

# **Willow Bend Metropolitan District**

## **2021 Supplemental Annual Report**

**EXHIBIT A**  
2021 Audit

**WILLOW BEND METROPOLITAN  
DISTRICT  
Adams County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2021**

**WILLOW BEND METROPOLITAN DISTRICT  
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Dazzio & Associates, PC

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Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Willow Bend Metropolitan District  
Adams County, Colorado

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and each major fund of the Willow Bend Metropolitan District (the District), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The Other Information and the Continuing Disclosure Annual Financial Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the Other Information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Dassio & Associates, P.C.*

July 19, 2022

## **BASIC FINANCIAL STATEMENTS**



**WILLOW BEND METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 6,228
Cash and Investments - Restricted	1,909,242
Property Taxes Receivable	481,173
Capital Assets, Not Being Depreciated	<u>8,698,128</u>
Total Assets	11,094,771
<b>LIABILITIES</b>	
Accounts Payable	28,490
Accrued Interest Payable	68,563
Due to County	9,655
Noncurrent Liabilities:	
Due Within One Year	34,546
Due in More Than One Year	<u>30,723,119</u>
Total Liabilities	30,864,373
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Tax Revenue	<u>481,173</u>
Total Deferred Inflows of Resources	481,173
<b>NET POSITION</b>	
Restricted For:	
Emergency Reserves	1,000
Unrestricted	<u>(17,377,992)</u>
Total Net Position	<u><u>\$ (20,250,775)</u></u>

See accompanying Notes to Basic Financial Statements.

**WILLOW BEND METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenue (Expense) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Government Activities:					
General Government	\$ 66,629	\$ -	\$ -	\$ -	\$ (66,629)
Interest and Related Costs on Long-Term Debt	1,225,064	-	-	-	(1,225,064)
Total Governmental Activities	\$ 1,291,693	\$ -	\$ -	\$ -	(1,291,693)
 <b>GENERAL REVENUES</b>					
Property Taxes					380,708
Specific Ownership Taxes					17,254
Total General Revenues					397,962
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					(19,357,044)
 <b>NET POSITION - END OF YEAR</b>					
					\$ (20,250,775)

See accompanying Notes to Basic Financial Statements.

**WILLOW BEND METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 6,228	\$ -	\$ -	\$ 6,228
Cash and Investments - Restricted	1,000	1,908,242	-	1,909,242
Property Taxes Receivable	39,659	441,514	-	481,173
Total Assets	<u>\$ 46,887</u>	<u>\$ 2,349,756</u>	<u>\$ -</u>	<u>\$ 2,396,643</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 28,490	\$ -	\$ -	\$ 28,490
Due to County	796	8,859	-	9,655
Total Liabilities	<u>29,286</u>	<u>8,859</u>	<u>-</u>	<u>38,145</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax Revenue	39,659	441,514	-	481,173
Total Deferred Inflows of Resources	<u>39,659</u>	<u>441,514</u>	<u>-</u>	<u>481,173</u>
<b>FUND BALANCES</b>				
Restricted For:				
Emergency Reserves	1,000	-	-	1,000
Debt Service	-	1,899,383	-	1,899,383
Unassigned	(23,058)	-	-	(23,058)
Total Fund Balances	<u>(22,058)</u>	<u>1,899,383</u>	<u>-</u>	<u>1,877,325</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 46,887</u>	<u>\$ 2,349,756</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds.

Capital Assets Net of Accumulated Depreciation

8,698,128

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Bonds Payable

(18,721,000)

Bond Premium

(689,421)

Accrued Interest on Bonds Payable

(438,477)

Developer Advance Payable

(10,579,486)

Accrued Interest on Developer Advance Payable

(329,281)

Accrued Interest Payable

(68,563)

Net Position of Governmental Activities

\$ (20,250,775)

See accompanying Notes to Basic Financial Statements.

**WILLOW BEND METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	General Fund	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 31,379	\$ 349,329	\$ -	\$ 380,708
Specific Ownership Taxes	1,422	15,832	-	17,254
Total Revenues	<u>32,801</u>	<u>365,161</u>	<u>-</u>	<u>397,962</u>
<b>EXPENDITURES</b>				
General and Administration:				
Accounting	19,627	-	-	19,627
Audit	4,500	-	-	4,500
County Treasurer's Fees	471	-	-	471
District Management	12,710	-	-	12,710
Engineering	7,618	-	265	7,883
Insurance	2,963	-	-	2,963
Legal	17,830	-	-	17,830
Miscellaneous	625	20	-	645
Debt Service:				
Bond Interest	-	822,750	-	822,750
County Treasurer's Fees	-	5,242	-	5,242
Paying Agent Fees	-	7,000	-	7,000
Capital Outlay:				
Capital Outlay	-	-	8,698,128	8,698,128
Total Expenditures	<u>66,344</u>	<u>835,012</u>	<u>8,698,393</u>	<u>9,599,749</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(33,543)</b>	<b>(469,851)</b>	<b>(8,698,393)</b>	<b>(9,201,787)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advance	13,076	-	8,698,128	8,711,204
Transfers (to) from Other Funds	(960)	695	265	-
Total Other Financing Sources (Uses)	<u>12,116</u>	<u>695</u>	<u>8,698,393</u>	<u>8,711,204</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(21,427)</b>	<b>(469,156)</b>	<b>-</b>	<b>(490,583)</b>
Fund Balances - Beginning of Year	<u>(631)</u>	<u>2,368,539</u>	<u>-</u>	<u>2,367,908</u>
<b>FUND BALANCES - END OF YEAR</b>	<b><u>\$ (22,058)</u></b>	<b><u>\$ 1,899,383</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,877,325</u></b>

See accompanying Notes to Basic Financial Statements.

**WILLOW BEND METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Governmental Funds \$ (490,583)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay 8,698,128

The issuance of long-term debt (e.g. bond issuance, developer advance) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Current Year Amortization of Bond Premium 34,546  
Interest on Developer Advance (233,012)  
Developer Advance (8,711,204)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest on Bonds Payable - Change in Liability (191,606)

Changes in Net Position of Governmental Activities \$ (893,731)

**WILLOW BEND METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 32,414	\$ 31,379	\$ (1,035)
Specific Ownership Taxes	2,269	1,422	(847)
Total Revenues	34,683	32,801	(1,882)
<b>EXPENDITURES</b>			
General and Administration:			
Accounting	30,000	19,627	10,373
Audit	4,500	4,500	-
Contingency	1,014	-	1,014
County Treasurer's Fees	486	471	15
District Management	10,000	12,710	(2,710)
Dues and License	500	-	500
Engineering	-	7,618	(7,618)
Insurance	2,500	2,963	(463)
Legal	25,000	17,830	7,170
Miscellaneous	1,000	625	375
Total Expenditures	75,000	66,344	8,656
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(40,317)	(33,543)	6,774
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advance	45,000	13,076	(31,924)
Transfers (to) from Other Funds	-	(960)	(960)
Total Other Financing Sources (Uses)	45,000	12,116	(32,884)
<b>NET CHANGE IN FUND BALANCE</b>	4,683	(21,427)	(26,110)
Fund Balance - Beginning of Year	959	(631)	(1,590)
<b>FUND BALANCE - END OF YEAR</b>	\$ 5,642	\$ (22,058)	\$ (27,700)

See accompanying Notes to Basic Financial Statements.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Willow Bend Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Adams County (the County) on November 22, 2013, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The formation of the District was approved by the City of Thornton, Colorado (the City) in conjunction with the approval by the City Council of a Service Plan for the District on August 27, 2013, and as amended on February 27, 2018.

The District entered into an intergovernmental agreement with the City of Thornton, amended on August 27<sup>th</sup>, 2019. The agreement states that the District shall dedicate Public Improvements to the City or other appropriate jurisdiction and shall not be authorized to operate and maintain any part or all of the Public Improvements without the consent of the City except for some park and recreation improvements of which the District may own.

The District's service area is located entirely within the City. The District was established to provide for the design, acquisition, completion, installation, and operation and maintenance of the following public improvements and services: water, sanitary sewer, storm drainage, streets, parks and recreation, safety protection, television relay and transmission facilities, transportation, and mosquito control.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District has no employees, and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and inter-governmental revenues.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.



**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2021.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Amortization**

**Original Issue Discount/Premium**

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

Fund Balance (Continued)

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

The General Fund reported a deficit of \$22,058 as of December 31, 2021. This deficit is anticipated to be eliminated in 2022 through the receipts of Property, Specific Ownership Taxes and developer advances.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Assets:

Cash and Investments	\$ 6,228
Cash and Investments - Restricted	1,909,242
Total Cash and Investments	\$ 1,915,470

Cash and investments as of December 31, 2021 consist of the following:

Deposits with Financial Institutions	\$ 807
Investments	1,914,663
Total Cash and Investments	\$ 1,915,470

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the District's cash deposits had a bank balance and a carrying balance of \$807.

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	<u>\$ 1,914,663</u>

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard & Poor's. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2021.

	Balance - December 31, 2020	Additions	Reductions	Compounding of Unpaid Interest	Balance - December 31, 2021	Due Within One Year
<b>Governmental Activities:</b>						
GO Bonds Payable:						
Series 2019A	\$ 16,455,000	\$ -	\$ -	\$ -	\$ 16,455,000	\$ -
Series 2019B	2,266,000	-	-	-	2,266,000	-
Accrued Interest on 2019B	246,871	190,959	-	647	438,477	-
Developer Advance - Operations	-	13,076	-	-	13,076	-
Capital	1,868,282	8,698,128	-	-	10,566,410	-
Developer Advance - Interest Operations	-	629	-	-	629	-
Capital	96,269	232,383	-	-	328,652	-
Subtotal	20,932,422	9,135,175	-	647	30,068,244	-
Bond Premium	723,967	-	34,546	-	689,421	34,546
Total Long-Term Liabilities	<u>\$ 21,656,389</u>	<u>\$ 9,135,175</u>	<u>\$ 34,546</u>	<u>\$ 647</u>	<u>\$ 30,757,665</u>	<u>\$ 34,546</u>

The details of the District's long-term obligations are as follows:

**Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A** (the 2019A Senior Bonds) and **Subordinate Limited Tax General Obligation Bonds, Series 2019B** (the 2019B Subordinate Bonds, and, with the 2019A Senior Bonds, the 2019 Bonds).

**2019 Bonds Detail**

The District issued the 2019 Bonds on August 8, 2019, in the par amounts of \$16,455,000 for the 2019A Senior Bonds and \$2,266,000 for the 2019B Subordinate Bonds. Proceeds from the sale of the 2019A Senior Bonds were used to: (a) finance public improvements in the residential development; (b) pay capitalized interest on the 2019A Senior Bonds; (c) fund the Senior Reserve Fund; and (d) pay costs of issuance of the 2019 Bonds. Proceeds from the sale of the 2019B Subordinate Bonds were used to finance additional public improvements related to the development.

The 2019A Senior Bonds were issued as two term bonds that bear interest at 5.000% per annum (5.0814% yield) and are payable semi-annually on June 1 and December 1, beginning on December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2024. The 2019A Senior Bonds mature on December 1, 2049.

To the extent principal of any 2019A Senior Bond is not paid when due, such principal shall remain outstanding, subject to discharge of the 2019A Senior Bonds on December 1, 2059, and shall continue to bear interest at the rate then borne by the 2019A Senior Bond. To the extent interest on any 2019A Senior Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the 2019A Senior Bond. The District shall not be obligated to pay more than the amount permitted by law and its election in repayment of the 2019A Senior Bonds.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**2019 Bonds Detail (Continued)**

The 2019B Subordinate Bonds were issued as a term bond that bears interest at 7.625% per annum and is payable annually on December 15, beginning December 15, 2019 from, and to the extent of, Subordinate Pledged Revenue available, if any, and matures on December 15, 2049.

The 2019B 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 2019B Subordinate Bonds compounds annually on each December 15. All of the 2019B Subordinate Bonds and interest thereon are to be deemed to be paid and discharged after the application of all available Subordinate Pledged Revenue available on December 15, 2059, regardless of the amount of principal and interest paid prior to that date. The District shall not be obligated to pay more than the amount permitted by law and its election in repayment of the 2019B Subordinate Bonds.

**Optional Redemption**

The 2019A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2024, to August 31, 2025	3.00 %
September 1, 2025, to August 31, 2026	2.00
September 1, 2026, to August 31, 2027	1.00
September 1, 2027, and Thereafter	0.00

The 2019B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2024, to August 31, 2025	3.00 %
September 1, 2025, to August 31, 2026	2.00
September 1, 2026, to August 31, 2027	1.00
September 1, 2027, and Thereafter	0.00

**Security for the 2019A Senior Bonds**

The 2019A 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) all Senior Property Tax Revenues; (b) all Senior Specific Ownership Tax Revenues; (c) all Capital Fees, if any; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Security for the 2019A Senior Bonds (Continued)**

“Senior Property Tax Revenues” means all moneys derived from imposition by the District of the Senior Required Mill Levy, net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

”Senior Specific Ownership Tax Revenues” means the specific ownership taxes remitted to the District as a result of its imposition of the Senior Required Mill Levy.

**Senior Reserve Fund**

The 2019A Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund which was funded from proceeds of the 2019A Senior Bonds in the amount of the Senior Reserve Requirement of \$1,294,000.

**Senior Surplus Fund**

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the 2019A Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$1,645,500. The Senior Surplus Fund is to be maintained until the Conversion Date, at which time the Senior Surplus Fund will be terminated and all amounts on deposit shall be released to the District for application to any lawful purpose. Pursuant to the Subordinate Indenture, amounts released from the Senior Surplus Fund are pledged to the repayment of the 2019B Subordinate Bonds.

**Security for the 2019B Subordinate Bonds**

The 2019B 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) all Subordinate Property Tax Revenues; (b) all Subordinate Specific Ownership Tax Revenues; (c) all Subordinate Capital Fees, if any; (d) any amounts in the Senior Surplus Fund upon the termination of such fund pursuant to the Senior Indenture; (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

“Subordinate Property Tax Revenues” means all moneys derived from imposition by the District of the Subordinate Required Mill Levy, net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

“Subordinate Specific Ownership Tax Revenues” means the specific ownership taxes remitted to the District as a result of its imposition of the Subordinate Required Mill Levy.

**Senior Required Mill Levy**

Prior to the Conversion Date, the District has covenanted to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount necessary to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the 2019A Senior Bonds when due and to replenish the Senior Reserve Fund to the Senior Reserve Requirement, but not in excess of 50 mills (subject to adjustment), and for so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills (subject to adjustment).

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Senior Required Mill Levy (Continued)**

In the event that the method of calculating assessed valuation is changed after January 1, 2004, the minimum and maximum mill levies of 50 mills will be increased or decreased so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation).

The District imposed an adjusted mill levy of 55.664 mills for collection in 2021.

The Conversion Date is the first date on which all of the following conditions are met: (a) the Debt to Assessed Ratio is 50% or less; (b) no amounts of principal or interest on the 2019A Senior Bonds are due but unpaid; and (c) the amount on deposit in the Senior Reserve Fund is not less than the Senior Reserve Requirement.

**Subordinate Required Mill Levy**

The District has covenanted to impose a Subordinate Required Mill Levy upon all taxable property in the District each year in an amount equal to (i) 50 mills (as adjusted) less the Senior Obligation Mill levy, or (ii) such lesser amount that will generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the 2019B Subordinate Bonds in full in the year such levy is collected.

The Subordinate Required Mill Levy will equal zero at any time that the payment of the Senior Obligations requires the imposition of at least 50 mills, as adjusted, in any year.

**Debt Service**

The District's long-term obligations of the 2019A Senior Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 822,750	\$ 822,750
2023	-	822,750	822,750
2024	135,000	822,750	957,750
2025	205,000	816,000	1,021,000
2026	235,000	805,750	1,040,750
2027-2031	1,505,000	3,832,000	5,337,000
2032-2036	2,235,000	3,386,500	5,621,500
2037-2041	3,155,000	2,740,250	5,895,250
2042-2046	4,365,000	1,837,250	6,202,250
2047-2049	4,620,000	533,250	5,153,250
Total	<u>\$ 16,455,000</u>	<u>\$ 16,419,250</u>	<u>\$ 32,874,250</u>

The annual debt service requirements on the 2019B Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.



**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Authorized Debt**

On November 5, 2013, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$165,000,000 at an interest rate not to exceed 18% per annum, in the following amounts for the following purposes:

	Amount Authorized on November 5, 2013
Street Improvements	\$ 16,500,000
Parks and Recreation	16,500,000
Water System	16,500,000
Storm and Sanitary Sewer System	16,500,000
Public Transportation	16,500,000
Mosquito Control	16,500,000
Safety Protection	16,500,000
Fire Protection	16,500,000
TV Relay and Translation	16,500,000
Debt Refunding	16,500,000
Operations and Maintenance Debt	16,500,000
District Intergovernmental Agreements as Debt	16,500,000
Total	<u>\$ 198,000,000</u>

The District issued the 2019A Senior Bonds and the 2019B Subordinate Bonds in the aggregate principal amount of \$18,721,000. As of December 31, 2021, the District had authorized but unissued indebtedness of \$129,779,000 for capital improvements and \$16,500,000 for debt refundings. Pursuant to the Service Plan, as Amended and Restated, the District is permitted to issue bond indebtedness of up to \$22,000,000.

**NOTE 5 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had no net investment in capital assets.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 NET POSITION (CONTINUED)**

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2021 as follows:

Emergency Reserves	\$ 1,000
Total	<u>\$ 1,000</u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued to construct public improvements for the benefit of other governmental entities, and which costs have not been recorded on the District's financial records.

**NOTE 6 RELATED PARTY**

The Developer of the property which constitutes the District is Lennar Colorado, LLC (Lennar). Some members of the Board of Directors are employees, owners or are otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 7 AGREEMENTS**

**Funding and Reimbursement Agreement (Operation and Maintenance)**

The District and Lennar are parties to a Funding and Reimbursement Agreement (Operations and Maintenance) dated July 17, 2019 (the Operations Agreement). Pursuant to the Operations Agreement, Lennar agrees to loan to the District amounts not to exceed \$50,000 per annum for three years, up to \$150,000 through December 31, 2021 to fund operations and maintenance costs of the District. Loaned amounts are required to be reimbursed to Lennar with simple interest at 7% per annum. After 20 years from the date of this agreement, any principal and accrued interest outstanding is forgiven in its entirety and will be deemed a contribution to the District by Lennar and there will be no further obligation on the District to pay or reimburse Lennar. At December 31, 2021, outstanding advances under the Operations Agreement totaled \$13,076 and accrued interest totaled \$629.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 7 AGREEMENTS (CONTINUED)**

**Infrastructure Acquisition Agreement**

The District and Lennar entered into an Amended and Restated Infrastructure Acquisition and Reimbursement Agreement dated as of July 17, 2019 (the Acquisition Agreement), whereby the Developer may construct and install certain public improvements within the District and the District will acquire such improvements. The District agrees to reimburse certified costs plus simple interest at 7% from the date such costs are accepted. Repayment of advances shall be at all times subject to annual appropriation by the District. After 20 years from the date of this agreement, any principal and accrued interest outstanding is forgiven in its entirety and will be deemed a contribution to the District by Lennar and there will be no further obligation on the District to pay or reimburse Lennar. As of December 31, 2021, the District had \$10,566,410 of principal outstanding and accrued interest of \$328,652 outstanding under this Agreement.

**NOTE 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for property and liability. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

**WILLOW BEND METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 5, 2013, a majority of the District's electors approved a mill levy increase of \$500,000 annually, without limitation of rate, for collection in 2014 and for each year thereafter, to pay the District's administration and operations and maintenance expenses. The District voters also authorized the District to collect and spend all taxes, fees and any other income of the District without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

**NOTE 10 INTERFUND TRANSFERS**

The transfer from the General Fund to the Debt Service and Capital Projects Funds was to fund costs accounted for within those funds.

## **SUPPLEMENTARY INFORMATION**

**WILLOW BEND METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 360,856	\$ 349,329	\$ (11,527)
Specific Ownership Taxes	25,260	15,832	(9,428)
Net Investment Income	10,000	-	(10,000)
Total Revenues	<u>396,116</u>	<u>365,161</u>	<u>(30,955)</u>
<b>EXPENDITURES</b>			
Bond Interest	822,750	822,750	-
Contingency	11,837	-	11,837
County Treasurer's Fees	5,413	5,242	171
Paying Agent Fees	-	7,000	(7,000)
Miscellaneous	-	20	(20)
Total Expenditures	<u>840,000</u>	<u>835,012</u>	<u>4,988</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(443,884)	(469,851)	(25,967)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	695	695
Total Other Financing Sources	<u>-</u>	<u>695</u>	<u>695</u>
<b>NET CHANGE IN FUND BALANCE</b>	(443,884)	(469,156)	(25,272)
Fund Balance - Beginning of Year	<u>2,374,063</u>	<u>2,368,539</u>	<u>(5,524)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,930,179</u>	<u>\$ 1,899,383</u>	<u>\$ (30,796)</u>

**WILLOW BEND METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Capital Outlay	-	8,700,000	8,698,128	1,872
Engineering	-	265	265	-
Total Expenditures	-	8,700,265	8,698,393	1,872
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(8,700,265)	(8,698,393)	1,872
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (to) from Other Funds	-	265	265	-
Developer Advance	-	8,700,000	8,698,128	(1,872)
Total Other Financing Sources (Uses)	-	8,700,265	8,698,393	(1,872)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ -	\$ -

## **OTHER INFORMATION**



**WILLOW BEND METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2021**

\$16,455,000  
Limited Tax (Convertible to Unlimited Tax)  
General Obligation Bonds, Series 2019A  
Dated August 8, 2019  
Interest Rate of 5.00% (5.0814% yield)  
Payable June 1 and December 1  
Principal Due December 1

Year Ending December 31,	Principal	Interest	Total
2022	\$ -	\$ 822,750	\$ 822,750
2023	-	822,750	822,750
2024	135,000	822,750	957,750
2025	205,000	816,000	1,021,000
2026	235,000	805,750	1,040,750
2027	250,000	794,000	1,044,000
2028	280,000	781,500	1,061,500
2029	295,000	767,500	1,062,500
2030	330,000	752,750	1,082,750
2031	350,000	736,250	1,086,250
2032	390,000	718,750	1,108,750
2033	405,000	699,250	1,104,250
2034	450,000	679,000	1,129,000
2035	470,000	656,500	1,126,500
2036	520,000	633,000	1,153,000
2037	545,000	607,000	1,152,000
2038	595,000	579,750	1,174,750
2039	625,000	550,000	1,175,000
2040	680,000	518,750	1,198,750
2041	710,000	484,750	1,194,750
2042	770,000	449,250	1,219,250
2043	810,000	410,750	1,220,750
2044	875,000	370,250	1,245,250
2045	920,000	326,500	1,246,500
2046	990,000	280,500	1,270,500
2047	1,040,000	231,000	1,271,000
2048	1,115,000	179,000	1,294,000
2049	2,465,000	123,250	2,588,250
Total	<u>\$ 16,455,000</u>	<u>\$ 16,419,250</u>	<u>\$ 32,874,250</u>

**CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION**

**WILLOW BEND METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2021**

Year Ended <u>December 31</u>	Prior Year Assessed Valuation for Current Year Tax Levy	Percent Change	Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Fund	Debt Service Fund	Total	Levied	Collected	
2017	\$ 8,420	-	0.000	0.000	0.000	\$ -	\$ -	-
2018	10,370	23.16%	55.278	0.000	55.278	573	572	99.78 %
2019	2,126,170	20403.09%	65.278	0.000	65.278	138,792	138,793	100.00
2020	3,411,270	60.44%	5.000	55.663	60.663	206,938	206,940	100.00
2021	6,482,750	90.04%	5.000	55.664	60.664	393,270	380,708	96.81
Estimated 2022	\$ 7,931,770	22.35%	5.000	55.664	60.664	\$ 481,173		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.

**WILLOW BEND METROPOLITAN DISTRICT  
VALUATIONS OF CLASSES OF PROPERTY IN THE DISTRICT  
DECEMBER 31, 2021**

<u>Property Class</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Vacant	\$ 1,998,600	25.20 %
Residential	5,842,060	73.65
State Assessed	51,640	0.65
Commercial	23,610	0.30
Oil & Gas	15,860	0.20
Total	<u>\$ 7,931,770</u>	<u>100.00 %</u>