

**WILLOW BEND METROPOLITAN DISTRICT
CITY OF THORNTON, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2022

Pursuant to §32-1-207(3)(c) Willow Bend Metropolitan District (the “**District**”), the District is required to provide an annual report to the with regard to the following matters:

For the year ending December 31, 2022, the District makes the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made

There were no boundary changes made or proposed to the District’s boundaries in 2022.

2. Intergovernmental Agreements entered into or terminated.

The District neither entered into nor proposed any Intergovernmental Agreements with other governmental entities as of December 31 of the prior year.

3. Access information to obtain a copy of rules and regulations adopted by the board.

As of December 31, 2022, the District had not yet adopted rules and regulations.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2022.

5. Status of the construction of public improvements by the District.

The District did not construct any public improvements in 2022.

6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

The facilities and improvements within the District are being constructed by the Developer of the project. The City accepts improvements upon completion of a given phase. The District has not constructed any facilities or improvements.

7. The final assessed valuation of the District as of December 31st of the reporting year.

The final assessed valuation of the District as of December 31, 2022 is attached hereto as **Exhibit A.**

8. A copy of the current year’s budget.

A copy of the 2023 Budget is attached hereto as **Exhibit B**.

9. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The 2022 Audit is in process and will be submitted in a Supplemental Annual Report.

10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.

There are no uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.

To our actual knowledge, the District has been able to pay its obligations as they come due.

Service Plan Requirements

Pursuant to the Service Plan for Willow Bend Metropolitan District (the “**District**”), the District is required to provide an annual report to the City of Thornton (the “**City**”) with regard to the following matters:

To the best of our actual knowledge, for the year ending December 31, 2022, the District makes the following report:

1. Boundary changes made or proposed to the District’s boundary as of December 31 of the prior year.

There were no boundary changes made or proposed to the District’s boundaries in 2022.

2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.

The District neither entered into nor proposed any Intergovernmental Agreements with other governmental entities as of December 31 of the prior year.

3. Copies of the District’s rules and regulations, if any, as of December 31 of the prior year.

As of December 31, 2022, the District had not yet adopted rules and regulations.

4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District Public Improvements as of December 31, 2022.

5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.

The District did not construct any public improvements in 2022.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

The facilities and improvements within the District are being constructed by the Developer of the project. The City accepts improvements upon completion of a given phase. The District has not constructed any facilities or improvements.

7. The assessed valuation of the District for the current year.

The final assessed valuation of the District as of December 31, 2022 is attached hereto as **Exhibit A**.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

A copy of the 2023 Budget is attached hereto as **Exhibit B**. The District does not plan to construct any public improvements during 2023, as all public improvements within the District are being constructed by the developer of the project.

9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The 2022 Audit is in process and will be submitted in a Supplemental Annual Report.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

There are no uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

To our actual knowledge, the District has been able to pay its obligations as they come due.

EXHIBIT A
2022 Final Assessed Valuation

CERTIFICATION OF TAX LEVIES^{1,2} for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams County, Colorado.

On behalf of the Willow Bend Metropolitan District,
(taxing entity)^A

the Board of Directors,
(governing body)^B


of the Willow Bend Metropolitan District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 11,439,510 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: \$ 11,439,510 (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: 12/5/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	8.500 mills	\$ 97,236
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	8.500 mills	\$ 97,236
3. General Obligation Bonds and Interest ^J	55.184 mills	\$ 631,278
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	63.684 mills	\$728,514

Contact person: Jason Carroll Daytime phone: (303)-779-5710
(print)
Signed:  Title: Accountant for District

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.

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).

EXHIBIT B
2023 Budget

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

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

Attached are the 2023 budget and budget message for WILLOW BEND METROPOLITAN DISTRICT in Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2022. If there are any questions on the budget, please contact

Stephanie Odewumi, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710

I, Stephanie Odewumi, District Manager, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Stephanie Odewumi
Stephanie Odewumi, District

Manager

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2023

The Board of Directors of Willow Bend Metropolitan District (the “**Board**”), City of Thornton, Adams County, Colorado (the “**District**”), held a special meeting, via teleconference on Thursday November 10, 2022, at the hour of 2:00 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 2023 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

NOTICE OF PUBLIC HEARING ON
THE AMENDED 2022 BUDGET
AND
NOTICE OF PUBLIC HEARING ON
THE PROPOSED 2023 BUDGET

Willow Bend Metro Dist **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the WILLOW BEND METROPOLITAN DISTRICT (the "District"), will hold a meeting via teleconference on Tuesday, November 10, 2022 at 2:00 P.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_MTZhMmM0OWQIM2JhZi00NWjEzLWE0NmYlNmU3NWU3YTA3MjVj%40thread.v2/0?context=%7b%22id%22%3a%224aa8468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22oid%22%3a%2229b14c29b-a9c8-46b4-a6c0-c1ed7cba4b24%22%7d

**AFFIDAVIT OF
PUBLICATION**

State of Colorado }
County of Adams } ss

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

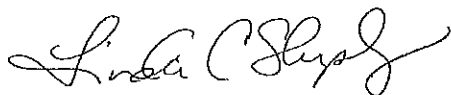
This Affidavit of Publication for the Northglenn-Thornton Sentinel, a weekly newspaper, printed and published for the County of Adams, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/27/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
WILLOW BEND METROPOLITAN DISTRICT

/s/ WHITE BEAR ANKELE TANAKA &
WALDRON
Attorneys at Law

Legal Notice No. NTS1755
First Publication: October 27, 2022
Last Publication: October 27, 2022
Publisher: The Northglenn-Thornton Sentinel



For the Northglenn-Thornton Sentinel

State of Colorado }
County of Adams } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/27/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-149251

Carla Bethke
Notary Public
My commission ends April 11, 2026

CARLA BETHKE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20004025550
MY COMMISSION EXPIRES APRIL 11, 2026

WHEREAS, the Board has designated 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2023. 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 2023 budget year, there is hereby levied a tax of 8.500 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 2023 budget year, there is hereby levied a tax of 55.184 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 2023 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 2022 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Adams 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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 NOVEMBER 10, 2022.

DISTRICT:

WILLOW BEND METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: ^{DocuSigned by:}
Joshua Bastian
61B4280F2E9B47E
Officer of the District

Attest:

By: ^{DocuSigned by:}
Debra Hessler
987811F3070C4EA...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

^{DocuSigned by:}
Megan J. Murphy
8C109CCBE09A4CF...
General Counsel to the District

STATE OF COLORADO
COUNTY OF ADAMS
WILLOW BEND METROPOLITAN DISTRICT

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 via teleconference on Thursday, November 10, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 10 day of November, 2022.

^{DocuSigned by:}
Debra Hessler
987811F3070C4EA...

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

WILLOW BEND METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**WILLOW BEND METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,367,908	\$ 1,877,325	\$ 1,564,266
REVENUES			
Property taxes	380,708	499,473	728,514
Specific ownership tax	17,254	21,600	51,968
Interest income	-	15,175	29,760
Developer advance	8,711,204	65,000	-
Total revenues	<u>9,109,166</u>	<u>601,248</u>	<u>810,242</u>
TRANSFERS IN	<u>960</u>	<u>-</u>	<u>-</u>
Total funds available	<u>11,478,034</u>	<u>2,478,573</u>	<u>2,374,508</u>
EXPENDITURES			
General Fund	66,344	81,180	93,000
Debt Service Fund	835,012	833,127	840,000
Capital Projects Fund	8,698,393	-	-
Total expenditures	<u>9,599,749</u>	<u>914,307</u>	<u>933,000</u>
TRANSFERS OUT	<u>960</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>9,600,709</u>	<u>914,307</u>	<u>933,000</u>
ENDING FUND BALANCES	<u>\$ 1,877,325</u>	<u>\$ 1,564,266</u>	<u>\$ 1,441,508</u>
EMERGENCY RESERVE	\$ 1,000	\$ 1,300	\$ 3,200
RESERVE FUND (\$1,294,000)	1,294,055	1,294,000	1,294,000
SURPLUS FUND (Maximum: \$1,645,500)	605,328	265,562	130,575
TOTAL RESERVE	<u>\$ 1,900,383</u>	<u>\$ 1,560,862</u>	<u>\$ 1,427,775</u>

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Residential	\$ 2,383,870	5,842,060	8,162,500
Commercial	25,170	23,610	20,100
State assessed	53,240	51,640	151,350
Vacant land	4,004,030	1,998,600	3,088,100
Oil & Gas	16,440	15,860	17,460
Certified Assessed Value	<u>\$ 6,482,750</u>	<u>\$ 7,931,770</u>	<u>\$ 11,439,510</u>
MILL LEVY			
General	5.000	5.000	8.500
Debt Service	55.664	55.664	55.184
Total mill levy	<u>60.664</u>	<u>60.664</u>	<u>63.684</u>
PROPERTY TAXES			
General	\$ 32,414	\$ 39,659	\$ 97,236
Debt Service	360,856	441,514	631,278
Levied property taxes	<u>393,270</u>	<u>481,173</u>	<u>728,514</u>
Adjustments to actual/rounding	(12,562)	18,300	-
Budgeted property taxes	<u>\$ 380,708</u>	<u>\$ 499,473</u>	<u>\$ 728,514</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 31,379</u>	<u>\$ 41,167</u>	<u>\$ 97,236</u>
Debt Service	<u>349,329</u>	<u>458,306</u>	<u>631,278</u>
	<u>\$ 380,708</u>	<u>\$ 499,473</u>	<u>\$ 728,514</u>

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (631)	\$ (22,058)	\$ 4,704
REVENUES			
Property taxes	31,379	41,167	97,236
Specific ownership tax	1,422	1,600	7,779
Interest income	-	175	214
Developer advance	13,076	65,000	-
Total revenues	<u>45,877</u>	<u>107,942</u>	<u>105,229</u>
Total funds available	<u>45,246</u>	<u>85,884</u>	<u>109,933</u>
EXPENDITURES			
General and administrative			
Accounting	19,627	25,000	28,750
Auditing	4,500	4,700	5,000
County Treasurer's fee	471	618	1,459
Dues and licenses	-	500	1,000
District management	12,710	10,000	13,800
Engineering	7,618	-	-
Election expense	-	7,500	3,500
Insurance and bonds	2,963	2,862	3,500
Legal services	17,830	30,000	32,000
Miscellaneous	625	-	1,000
Contingency	-	-	2,991
Total expenditures	<u>66,344</u>	<u>81,180</u>	<u>93,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>960</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>67,304</u>	<u>81,180</u>	<u>93,000</u>
ENDING FUND BALANCES	<u>\$ (22,058)</u>	<u>\$ 4,704</u>	<u>\$ 16,933</u>
EMERGENCY RESERVE	<u>\$ 1,000</u>	<u>\$ 1,300</u>	<u>\$ 3,200</u>
TOTAL RESERVE	<u>\$ 1,000</u>	<u>\$ 1,300</u>	<u>\$ 3,200</u>

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,368,539	\$ 1,899,383	\$ 1,559,562
REVENUES			
Property taxes	349,329	458,306	631,278
Specific ownership tax	15,832	20,000	44,189
Interest income	-	15,000	29,546
Total revenues	<u>365,161</u>	<u>493,306</u>	<u>705,013</u>
TRANSFERS IN			
Transfers from other funds	<u>695</u>	-	-
Total funds available	<u>2,734,395</u>	<u>2,392,689</u>	<u>2,264,575</u>
EXPENDITURES			
Debt service			
County Treasurer's fee	5,242	6,877	9,469
Bond interest	822,750	822,750	822,750
Paying agent fees	7,000	3,500	3,500
Miscellaneous	20	-	-
Contingency	-	-	4,281
Total expenditures	<u>835,012</u>	<u>833,127</u>	<u>840,000</u>
Total expenditures and transfers out requiring appropriation	<u>835,012</u>	<u>833,127</u>	<u>840,000</u>
ENDING FUND BALANCES	<u>\$ 1,899,383</u>	<u>\$ 1,559,562</u>	<u>\$ 1,424,575</u>
CAPITALIZED INTEREST	\$ -	\$ -	\$ -
RESERVE FUND (\$1,294,000)	1,294,055	1,294,000	1,294,000
SURPLUS FUND (Maximum: \$1,645,500)	605,328	265,562	130,575
TOTAL RESERVE	<u>\$ 1,899,383</u>	<u>\$ 1,559,562</u>	<u>\$ 1,424,575</u>

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/6/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Interest income	-	-	-
Developer advance	8,698,128	-	-
Total revenues	<u>8,698,128</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>265</u>	<u>-</u>	<u>-</u>
Total funds available	<u>8,698,393</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Projects			
Engineering	265	-	-
Capital outlay	8,698,128	-	-
Total expenditures	<u>8,698,393</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>8,698,393</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Willow Bend Metropolitan District organization was approved by eligible electors of the District at an election held on November 5, 2013. The District was organized by order of the District Court in and for Adams County on November 26, 2013. The formation of the District was approved by the City of Thornton, Colorado in conjunction with the approval by the City Council of a Service Plan for the District on August 27, 2013. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, subject to the limitations on fire protection, television relay and transmission and telecommunication facilities.

On November 5, 2013, the District's voters authorized general obligation indebtedness of \$148,500,000 for District improvements, \$16,500,000 for the purpose of refunding debt, \$16,500,000 in intergovernmental agreements, and \$16,500,000 for operations and maintenance debt. The service plan has a limitation on the issuance of debt to \$22,000,000 of which \$3,279,000 is remaining.

Additionally, on November 5, 2013, the election also approved an annual increase in property taxes of \$500,000 without limitation of rate, to pay the District's operation and maintenance costs and \$16,500,000 for multiple fiscal year IGA mill levy.

The District has no employees and all administrative functions are contractual.

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 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 the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**WILLOW BEND METROPOLITAN DISTRICT
2023 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.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be partially funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

Expenditures

Administrative Expenditures

Administrative expenditures for the project have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, audit, accounting, insurance, management and other administrative expenses.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Bonds, Series 2019A (discussed under Debt and Leases).

Debt and Leases

On July 31, 2019, the District issued its Series 2019A Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds in the amount of \$16,455,000 and the Series 2019B Subordinate Limited Tax General Obligation Bonds in the amount of \$2,266,000. Proceeds from the sale of the Senior Bonds were used to: (a) finance public improvements; (b) pay capitalized interest on the Senior Bonds; (c) fund the Senior Reserve Fund; and (d) pay costs of issuance of the Bonds. Proceeds from the sale of the Subordinate Bonds will be used to finance additional public improvements related to the Development.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The primary source of revenue or cash receipts will be ad valorem property taxes. Property taxes are levied by the Board of Directors of the District. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is expressed in terms of mills. A mill is equal to 1/10 of one cent per dollar of assessed valuation. 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 Series 2019A Bonds bear interest at a rate of 5.00%. The bond interest is 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 of each year beginning on December 1, 2024. The Series 2019A Bonds mature on December 1, 2049.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge of the Senior Bonds on December 1, 2059 (the “Senior Bonds Discharge Date”). To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law and the Election in repayment of the Senior Bonds. In the event any amounts due on the Senior Bonds remain unpaid after the application of all Senior Pledged Revenue available therefor on the Senior Bonds Discharge Date, such amounts shall be deemed discharged and shall no longer be due and outstanding.

The Subordinate Bonds will bear interest at the rate of 7.625% per annum and are payable annually on December 15, beginning December 15, 2019 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The District shall not be obligated to pay more than the amount permitted by law and the Election in repayment of the Subordinate Bonds. All of the Subordinate Bonds and interest thereon are to be deemed to be paid, satisfied, and discharged after the application of all available Subordinate Pledged Revenue on December 15, 2059 (the “Subordinate Bonds Discharge Date”), regardless of the amount of principal and interest paid prior to the Subordinate Bonds Discharge Date.

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

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

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

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

“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.

“Capital Fees” means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) now or hereafter imposed by the District pledged to the payment of the Senior Bonds. The District does not currently impose Capital Fees and does not currently have plans to impose them.

The Senior Bonds are additionally secured by capitalized interest which will be funded from the proceeds of the Senior Bonds, by the Senior Reserve Fund which will be funded from the proceeds of the Senior Bonds, and by amounts, if any, in the Senior Surplus Fund. The Senior Surplus Fund will not be funded as of the date of issuance of the Senior Bonds.

The Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund. The Senior Reserve Fund was funded from proceeds of the Senior Bonds in the amount of \$1,294,000. If a withdrawal from the Senior Reserve Fund is made that reduces the balance in such fund below the Reserve Requirement for the Senior Bonds, the District shall include in the computation of its next mill levy certification the amount necessary to replenish the Senior Reserve Fund to the Reserve Requirement (subject to the limitations of the Senior Required Mill Levy).

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the 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 shall 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 Subordinate Bonds.

The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levies.

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

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Specific Ownership Tax Revenues;
- (c) all Subordinate Capital Fees;
- (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.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

“Subordinate Property Tax Revenues” means all moneys derived from imposition by the District of the Subordinate Required Mill Levy and excludes Subordinate Specific Ownership Tax Revenues. Subordinate Property Tax Revenues are 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.

“Subordinate Capital Fee Revenue” means any revenue from Capital Fees remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of any Senior Obligations. The District does not currently impose Capital Fees and does not currently have plans to impose them.

The District has no operating or capital leases.

The District has outstanding developer advances and anticipated activity as follows:

	Balance - December 31, 2021	Additions	Retirements/ Reductions	Balance - December 31, 2022
Developer Advances - Operating	\$ 13,076	\$ 65,000	\$ -	\$ 78,076
Developer Advances - Capital	10,566,410	-	-	10,566,410
2019B Bond - Principal	2,266,000	-	-	2,266,000
Accrued Interest - Operating	629	2,929	-	3,558
Accrued Interest - Capital	328,651	739,649	-	1,068,300
Accrued Interest - 2019B Bond	438,477	206,216	-	644,693
Total	<u>\$ 13,613,243</u>	<u>\$ 1,013,794</u>	<u>\$ -</u>	<u>\$ 14,627,038</u>
	Balance - December 31, 2022	Additions	Retirements/ Reductions	Balance - December 31, 2023
Developer Advances - Operating	\$ 78,076	\$ -	\$ -	\$ 78,076
Developer Advances - Capital	10,566,410	-	-	10,566,410
2019B Bond - Principal	2,266,000	-	-	2,266,000
Accrued Interest - Operating	3,558	5,541	-	9,100
Accrued Interest - Capital	1,068,300	739,649	-	1,807,949
Accrued Interest - 2019B Bond	644,693	221,940	-	866,634
Total	<u>\$ 14,627,038</u>	<u>\$ 967,130</u>	<u>\$ -</u>	<u>\$ 14,727,534</u>

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

**WILLOW BEND METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$16,455,000 Limited Tax (Convertible to Unlimited Tax)
General Obligation Bonds, Series 2019A**

Dated July 31, 2019

Principal due December 1

Interest Rate 5.000% Payable

June 1 and December 1

Year Ended December 31,	Principal	Interest	Total
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
	<u>\$ 16,455,000</u>	<u>\$ 15,596,500</u>	<u>\$ 32,051,500</u>

No assurance provided. See summary of significant assumptions.