	<b>2,377,498</b>	<b>2,377,498</b>	<b>2,377,498</b>			<b>40,947</b>		

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Promontory Metropolitan District No. 3  
 Statement of Revenues, Expenditures, & Changes In Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 1/11/2022

	2020 Audited Actual	2021 Adopted Budget	2021 Amended Budget	2021 Forecast	YTD Thru 08/31/21 Actual	YTD Thru 08/31/21 Budget	Variance Positive (Negative)	2022 Adopted Budget	Budget Notes/Assumptions
<b>GENERAL FUND</b>									
<b>REVENUE</b>									
Property Taxes	784,261	396,250	396,250	396,250	396,174	396,250	(76)	6,825	10 Mills For Operations
Specific Ownership Taxes	57,555	23,775	23,775	23,775	6,269	13,869	(7,599)	409	6% of Property Taxes
Interest Income	-	-	-	-	-	-	-	-	
Miscellaneous Income	-	25,000	25,000	-	-	-	-	25,000	Equal To Contingency Expenditure
<b>TOTAL REVENUE</b>	<b>841,816</b>	<b>445,025</b>	<b>445,025</b>	<b>420,025</b>	<b>402,443</b>	<b>410,118</b>	<b>(7,675)</b>	<b>32,234</b>	
<b>EXPENDITURES</b>									
<b>G&amp;A</b>									
Accounting	-	-	-	-	-	-	-	-	
Audit	-	-	-	-	-	-	-	-	
Legal	-	-	-	-	-	-	-	-	
Insurance & SDA Dues	-	-	-	-	-	-	-	-	Paid by District 1
Treasurer's Fees	-	5,944	5,944	5,944	-	5,944	5,944	102	1.5 % of property taxes
Office Supplies, Bank Fees, Other	-	-	-	180	90	-	(90)	-	Paid by District 1
Miscellaneous	-	-	-	-	-	-	-	-	
Contingency	-	25,000	25,000	-	-	-	-	25,000	To Avoid Budget Amendment
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>30,944</b>	<b>30,944</b>	<b>6,124</b>	<b>90</b>	<b>5,944</b>	<b>5,854</b>	<b>25,102</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>841,816</b>	<b>414,081</b>	<b>414,081</b>	<b>413,901</b>	<b>402,353</b>	<b>404,175</b>	<b>(1,821)</b>	<b>7,132</b>	
<b>OTHER SOURCES / (USES)</b>									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Transfer From /(to) District No. 1- Operations	(19,850)	(414,081)	(414,081)	(413,901)	(201,667)	(404,175)	202,508	(7,132)	Send to General Fund in 2021
Transfer From /(to) District No. 1- Capital	(821,966)	-	-	-	-	-	-	-	Sent to Capital Fund in 2020 (#2 did General Fund)
Developer Advances-Received	-	-	-	-	-	-	-	-	
Developer Advances-Repaid	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>(841,816)</b>	<b>(414,081)</b>	<b>(414,081)</b>	<b>(413,901)</b>	<b>(201,667)</b>	<b>(404,175)</b>	<b>202,508</b>	<b>(7,132)</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,687</b>	<b>-</b>	<b>200,687</b>	<b>-</b>	
<b>BEGINNING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,687</b>	<b>-</b>	<b>200,687</b>	<b>-</b>	
	=	=	=	=	=	=	=	=	

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<b>DEBT SERVICE FUND - Non Oil &amp; Gas AV Pledged to Bonds</b>									
<b>REVENUE</b>									
Property Taxes-Current Year-Bonds	-	194	194	194	193	194	(0)	34,123	50 Mills On Non- Oil & Gas Properties
Property Taxes-Prior Year-Bonds	-	-	-	-	-	-	-	-	
Specific Ownership Taxes	-	12	12	12	3	7	(4)	2,047	6% of Property Taxes
System Development Fee	-	96,000	96,000	96,000	96,000	96,000	-	-	Assume All 24 Units in 2021
Interest Income	99	5,000	5,000	20	15	3,333	(3,319)	5,000	Estimate high to avoid budget amendment
<b>TOTAL REVENUE</b>	<b>99</b>	<b>101,205</b>	<b>101,205</b>	<b>96,225</b>	<b>96,211</b>	<b>99,534</b>	<b>(3,322)</b>	<b>41,170</b>	
<b>EXPENDITURES</b>									
Series 2020A(3) - Interest	-	72,482	72,482	72,482	-	-	-	32,378	Amount Available
Series 2020A(3) - Principal	-	19,000	19,000	19,000	-	-	-	-	Amount Available
Treasurer's Fees	-	3	3	3	-	3	3	512	1.5 % of property taxes
Trustee Fee	14	4,000	4,000	4,010	2	-	(2)	4,010	Annual & Monthly Fees
Capital Outlay	-	-	-	-	-	-	-	-	
Contingency	-	5,000	5,000	-	-	3,333	3,333	5,000	To Avoid Budget Amendment
<b>TOTAL EXPENDITURES</b>	<b>14</b>	<b>100,485</b>	<b>100,485</b>	<b>95,495</b>	<b>2</b>	<b>3,336</b>	<b>3,334</b>	<b>41,900</b>	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	<b>85</b>	<b>720</b>	<b>720</b>	<b>730</b>	<b>96,209</b>	<b>96,197</b>	<b>12</b>	<b>(730)</b>	
<b>OTHER SOURCES / (USES)</b>									
Transfer To Capital Fund	(626,249)	-	-	-	-	-	-	-	Project Fund Extinguished in 2020
Transfer to #1- Capital	(166,191)	-	-	-	-	-	-	-	
Cost of Issuance	(247,645)	-	-	-	-	-	-	-	
Bond Proceeds	1,040,000	-	-	-	-	-	-	-	
Bond Premium	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>(85)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>0</b>	<b>720</b>	<b>720</b>	<b>730</b>	<b>96,209</b>	<b>96,197</b>	<b>12</b>	<b>(730)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>730</b>	
<b>ENDING FUND BALANCE</b>	<b>0</b>	<b>720</b>	<b>720</b>	<b>730</b>	<b>96,209</b>	<b>96,197</b>	<b>12</b>	<b>-</b>	
	=	=	=	=	=	=	=	=	

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<b>DEBT SERVICE FUND - Oil &amp; Gas AV Not Pledged to Bonds</b>									
<b>REVENUE</b>									
Property Taxes-Current Year-Notes	-	1,981,055	1,981,055	1,981,055	1,981,022	1,981,055	(33)	-	Now in District No. 1
Property Taxes-Prior Year-Notes	-	-	-	-	-	-	-	-	
Specific Ownership Taxes	-	118,863	118,863	118,863	30,998	69,337	(38,338)	-	6% of Property Taxes
Interest Income	-	-	-	-	-	-	-	-	
Miscellaneous Income	-	50,000	50,000	-	-	-	-	-	
<b>TOTAL REVENUE</b>	-	<b>2,149,918</b>	<b>2,149,918</b>	<b>2,099,918</b>	<b>2,012,021</b>	<b>2,050,392</b>	<b>(38,371)</b>	-	
<b>EXPENDITURES</b>									
Treasurer's Fees	-	29,716	29,716	29,716	-	29,716	29,716	-	1.5 % of property taxes
Contingency	-	50,000	50,000	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	-	<b>79,716</b>	<b>79,716</b>	<b>29,716</b>	-	<b>29,716</b>	<b>29,716</b>	-	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	-	<b>2,070,202</b>	<b>2,070,202</b>	<b>2,070,202</b>	<b>2,012,021</b>	<b>2,020,676</b>	<b>(8,655)</b>	-	
<b>OTHER SOURCES / (USES)</b>									
Transfer Out	-	-	(716,000)	(716,000)	-	-	-	-	
Transfers In/(Out) to District 1	-	(2,070,202)	(1,354,202)	(1,354,202)	(1,013,535)	(2,020,676)	1,007,141	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	-	<b>(2,070,202)</b>	<b>(2,070,202)</b>	<b>(2,070,202)</b>	<b>(1,013,535)</b>	<b>(2,020,676)</b>	<b>1,007,141</b>	-	
<b>CHANGE IN FUND BALANCE</b>	-	-	-	-	<b>998,486</b>	-	<b>998,486</b>	-	
<b>BEGINNING FUND BALANCE</b>	-	-	-	-	-	-	-	-	
<b>ENDING FUND BALANCE</b>	-	-	-	-	<b>998,486</b>	-	<b>998,486</b>	-	
	=	=	=	=	=	=	=	=	

Promontory Metropolitan District No. 3  
 Statement of Revenues, Expenditures, & Changes In Fund Balance  
 Modified Accrual Basis For the Period Indicated

Print Date: 1/11/2022

	2020 Audited Actual	2021 Adopted Budget	2021 Amended Budget	2021 Forecast	YTD Thru 08/31/21 Actual	YTD Thru 08/31/21 Budget	Variance Positive (Negative)	2022 Adopted Budget	Budget Notes/Assumptions
<b>CAPITAL FUND</b>									
<b>REVENUE</b>									
Transfers From District 3 Mill Levy		-	-					-	
Interest Income		-	25,000	-				-	
<b>TOTAL REVENUE</b>	-	-	25,000	-	-	-	-	-	
<b>EXPENDITURES</b>									
Organizational Costs		-	-	-				-	Paid by District 1
On-site Improvements		-	-	-				-	Paid by District 1
Off-site Improvements	626,249	-	-	-	-	-	-	-	Certified Costs in 2020
Phase 3 & 4 Infrastructure									Paid by District 1
General Sitework									Paid by District 1
Erosion Control									Paid by District 1
Earthwork									Paid by District 1
Water - potable									Paid by District 1
Water - Non-potable									Paid by District 1
Storm sewer									Paid by District 1
Asphalt									Paid by District 1
Water Acquisition			716,000	716,000					Per Resolution
Contingency		-	25,000	-				-	Unforeseen Needs
<b>TOTAL EXPENDITURES</b>	626,249	-	741,000	716,000	-	-	-	-	
<b>REVENUE OVER / (UNDER) EXPENDITURES</b>	(626,249)	-	(716,000)	(716,000)	-	-	-	-	
<b>OTHER SOURCES / (USES)</b>									
Transfer From/(to) General Fund				-					
Transfer From/(to) Debt Fund	626,249		716,000	716,000					To Cover Capital Costs
Developer Advances		-	-	-				-	
<b>TOTAL OTHER SOURCES / (USES)</b>	626,249	-	716,000	716,000	-	-	-	-	
<b>CHANGE IN FUND BALANCE</b>	-	-	-	-	-	-	-	-	
<b>BEGINNING FUND BALANCE</b>	-	-	-	-	-	-	-	-	
<b>ENDING FUND BALANCE</b>	-	-	-	-	-	-	-	-	
	=	=	=	=	=	=	=	=	

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