

**ORCHARD FARMS METROPOLITAN DISTRICT  
(F/K/A/ BIG DRY CREEK METROPOLITAN DISTRICT)  
CITY OF THORNTON, STATE OF COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2023**

Orchard Farms Metropolitan District (the “District”) formerly known as Big Dry Creek Metropolitan District provides the following report to the City of Thornton (the “City”) pursuant to the Second Amended and Restated Service Plan for Big Dry Creek Metropolitan District:

**To the best of our actual knowledge, for the year ending December 31, 2023, 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 boundary in 2023.

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

The District did not enter into or propose any new Intergovernmental Agreements in 2023.

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

The District adopted new rules and regulations as of June 13, 2019, which are attached hereto as **Exhibit A**.

**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, 2023.

**5. Status of the District’s construction of the Public Improvements as of December 31 of the prior year:**

The Public Improvements within the District are being constructed by the Developer of the project.

**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 Public Improvements within the District are being constructed by the developer of the project. The District has not constructed any facilities or improvements.

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

The 2024 assessed valuation of the District is attached hereto as **Exhibit B**.

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

The District's 2024 budget is attached hereto as **Exhibit C**.

**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 attached hereto as **Exhibit D**. The 2023 Audit has not yet been completed and will be filed with the 2024 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 were no events of default for the year ending December 31, 2023.

**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:**

The District has been able to pay its obligations as they come due.

**EXHIBIT A**  
**Rules & Regulations**

**RESOLUTION  
OF THE BOARD OF DIRECTORS OF  
BIG DRY CREEK METROPOLITAN DISTRICT**

**ADOPTING RULES AND REGULATIONS**

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WHEREAS, the Board of Directors (the “Board”) of Big Dry Creek Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) has determined that it is in the best interest of the District and the residents and property owners of the District to adopt rules and regulations in order to preserve and protect public property and facilities owned and/or operated by the District, and prohibit activities that interfere with the use and enjoyment of such property and facilities; and

WHEREAS, pursuant to § 32-1-1001(1)(m), C.R.S., the Board is authorized to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of the State of Colorado for carrying on the business, objects, and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(n), C.R.S., the Board is authorized to have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted to the District by Article 1, Title 32, C.R.S.; and

WHEREAS, pursuant to § 32-1-1001(1)(j), C.R.S., the District is authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the District; and

WHEREAS, pursuant to that certain First Amendment to Intergovernmental Agreement between the City of Thornton and the District Regarding the Second Amended and Restated Service Plan for the District dated August 22, 2017, the District is authorized to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City and the District and may impose fees and charges for rentals and reservations of the park pavilion and tennis courts; and

WHEREAS, pursuant to § 18-9-117(1), C.R.S., in addition to any authority granted by any other law, the District may adopt such orders, rules, or regulations as are reasonably necessary for the administration, protection, and maintenance of public property under its control, management or supervision, regarding, *inter alia*, the following matters: (i) the preservation of property, grounds and structures; (ii) restriction or limitation of the use of such public property as to time, manner, or permitted activities; (iii) prohibition of activities or conduct on public property which may be reasonably expected to substantially interfere with the use and enjoyment of such places by others or which may constitute a general nuisance; (iv) necessary sanitation, health, and safety measures; (v) camping, picnicking, assemblages, and other individual or group usages including the time, place, and manner in which such activities may be permitted; (vi) use of all vehicles as to place, time, and manner of use; and (vii) control and limitation on fires; and

WHEREAS, pursuant to § 18-9-117 (2), C.R.S., such limitations or prohibitions must be prominently posted at all public entrances to such property or such notice must be given by an officer or agency, including any agent thereof, or by any law enforcement officer having jurisdiction or authority to enforce the limitations, restrictions, or prohibitions; and

WHEREAS, the Board has determined that it is in the best interest of the District and the residents and property owners of the District to adopt rules and regulations in order to provide for the preservation of the health, safety, and welfare of residents, property owners, and the public and in order to preserve and protect public property and facilities owned and/or operated by the District, and prohibit activities that interfere with the use and enjoyment of such property and facilities.

NOW, THEREFORE, be it resolved by the Board of Directors of Big Dry Creek Metropolitan District as follows:

1. Adoption of Rules and Regulations. The rules and regulations attached hereto as **Exhibit A** and incorporated herein by this reference (the “Rules and Regulations”) are hereby adopted pursuant to § 32-1-1001(1)(m) and § 18-9-117, C.R.S.

2. Variances. The Board hereby authorizes the district manager or general counsel to grant written variances from the Rules and Regulations for good cause shown.

3. Amendment. The District expressly reserves the right to amend, revise, redact, and/or repeal the Rules and Regulations adopted hereby in whole or in part, from time to time in order to further the purpose of carrying on the business, objects, and affairs of the District. The foregoing shall specifically include, but not be limited to, the right to adopt new rules and regulations and/or policies and procedures as may be necessary, all in the Board's discretion.

4. Effective Date. The provisions of this resolution shall take effect as of the date this resolution is adopted by the Board.

5. Severability. If any term or provision of this resolution or if any rule or regulation is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of the remainder of the resolution or rules and regulations, as a whole, but shall be severed, leaving the remaining terms or provisions in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

6. Penalties. Persons who violate any of the Rules and Regulations shall be subject to criminal and civil penalties.


a. Criminal Remedies. Pursuant to § 18-9-117 (3)(a) and (b), C.R.S., any violation of the Rules and Regulations is unlawful and persons found in violation shall be subject to criminal penalties enforceable by authorized law enforcement officers.

b. Civil Penalties. A violation of any of the Rules and Regulations is subject to any and all civil remedies available to the District under Title 32, C.R.S. or other applicable laws, including a civil penalty hereby imposed in the amount of \$50 for the first violation, \$100 for the second violation, and \$250 for the third and subsequent violations, and actual costs and attorneys' fees incurred by the District. The District may collect such penalties, charges, costs and fees by any means authorized by law.

*[Signature page follows]*

**RESOLVED AND ADOPTED** this 13<sup>th</sup> day of June, 2019.

**BIG DRY CREEK METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado



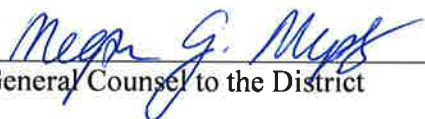
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

**WHITE BEAR ANKELE TANAKA & WALDRON**  
Attorneys at Law

  
\_\_\_\_\_  
General Counsel to the District

*[Signature page to Resolution Adopting Rules and Regulations.]*

**EXHIBIT A**  
**Rules and Regulations**

The following Rules and Regulations are hereby approved and adopted by the Board of Directors of Big Dry Creek Metropolitan District.

It is prohibited and shall be unlawful, unless otherwise approved in writing by the district manager or legal counsel, for any person to:

General Rules

1. To enter, use, or occupy any public areas during the time such areas, or any portions thereof, are closed to entry, use, or occupancy, including seasonal closures.
2. To loiter on or within or to block ingress and/or egress to or from the District or cause unreasonable noise within any District property between 11:00 p.m. and 6:00 a.m. unless authorized by a written permit.
3. To bicycle, skateboard or rollerblade on District property except on designated trails, sidewalks and/or roadways.
4. To solicit, picket, protest or distribute literature on District property without prior approval of the district manager and the securing of any required permits.
5. To engage in any activity on District property that unreasonably endangers the health, safety, and welfare of any person, animal, or property.
6. To engage in disorderly conduct within District property, including:
  - a. Addressing abusive language or threats to any person present which creates a clear and present danger of violence;
  - b. Fighting with another;
  - c. Any conduct defined as disorderly conduct pursuant to §18-9-106(1) C.R.S.
7. To place or post any type of permanent or temporary signage of any type on District property.
8. To stick or place any handbill, poster, placard, sticker, or painted or printed matter upon any District property, including, but not limited to, any fence, power or light pole, telephone pole or other District structure.
9. To camp within any District property.
10. To use any District property for any private enterprise or to sell or offer for sale any tangible or intangible goods or services on District property without prior approval and the securing of any required permits.
11. To hold any public meeting, gathering, or other scheduled event, public or private on



District property, which the sponsor reasonably anticipates will be attended by 15 or more persons without prior written approval of the district manager and the securing of any required permits.

### **Litter, Dumping**

12. To deposit or leave any refuse, trash, litter, household, or construction debris, or commercial garbage or trash, on District property except by depositing such refuse, trash, litter and debris in receptacles specifically designed for such purpose.

### **Glass Containers**

13. To possess or use any glass bottle or container on District property.

### **Damage to Property/Vandalism**

14. To remove, destroy, vandalize, deface, or damage any building, structure, facility, sign, equipment, fences, gates or locks located on or regulating access to District property.
15. To tamper with, remove, or vandalize any life safety equipment on District property (i.e. fire extinguishers, smoke detectors, fire alarms, lifeguard equipment, etc.).

### **Drugs, Alcohol, Marijuana, Etc.**

16. To sell, possess or consume any illegal drugs or controlled substances prohibited under any section of the Colorado Revised Statutes on District property.
17. To sell, serve, dispense, or consume any alcoholic beverage or possess an open container of any alcoholic beverage on District property.
18. To sell or consume any tobacco product of any kind on District property.
19. To sell, possess, use, or display marijuana in any form and/or marijuana related products on District property.

### **Firearms, Projectiles, Fireworks, Flying Crafts**

20. To knowingly possess a bow and arrow, crossbow, sling, paintball gun, air soft gun, blowgun or any other device potentially inimical to wildlife or dangerous to human safety, or any instrument that can be loaded with and fire blank cartridges, or any trapping device on District property.
21. To possess, ignite or discharge explosives or fireworks or operate or launch model rockets or other devices that use an explosive charge on District property.
22. To golf or hit golf balls onto or within any District property.

## **Fire**

23. To build, start, or light any fire at any location, of any nature, except within properly approved and designated areas (i.e. park grills, etc.), or to leave any fire unattended, or to fail to comply with any fire bans on District Property.

## **Vehicles**

24. To park any motor vehicles, trailers, or campers on District property except in designated parking areas.
25. To operate any motorized vehicle on District property, except on public roads or within public parking areas. Emergency, maintenance, and patrol vehicles are specifically excluded.

## **Dogs/Domestic Animals**

26. To allow domestic pets to roam on District property, except when restrained by a leash and under direct control of a person physically able to control the domestic pet.
27. To leave any domestic animal unattended on District property.
28. To allow domestic pets to harm, kill, chase, or otherwise harass any wild animal, bird, fish, reptile or amphibian within any District property.
29. To allow any domestic pet to enter any water feature, pond, fountain or the like on or within District property.
30. To leave on any District property, except in designated trash receptacles, the fecal matter of any animal that one owns, possesses, or keeps.

## **Unlawful Improvements**

31. To construct, place, or maintain any kind of road, trail, structure, sign, fence, marker, enclosure, communication equipment or other improvement within or upon any District property.
32. To install any structure including, but not limited to, tents, booths, stands, awnings, tree houses, rope swings, inflatable amusements and canopies on District property, with the exception that temporary awnings and/or umbrellas for shade are permitted as long as such temporary structures do not exceed 25 square feet, are not left unattended, and are removed when the visitor leaves.

## **Noise/Sound**

33. To amplify sound in accordance with Adams County noise ordinance and between the times of 10 p.m. and 7 a.m. by any means, including but not limited to the use of

loudspeakers, public address systems, radios and/or stereo systems, within any District property. Lighting activities, noise or increased traffic associated with special use shall not unreasonably disturb surrounding residents.

**Wildlife/Habitat**

34. To feed, or attempt to feed, any wildlife on District property.
35. To relocate or release animals, fish, birds or insects on District property.
36. To hunt, shoot, kill, injure, trap or maim any animal on District property.
37. To permit any livestock to graze, or remain to graze on District property.
38. To install landscaping improvements extending onto District property including, but not limited to, irrigation, landscape materials, shrub and tree planting, gardening, landscape related structures, and retaining walls.
39. To knowingly mar, mutilate, deface, disfigure, remove, or injure beyond normal use any rocks, trees, shrubbery, flowers, wildflowers or other features of the natural environment on District property.

**EXHIBIT B**  
**2024 Assessed Valuation**

# CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **353 - ORCHARD FARMS METRO DISTRICT**

IN ADAMS COUNTY ON 12/11/2023

New Entity: No

## USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2023 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$15,334,050
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$19,164,780
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$19,164,780
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND ( 29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

## USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2023 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2023

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$267,707,256
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2023

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.	

**EXHIBIT C**  
**2024 Budget**

**ORCHARD FARMS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**ORCHARD FARMS METRO DISTRICT  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,315,401	\$ 349,593	\$ 336,120
REVENUES			
Property taxes	1,053,446	985,703	1,095,478
Specific ownership taxes	75,035	68,999	76,683
Operations and maintenance fee	220,785	229,092	247,802
Interest income	17,182	31,315	20,852
Other revenue	21,884	6,419	10,000
Loan Proceeds	14,330,000	-	-
Transfer Fees	19,000	20,000	20,000
Legal Collection Fees	600	-	600
Total revenues	<u>15,737,932</u>	<u>1,341,527</u>	<u>1,471,415</u>
TRANSFERS IN	<u>130,000</u>	<u>200,000</u>	<u>255,000</u>
Total funds available	<u>17,183,333</u>	<u>1,891,120</u>	<u>2,062,535</u>
EXPENDITURES			
General Fund	110,699	115,000	145,000
Operations Fee Fund	398,941	490,000	494,000
Debt Service Fund	16,194,100	750,000	800,000
Total expenditures	<u>16,703,740</u>	<u>1,355,000</u>	<u>1,439,000</u>
TRANSFERS OUT	<u>130,000</u>	<u>200,000</u>	<u>255,000</u>
Total expenditures and transfers out requiring appropriation	<u>16,833,740</u>	<u>1,555,000</u>	<u>1,694,000</u>
ENDING FUND BALANCES	<u>\$ 349,593</u>	<u>\$ 336,120</u>	<u>\$ 368,535</u>
EMERGENCY RESERVE	\$ 9,100	\$ 9,800	\$ 12,500
AVAILABLE FOR OPERATIONS	105,797	114,326	126,399
OPERATIONS FEE FUND RESERVE	80,000	80,000	120,000
TOTAL RESERVE	<u>\$ 194,897</u>	<u>\$ 204,126</u>	<u>\$ 258,899</u>

No assurance provided. See summary of significant assumptions.



**ORCHARD FARMS METRO DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Residential	\$ 13,276,090	\$ 13,852,470	\$ 17,627,250
Agricultural	6,190	-	-
State assessed	1,200	6,640	5,860
Vacant land	903,110	1,245,580	1,275,260
Personal property	95,060	226,900	236,940
Other	770	2,460	19,470
Certified Assessed Value	\$ 14,282,420	\$ 15,334,050	\$ 19,164,780

**MILL LEVY**

General	18.000	18.467	19.161
Debt Service	55.664	45.815	38.000
Total mill levy	73.664	64.282	57.161

**PROPERTY TAXES**

General	\$ 257,084	\$ 283,174	\$ 367,216
Debt Service	795,017	702,529	728,262
Levied property taxes	1,052,101	985,703	1,095,478
Adjustments to actual/rounding	2,809	-	-
Refunds and abatements	(1,464)	-	-
Budgeted property taxes	\$ 1,053,446	\$ 985,703	\$ 1,095,478

**BUDGETED PROPERTY TAXES**

<b>General</b>	<b>\$ 257,413</b>	<b>\$ 283,174</b>	<b>\$ 367,216</b>
<b>Debt Service</b>	<b>796,033</b>	<b>702,529</b>	<b>728,262</b>
	<b>\$ 1,053,446</b>	<b>\$ 985,703</b>	<b>\$ 1,095,478</b>

**ORCHARD FARMS METRO DISTRICT  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 54,191	\$ 114,897	\$ 124,126
REVENUES			
Property taxes	257,413	283,174	367,216
Specific ownership taxes	18,335	19,822	25,705
Interest income	3,832	14,815	11,852
Other revenue	21,825	6,419	10,000
Total revenues	<u>301,405</u>	<u>324,229</u>	<u>414,773</u>
Total funds available	<u>355,596</u>	<u>439,126</u>	<u>538,899</u>
EXPENDITURES			
General and administrative			
Accounting	38,523	55,000	60,500
Auditing	4,400	5,000	6,500
County Treasurer's fee	3,865	4,248	5,508
Dues and membership	338	554	650
Insurance	5,592	3,918	17,664
Legal	33,663	32,000	35,500
Miscellaneous	34	-	100
Election	23,294	2,546	-
Contingency	-	9,934	16,598
Website	990	1,800	1,980
Total expenditures	<u>110,699</u>	<u>115,000</u>	<u>145,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>130,000</u>	<u>200,000</u>	<u>255,000</u>
Total expenditures and transfers out requiring appropriation	<u>240,699</u>	<u>315,000</u>	<u>400,000</u>
ENDING FUND BALANCES	<u>\$ 114,897</u>	<u>\$ 124,126</u>	<u>\$ 138,899</u>
EMERGENCY RESERVE	\$ 9,100	\$ 9,800	\$ 12,500
AVAILABLE FOR OPERATIONS	105,797	114,326	126,399
TOTAL RESERVE	<u>\$ 114,897</u>	<u>\$ 124,126</u>	<u>\$ 138,899</u>

No assurance provided. See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
OPERATIONS FEE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 219,678	\$ 193,276	\$ 160,368
<b>REVENUES</b>			
Operations and maintenance fee	220,785	229,092	247,802
Transfer Fees	19,000	20,000	20,000
Legal Collection Fees	600	-	600
Interest income	2,095	8,000	7,000
Other revenue	59	-	-
Total revenues	<u>242,539</u>	<u>257,092</u>	<u>275,402</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	<u>130,000</u>	<u>200,000</u>	<u>255,000</u>
Total funds available	<u>592,217</u>	<u>650,368</u>	<u>690,770</u>
<b>EXPENDITURES</b>			
General and administrative			
Insurance	12,266	13,046	14,850
Design Review	8,280	14,208	16,200
District management	-	33,000	37,000
District Management - Costs	9,090	15,000	16,500
Billing	13,200	26,580	31,000
Covenant Enforcement	12,972	15,840	16,630
Legal	1,100	2,500	5,000
Miscellaneous	-	19,960	14,105
Storage Facility	479	1,320	1,440
Community Cleanup	450	1,050	1,575
Community Activities	6,861	15,000	24,000
Landscape Maintenance			
Irrigation Repairs & Improvements	25,037	23,000	25,000
Landscape Maintenance - Contract	60,544	66,600	77,000
Landscape Replacements & Improvements	3,944	35,000	28,000
Tree Replacements	9,507	44,496	10,000
Tree Spraying and Fertilization	16,298	15,000	-
Grounds and Park Maintenance			
Snow removal	17,488	15,000	20,000
Lighting	1,620	13,500	2,000
Grounds Repair and Maintenance	31,110	15,000	16,500
Playground Inspection and Repairs	14,928	6,000	8,200
Holiday Lighting	1,191	2,500	2,500
Restroom Maintenance	-	4,900	5,000
Utilities			
Water	151,109	90,000	120,000
Electricity	1,467	1,500	1,500
Total expenditures	<u>398,941</u>	<u>490,000</u>	<u>494,000</u>
Total expenditures and transfers out requiring appropriation	<u>398,941</u>	<u>490,000</u>	<u>494,000</u>
ENDING FUND BALANCES	<u>\$ 193,276</u>	<u>\$ 160,368</u>	<u>\$ 196,770</u>
OPERATIONS FEE FUND RESERVE	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 120,000</u>
TOTAL RESERVE	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 120,000</u>

No assurance provided. See summary of significant assumptions.

**ORCHARD FARMS METRO DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,041,532	\$ 41,420	\$ 51,626
<b>REVENUES</b>			
Property taxes	796,033	702,529	728,262
Specific ownership taxes	56,700	49,177	50,978
Interest income	11,255	8,500	2,000
Loan Proceeds	14,330,000	-	-
Total revenues	15,193,988	760,206	781,240
Total funds available	16,235,520	801,626	832,866
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	11,946	10,538	10,924
Miscellaneous	729	-	-
Paying agent fees	5,500	4,000	5,000
Contingency	-	6,849	5,957
Debt Service			
Loan interest - Series 2022	127,846	598,613	593,119
Interest Expense - Series 2017A	280,025	-	-
Interest Expense - Series 2017B	563,704	-	-
Interest Expense - Series 2017C	913,069	-	-
Loan principal - Series 2022	165,000	130,000	185,000
2017 Refunding Escrow	13,742,631	-	-
Bond issue costs	383,650	-	-
Total expenditures	16,194,100	750,000	800,000
Total expenditures and transfers out requiring appropriation	16,194,100	750,000	800,000
ENDING FUND BALANCES	\$ 41,420	\$ 51,626	\$ 32,866

**ORCHARD FARMS METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Orchard Farms Metropolitan District, a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. The District was established to provide public streets, traffic and safety, water, sewer, park and recreation, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

On November 6, 2007, the District's voters authorized total general obligation indebtedness of \$48,000,000 for the above listed facilities and, with a maximum debt mill levy of 50.000 mills as adjusted for changes in the assessment ratio. The adjusted debt mill levy for the change in the assessment ratio from 6.95% to 6.7% is 64.070 mills.

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

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

The calculation of the taxes levied is displayed on the Property Tax Summary Information page of the budget.

**ORCHARD FARMS METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (Continued)**

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>	<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**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 7.0% of all the property taxes collected.

**Operations Fees**

The District imposes a monthly fee of \$47.00 from the homeowners and collects a \$500 fee at closing from each new homeowner to pay for the costs of landscaping, maintenance and management.

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

**ORCHARD FARMS METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (Continued)**

**Operating and Maintenance Expenditures**

Anticipated expenditures for maintenance are outlined in the Operations Fees Fund of the Budget.

**Debt and Leases**

**Tax-Exempt Refunding Loan, Series 2022**

On September 16, 2022, the District entered into a Loan Agreement with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the Bank) pertaining to a loan in the amount of \$14,330,000 (2022 Loan). The proceeds from the 2022 Loan were used to (i) refund the 2017A Senior Bonds, the 2017B and 2017C Subordinate Bonds; (ii) pay the Bank's combined loan commitment fee and rate lock fee; (iii) pay the costs of issuing the 2022 Loan; and (iv) pay any remaining proceeds to the Loan Payment Fund.

The Loan bears interest at the Base Rate of 4.226%, until the Interest Reset Date of December 1, 2042, then the Base Rate shall be the greater of: (i) the sum of the 10-Year U.S. Treasury Rate as of the Interest Reset Date plus 200 basis points, multiplied by 80%, or (ii) 3.50%.

Interest payments are due on June 1 and December 1 of each year, commencing December 1, 2022 (Interest Payment Dates). All interest due and payable shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall compound on each Interest Payment Date

Principal payments are due December 1 of each year beginning on December 1, 2022. The 2022 Loan matures on December 1, 2052.

The Loan is not subject to prepayment prior to the tenth anniversary of the Closing Date, except from excess Pledged Revenue. At its option and subject to the restrictions set forth in this Section, the District may prepay all or any part of the principal of the Loan from any legally available revenues on any date on or after the tenth anniversary of the Closing Date upon payment to the Bank of the principal amount so prepaid, accrued interest thereon to the prepayment date, without prepayment fee or penalty.

The principal of and interest on the Loan shall be payable solely from and to the extent of the Pledged Revenue, which consists of (a) the Required Mill Levy; (b) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; and (c) any other legally available moneys which the Board determines in its sole discretion to apply as Pledged Revenue.

Prior to the time when the Debt to Assessed Ratio is 50% or less, the Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with moneys held in the Loan Payment Fund, to pay the annual debt requirements for the next fiscal year, but not in excess of 50 mills (subject to adjustment).

**ORCHARD FARMS METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserve**

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

**This information is an integral part of the accompanying budget.**



**ORCHARD FARMS METROPOLITAN DISTRICT**

**\$14,330,000 Tax-Exempt Refunding Loan, Series 2022**

**Issue date September 16, 2022**

**Principal Due Annually December 1**

**Interest at 4.226%**

**Due June 1 and December 1**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 185,000	\$ 593,119	\$ 778,119
2025	195,000	585,301	780,301
2026	215,000	577,060	792,060
2027	225,000	567,974	792,974
2028	245,000	558,466	803,466
2029	260,000	548,112	808,112
2030	285,000	537,125	822,125
2031	300,000	525,081	825,081
2032	325,000	512,403	837,403
2033	340,000	498,668	838,668
2034	365,000	484,300	849,300
2035	385,000	468,875	853,875
2036	415,000	452,605	867,605
2037	435,000	435,067	870,067
2038	465,000	416,684	881,684
2039	485,000	397,033	882,033
2040	515,000	376,537	891,537
2041	540,000	354,773	894,773
2042	570,000	331,952	901,952
2043	580,000	327,825	907,825
2044	615,000	301,725	916,725
2045	645,000	274,050	919,050
2046	675,000	245,025	920,025
2047	710,000	214,650	924,650
2048	740,000	182,700	922,700
2049	775,000	149,400	924,400
2050	810,000	114,525	924,525
2051	850,000	78,075	928,075
2052	885,000	39,825	924,825
	\$ 14,035,000	\$ 11,148,932	\$ 25,183,932

No assurance provided. See summary of significant assumptions.

**EXHIBIT D**  
**2022 Audit**

**ORCHARD FARMS METROPOLITAN DISTRICT  
Adams County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**ORCHARD FARMS METROPOLITAN DISTRICT  
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Board of Directors  
Orchard Farms Metropolitan District  
Adams County, Colorado

## Independent Auditor's Report

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Orchard Farms Metropolitan District (the "District"), as of and for the year ended December 31, 2022, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Orchard Farms Metropolitan District as of December 31, 2022, and the respective changes in financial position and the respective 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 (GAAS). 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 (GAAP), 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.

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 GAAS 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 GAAS, 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.

## Other Matters

### Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States 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 opinions on the basic financial statements are not affected by this missing information.

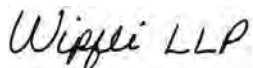
### Supplementary Information

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

### Other Information

The other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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.



Wipfli LLP  
Lakewood, Colorado

August 4, 2023

## **BASIC FINANCIAL STATEMENTS**



**ORCHARD FARMS METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 280,043
Cash and Investments - Restricted	53,137
Accounts Receivable	18,346
Receivable from County Treasurer	6,197
Prepaid Expenses	25,970
Property Taxes Receivable	985,703
Capital Assets, Not Being Depreciated	11,442,021
Total Assets	12,811,417
<b>LIABILITIES</b>	
Accounts Payable	30,142
Loan Interest Payable	49,885
Noncurrent Liabilities:	
Due Within One Year	130,000
Due in More Than One Year	14,035,000
Total Liabilities	14,245,027
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	985,703
Prepaid Assessments	9,660
Unearned Revenue	18,518
Total Deferred Inflows of Resources	1,013,881
<b>NET POSITION</b>	
Restricted For:	
Emergency Reserves	16,400
Unrestricted	(2,463,891)
Total Net Position	\$ (2,447,491)

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 533,860	\$ 240,385	\$ -	\$ -	\$ (293,475)
Interest and Related Costs on Long-Term Debt	1,800,079	-	-	1,959,201	159,122
Total Governmental Activities	\$ 2,333,939	\$ 240,385	\$ -	\$ 1,959,201	(134,353)
 <b>GENERAL REVENUES</b>					
Property Taxes					1,053,446
Specific Ownership Taxes					75,035
Interest Income					17,182
Other Revenue					21,884
Total General Revenues					1,167,547
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					(3,480,685)
 <b>NET POSITION - END OF YEAR</b>					
					\$ (2,447,491)

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General	Special Revenue	Debt Service	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 105,920	\$ 174,123	\$ -	\$ 280,043
Cash and Investments - Restricted	9,100	7,300	36,737	53,137
Accounts Receivable	706	17,640	-	18,346
Receivable from County Treasurer	1,514		4,683	6,197
Prepaid Expenses	4,148	21,822	-	25,970
Property Taxes Receivable	283,174	-	702,529	985,703
	<u>\$ 404,562</u>	<u>\$ 220,885</u>	<u>\$ 743,949</u>	<u>\$ 1,369,396</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 6,491	\$ 23,651	\$ -	\$ 30,142
Total Liabilities	6,491	23,651	-	30,142
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax Revenue	283,174	-	702,529	985,703
Prepaid Assessments	-	9,660	-	9,660
Unearned Revenue	-	18,518	-	18,518
Total Deferred Inflows of Resources	283,174	28,178	702,529	1,013,881
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expenses	4,148	21,822	-	25,970
Restricted For:				
Emergency Reserves	9,100	7,300	-	16,400
Debt Service	-	-	41,420	41,420
Committed:				
Operations	-	139,934	-	139,934
Assigned	3,112	-	-	3,112
Unassigned	98,537	-	-	98,537
Total Fund Balances	<u>114,897</u>	<u>169,056</u>	<u>41,420</u>	<u>325,373</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 404,562</u>	<u>\$ 220,885</u>	<u>\$ 743,949</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 in the funds				
Capital Assets, Not Being Depreciated				11,442,021
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Loan Payable				(14,165,000)
Accrued interest Payable				(49,885)
Net Position of Governmental Activities				<u>\$ (2,447,491)</u>

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	General	Special Revenue	Debt Service	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 257,413	\$ -	\$ 796,033	\$ 1,053,446
Specific Ownership Taxes	18,335	-	56,700	75,035
Interest Income	3,832	2,095	11,255	17,182
Operations Fees	-	220,785	-	220,785
Other Revenue	21,825	59	-	21,884
Legal Collection Fees	-	600	-	600
Transfer Fees	-	19,000	-	19,000
Total Revenues	<u>301,405</u>	<u>242,539</u>	<u>863,988</u>	<u>1,407,932</u>
<b>EXPENDITURES</b>				
General, Administrative, Operations and Maintenance:				
Accounting	38,523	-	-	38,523
Audit	4,400	-	-	4,400
Billing	-	13,200	-	13,200
Community Activities	-	6,861	-	6,861
Community Cleanup	-	450	-	450
County Treasurer's Fees	3,865	-	11,946	15,811
Covenant Enforcement	-	12,972	-	12,972
Design Review	-	8,280	-	8,280
District Management	-	24,220	-	24,220
District Management - Costs	-	9,090	-	9,090
Dues and Subscriptions	338	-	-	338
Election	23,294	-	-	23,294
Electricity	-	1,467	-	1,467
Grounds Repair and Maintenance	-	31,110	-	31,110
Holiday Lighting	-	1,191	-	1,191
Insurance	5,592	12,266	-	17,858
Irrigation Repairs	-	25,037	-	25,037
Landscape Contract	-	60,544	-	60,544
Landscape Replacements and Improvements	-	3,944	-	3,944
Legal	33,663	1,100	-	34,763
Lighting	-	1,620	-	1,620
Miscellaneous	34	-	729	763
Playground Inspection and Repairs	-	14,928	-	14,928
Snow Removal	-	17,488	-	17,488
Tree Replacements	-	9,507	-	9,507
Tree Spraying and Fertilization	-	16,298	-	16,298
Storage Facility	-	479	-	479
Water	-	151,109	-	151,109
Website	990	-	-	990
Debt Service:				
Cost of Issuance	-	-	383,650	383,650
Interest - Series 2017A Bonds	-	-	280,025	280,025
Interest - Series 2017B Bonds	-	-	563,704	563,704
Interest - Series 2017C Bonds	-	-	913,069	913,069
Loan Interest - Series 2022	-	-	127,846	127,846
Loan Principal - Series 2022	-	-	165,000	165,000
Paying Agent Fees	-	-	5,500	5,500
Total Expenditures	<u>110,699</u>	<u>423,161</u>	<u>2,451,469</u>	<u>2,985,329</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	190,706	(180,622)	(1,587,481)	(1,577,397)
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Issuance	-	-	14,330,000	14,330,000
2017 Refunding Escrow	-	-	(13,742,631)	(13,742,631)
Transfer (to) from Other Fund	(130,000)	130,000	-	-
Total Other Financing Sources (Uses)	<u>(130,000)</u>	<u>130,000</u>	<u>587,369</u>	<u>587,369</u>
<b>NET CHANGE IN FUND BALANCES</b>	60,706	(50,622)	(1,000,112)	(990,028)
Fund Balances - Beginning of Year	<u>54,191</u>	<u>219,678</u>	<u>1,041,532</u>	<u>1,315,401</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 114,897</u>	<u>\$ 169,056</u>	<u>\$ 41,420</u>	<u>\$ 325,373</u>

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS 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, 2022**

Net Change in Fund Balances - Governmental Funds \$ (990,028)

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

Long-term debt (e.g., bonds, Developer advances) 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. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Loan Issuance	(14,330,000)
Principal Payment - Series 2022 Loan	165,000
Refunding Payment to Series 2017 A, B, C Bonds - Principal	12,893,000
Forgiveness of Debt - Principal	1,795,458

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 Developer Advance - Change in Liability	99,959
Accrued Interest on Loan - Change in Liability	(49,885)
Accrued Interest on Bonds - Change in Liability	<u>1,449,690</u>

Change in Net Position of Governmental Activities \$ 1,033,194

**ORCHARD FARMS METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 257,084	\$ 257,084	\$ 257,413	\$ 329
Specific Ownership Taxes	17,996	13,500	18,335	4,835
Interest Income	85	300	3,832	3,532
Other Revenue	30,000	30,000	21,825	(8,175)
Total Revenues	<u>305,165</u>	<u>300,884</u>	<u>301,405</u>	<u>521</u>
<b>EXPENDITURES</b>				
Accounting	34,000	38,000	38,523	(523)
Audit	4,400	4,400	4,400	-
Contingency	5,340	11,886	-	11,886
County Treasurer's Fees	3,860	3,860	3,865	(5)
Dues and Subscriptions	750	412	338	74
Election	2,000	22,000	23,294	(1,294)
Insurance	6,250	5,342	5,592	(250)
Legal	33,000	33,000	33,663	(663)
Miscellaneous	100	100	34	66
Website	1,000	1,000	990	10
Total Expenditures	<u>90,700</u>	<u>120,000</u>	<u>110,699</u>	<u>9,301</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	214,465	180,884	190,706	9,822
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to Other Funds	(130,000)	(130,000)	(130,000)	-
Total Other Financing Sources (Uses)	<u>(130,000)</u>	<u>(130,000)</u>	<u>(130,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	84,465	50,884	60,706	9,822
Fund Balance - Beginning of Year	<u>42,340</u>	<u>54,191</u>	<u>54,191</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 126,805</u></u>	<u><u>\$ 105,075</u></u>	<u><u>\$ 114,897</u></u>	<u><u>\$ 9,822</u></u>

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Interest Income	\$ 195	\$ 3,000	\$ 2,095	\$ (905)
Legal Collection Fees	5,000	500	600	100
Operations Fees	200,000	221,109	220,785	(324)
Other Revenue	-	200	59	(141)
Transfer Fees	30,000	20,000	19,000	(1,000)
Total Revenues	<u>235,195</u>	<u>244,809</u>	<u>242,539</u>	<u>(2,270)</u>
<b>EXPENDITURES</b>				
Billing	13,200	13,200	13,200	-
Community Activities	8,000	8,000	6,861	1,139
Community Cleanup	-	1,500	450	1,050
Covenant Enforcement	12,500	13,000	12,972	28
Design Review	8,280	8,280	8,280	-
District Management - Contract	24,240	24,240	24,220	20
District Management - Costs	9,570	9,056	9,090	(34)
Electricity	2,000	1,500	1,467	33
Grounds Repair and Maintenance	15,000	30,375	31,110	(735)
Holiday Lighting	5,000	3,500	1,191	2,309
Insurance	13,000	12,266	12,266	-
Irrigation Repairs and Improvements	15,000	23,000	25,037	(2,037)
Landscape Maintenance - Contract	60,794	60,544	60,544	-
Landscape Replacements and Improvements	30,000	15,000	3,944	11,056
Legal	9,000	1,500	1,100	400
Lighting	6,000	2,000	1,620	380
Miscellaneous	3,216	5,939	-	5,939
Playground Inspection and Repairs	4,200	15,000	14,928	72
Restroom Maintenance	2,000	1,300	-	1,300
Snow Removal	15,000	15,000	17,488	(2,488)
Tree Replacements	10,000	10,000	9,507	493
Tree Spraying and Fertilization	15,000	15,000	16,298	(1,298)
Storage Facility	-	800	479	321
Water	95,000	140,000	151,109	(11,109)
Total Expenditures	<u>376,000</u>	<u>430,000</u>	<u>423,161</u>	<u>6,839</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(140,805)	(185,191)	(180,622)	4,569
<b>OTHER FINANCING SOURCES</b>				
Transfers from Other Funds	130,000	130,000	130,000	-
Total Other Financing Sources	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(10,805)	(55,191)	(50,622)	4,569
Fund Balance - Beginning of Year	<u>196,986</u>	<u>219,678</u>	<u>219,678</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 186,181</u></u>	<u><u>\$ 164,487</u></u>	<u><u>\$ 169,056</u></u>	<u><u>\$ 4,569</u></u>

See accompanying Notes to Basic Financial Statements.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Orchard Farms Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for the County of Adams, Colorado on November 28, 2007, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located within the boundaries of the city of Thornton, Colorado.

The District was established to provide financing for the operations and maintenance and design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation/storm sewer, street improvements, safety protection, parks and recreation, transportation, fire protection, security, television relay and translation, 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 property taxes and intergovernmental revenues.

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.



**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

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

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 as general revenues.

Separate financial statements are provided for the 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. Redemption of bonds is recorded as a reduction in liabilities.

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 District 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, specific ownership taxes and operations fees. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation 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 Special Revenue Fund is used to account for revenues earned and expenditures incurred in connection with maintaining certain amenities and facilities within the District. Revenue reported in this fund include the Operations Fee and Transfer Fee as authorized by the Resolution dated March 12, 2020.

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

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**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 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 amended its annual budget for the year ended December 31, 2022.

**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, all 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 and investments.

**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 inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

**Operations Fees**

The District charges an operations fee to homeowners to cover costs related to district management and maintenance of district property and facilities. Excess fees at year-end are reflected as committed fund balance.

**Capital Assets**

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of the net investment in capital assets.

**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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The item *deferred property tax revenue* is deferred, and recognized as an inflow of resources in the period that the amount becomes available. The item *prepaid assessments* represents operations fees paid to the District in advance and is recognized as an inflow of resources in the period that the revenues are earned. The item *unearned revenue* represents operations fees billed in advance and is recognized as an inflow of resources in the period that the revenues are earned.

**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.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

**Equity (Continued)**

**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.

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.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 280,043
Cash and Investments - Restricted	53,137
Total Cash and Investments	<u><u>\$ 333,180</u></u>

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 17,418
Investments	<u>315,762</u>
Total Cash and Investments	<u><u>\$ 333,180</u></u>

**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, 2022, the District's cash deposits had a bank balance of \$15,733 and a carrying balance of \$17,418.

**Investments**

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

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.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

**Investments (Continued)**

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, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund (CSAFE)	Weighted-Average Under 60 Days	\$ 293,132
Fidelity Investments	Weighted-Average Under 60 Days	22,630
		<u>\$ 315,762</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 currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates 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, highest rated commercial paper, and any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

**CSAFE (Continued)**

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 CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

The debt service money that is included in the trust accounts at Zions Bankcorporation is invested in the Fidelity Investments Money Market Government Portfolio – Class III. This portfolio is a money market mutual fund which invests in U.S. Government Securities, which are fully guaranteed as to principal and interest by the United States, with maturities of 60 days or less and repurchase agreements collateralized by U.S. Government Securities. The Fund is rated AAAM by Standard & Poor’s and AAA-mf by Moody’s.

**Fidelity Money Market**

The debt service money that is included in the trust accounts at Zions Bank (a division of Zions Bancorporation, NA.) is invested in the Fidelity Investments Money Market Government Portfolio Class III. This portfolio is a money market mutual fund which invests in U.S. Treasury obligations, which are fully guaranteed as to principal and interest by the United States, with maturities of 180 days or less and repurchase agreements collateralized by U.S. Treasury obligations. The Fund is rated AAAM by Standard & Poor’s and AAA-mf by Moody’s.

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 11,442,021	\$ -	\$ -	\$ 11,442,021
Capital Assets, Net	<u>\$ 11,442,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,442,021</u>

The District will convey certain public improvements to other governmental entities and will own and maintain certain landscaping improvements once the improvements have been completed and acquired by the District.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Retirements	Forgiveness of Debt	Balance - December 31, 2022	Due Within One Year
G.O. Bonds - Series 2017A	\$ 9,740,000	\$ -	\$ 9,740,000	\$ -	\$ -	\$ -
G.O. Bonds - Series 2017B	1,288,000	-	1,288,000	-	-	-
G.O. Bonds - Series 2017C	1,865,000	-	1,865,000	-	-	-
Loan - Series 2022	-	14,330,000	165,000	-	14,165,000	130,000
Accrued and Unpaid Interest - 2017B	537,005	26,699	563,704	-	-	-
Accrued and Unpaid Interest - 2017C	866,014	47,055	913,069	-	-	-
Total Bonds Payable	14,296,019	14,403,754	14,534,773	-	14,165,000	130,000
Other Debt:						
Developer Advances - Capital	1,795,458	-	-	1,795,458	-	-
Accrued Interest: Developer Advances - Capital	99,959	63,784	-	163,743	-	-
Total Long-Term Obligations	<u>\$ 16,191,436</u>	<u>\$ 14,467,538</u>	<u>\$ 14,534,773</u>	<u>\$ 1,959,201</u>	<u>\$ 14,165,000</u>	<u>\$ 130,000</u>

**\$14,330,000 Series 2022 Tax-exempt Converting to Unlimited Tax General Obligation Loan**

On September 16, 2022, the District entered into a Loan Agreement with Zion Bancorporation, N.A. dba: Vectra Bank Colorado (the Bank) in connection with the issuance of a loan in the maximum amount of \$14,330,000 (2022 Loan). The proceeds from the 2022 Loan were used to (i) refund the 2017A Senior Bond in the principal amount of \$9,740,000 which had an interest rate of 5.75%, the 2017B Subordinate Bonds in the principal amount of \$1,288,000 which had an interest rate of 7.750%, and the 2017C Subordinate Bonds in the principal amount of \$1,865,000 which had an interest rate of 13.000% (ii) pay the Bank's combined loan commitment fee and rate lock fee; and (iii) pay the costs of issuing the 2022 Loan; and (iv) pay any remaining proceeds to the Loan Payment Fund. The 2022 Loan does not have any unused lines of credit.

\$13,541,135 of the 2022 Loan proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent along with an additional \$1,676,269 of Loan proceeds and District Funds deposited and uninvested into a trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds have been removed from the District's liabilities. The 2017A, 2017B and 2017C Bonds were redeemed on December 1, 2022, and December 15, 2022, respectively.

The 2022 Loan bears interest at the Base Rate of 4.226%, until the Interest Reset Date of December 1, 2042, then the Base Rate shall be the greater of; (i) the sum of the 10-Year U.S. Treasury Rate as of the Interest Reset Date plus 200 basis point, multiplied by 80% or (ii) 3.50%.



**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$14,330,000 Series 2022 Tax-exempt Converting to Unlimited Tax General Obligation Loan (Continued)**

Interest payments are due on June 1 and December 1 of each year, commencing December 1, 2022 (Interest Payment Dates). All interest due and payable shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period.

Principal payments are due December 1 of each year beginning on December 1, 2022. The 2022 Loan matures on December 1, 2052. To the extent that Principal of the 2022 Loan is not paid when due, principal shall remain outstanding until paid. To the extent interest not paid when due, such unpaid interest shall compound on each Interest Payment Date at a rate as described in the Loan Agreement.

The Loan is not subject to prepayment prior to the tenth anniversary of the Closing Date, except from excess Pledged Revenue. At its option and subject to the restrictions set forth in this Section, the District may prepay all or any part of the principal of the Loan from any legally available revenues on any date on or after the tenth anniversary of the Closing Date upon payment to the Bank of the principal amount so prepaid, accrued interest thereon to the prepayment date, without prepayment fee or penalty. The 2022 Loan is not subject to acceleration.

The principal of and interest on the Loan shall be payable solely from and to the extent of the Pledged Revenue, which consists of (a) the Required Mill Levy; (b) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; and (c) any other legally available moneys which the Board determines in its sole discretion to apply as Pledged Revenue. No assets have been pledged as collateral on the 2022 Loan.

Prior to the time when the Debt to Assessed Ratio is 50% or less, the Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with moneys held in the Loan Payment Fund, to pay the annual debt requirements for the next fiscal year, but not in excess of 50 mills (subject to adjustment). Events of default occur if the District fails to impose the Required Mill Levy, or to apply the Pledged Revenue as required by the Loan Agreement and does not comply with other customary terms and conditions consistent with normal municipal financial as described in the Loan Agreement.

<u>Year Ending December 31,</u>	Senior Bonds		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 130,000	\$ 598,613	\$ 728,613
2024	185,000	593,119	778,119
2025	195,000	585,301	780,301
2026	215,000	577,060	792,060
2027	225,000	567,974	792,974
2028-2032	1,415,000	2,681,187	4,096,187
2033-2037	1,940,000	2,339,515	4,279,515
2038-2042	2,575,000	1,876,979	4,451,979
2043-2047	3,225,000	1,363,275	4,588,275
2048-2052	4,060,000	564,525	4,624,525
Total	<u>\$ 14,165,000</u>	<u>\$ 11,747,548</u>	<u>\$ 25,912,548</u>

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$9,740,000 Series 2017A General Obligation Refunding and Improvement Senior Bonds**

On May 4, 2017, the District issued Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding and Improvement Senior Bonds (Senior Bonds) in the amount of \$9,740,000. Proceeds from the sale of the Senior Bonds were used for the purposes of: (i) reimbursing a portion of the costs of acquiring, constructing, and installing certain public improvements; (ii) refunding the District's outstanding General Obligation Subordinate Promissory Note, Series 2011A; (iii) providing an initial deposit to the Surplus Fund; (iv) providing capitalized interest; and (v) paying the costs of issuing the Senior Bonds. The Senior Bonds bear interest at a rate of 5.750% per annum, with interest payable on June 1 and December 1, and principal payable on December 1. The Senior Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on December 1, 2022, and on any date thereafter, upon payment of par and accrued interest. The Senior Bonds are also subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2022, and each December 1 thereafter.

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2022 to November 30, 2023	3.00 %
December 1, 2023 to November 30, 2024	2.00
December 1, 2024 to November 30, 2025	1.00
December 1, 2025 and Thereafter	-

The Senior Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and 3) any other legally available monies which the District determines to be treated as Pledged Revenue. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Senior Bonds as the same become due/payable. The District must levy 50.000 mills, as adjusted, so long as the amount on deposit in the Surplus Fund is less than the Required Surplus Fund amount of \$1,948,000. The balance in the Surplus Fund as of December 31, 2022 was \$0-.

The Senior Bonds mature on December 1, 2047. In the event that any amount of principal and interest on the Senior Bonds remains unpaid on December 1, 2057, the Senior Bonds are to be discharged. The 2017A Bonds were redeemed on December 1, 2022.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$1,288,000 Series 2017B General Obligation Subordinate Bonds**

On May 4, 2017, the District issued Subordinate Limited Tax General Obligation Bonds (Subordinate Bonds) in the amount of \$1,288,000. The proceeds from the sale of the Subordinate Bonds were used for the purposes of reimbursing the construction costs of public infrastructure improvements benefitting the District, and paying costs of issuance of the Subordinate Bonds. Interest on the Subordinate Bonds is at a rate of 7.750% per annum is payable annually on December 15, beginning on December 15, 2017. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The Subordinate Bonds are subject to optional redemption prior to maturity as described in the Subordinate Indenture.

The Subordinate Bonds are secured by and payable solely from Pledged Revenue defined in the Subordinate Indenture as the moneys derived by the District, net of any costs of collection, from: (i) property taxes derived from the Required Subordinate Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Subordinate Mill Levy; and (iii) revenue, if any, available for the Subordinate Bonds after all amounts required by the Senior Indenture are applied by the trustee for Senior Bonds. Pledged Revenue for the Subordinate Bonds is subordinate to the revenue pledged to the Senior Bonds. While the Senior Bonds are secured by a Senior Reserve Fund and a Senior Surplus Fund, there is no reserve fund or surplus fund which secures the Subordinate Bonds. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. The Subordinate Bonds mature on December 15, 2047. In the event that any amount of principal and interest on the Subordinate Bonds remains unpaid on December 15, 2057, the Subordinate Bonds are to be discharged. The 2017B Bonds were redeemed on December 15, 2022.

**\$1,865,000 Series 2017C Junior Lien General Obligation Bonds**

On August 2, 2017, the District issued Junior Lien Limited Tax General Obligation Bonds (Junior Lien Bonds) in the amount of \$1,865,000. The proceeds from the sale of the Junior Lien Bonds were used for the purposes of reimbursing the construction costs of public infrastructure improvements benefitting the District, and paying costs of issuance of the Junior Lien Bonds. Interest on the Junior Lien Bonds is at a rate of 9.000% per annum is payable annually on December 15, beginning on December 15, 2017. Unpaid interest on the Junior Lien Bonds compounds annually on each December 15. The Junior Lien Bonds are subject to optional redemption prior to maturity as described in the Junior Lien Indenture.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$1,865,000 Series 2017C Junior Lien General Obligation Bonds (Continued)**

The Junior Lien Bonds are secured by and payable solely from Pledged Revenue defined in the Junior Lien Indenture as the moneys derived by the District, net of any costs of collection, from: (i) property taxes derived from the Junior Lien Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Junior Lien Required Mill Levy; and (iii) revenue, if any, available for the Junior Lien Bonds after all amounts required by the Senior and Subordinate Indentures are applied by the Trustee for Senior and Subordinate Bonds. Pledged Revenue for the Junior Lien Bonds is subordinate to the revenue pledged to the Senior and Subordinate Bonds. While the Senior Bonds are secured by a Senior Reserve Fund and a Senior Surplus Fund, there is no reserve fund or surplus fund which secures the Junior Lien Bonds. The Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. The Junior Lien Bonds mature on December 15, 2047. In the event that any amount of principal and interest on the Junior Lien Bonds remains unpaid on December 15, 2057, the Junior Lien Bonds are to be discharged. The 2017C Bonds were redeemed on December 15, 2022.

**Debt Authorization**

On November 6, 2007 and November 4, 2014, the District's voters authorized total indebtedness of \$133,000,000 and \$140,000,000, respectively. Pursuant to the Service Plan, the total debt that the District shall be permitted to issue shall not exceed \$20,000,000. Additionally, the maximum debt mill levy is 50.000 mills, as adjusted for changes in the assessment ratio, which has been adjusted to 55.664 mills, which shall not be imposed for longer than 40 years from the first year the debt service mill levy is imposed. The final year to impose a debt service mill levy is 2057.

The District shall not impose a levy for repayment of any and all debt (or use the proceeds of any mill levy for repayment of debt) on any single property developed which exceeds 40 years after the year of the initial imposition of such mill levy unless a majority of the Board are residents of the District and have voted in favor of a refunding of part or all of the debt and such refunding will result in a net present value savings as set forth in Section 110-56-101, C.R.S., et seq.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Debt Authorization (Continued)**

At December 31, 2022, the District had authorized but unissued general obligation indebtedness in the following amounts for the following purposes:

	Authorized November 6, 2007 Election	Authorized November 4, 2014 Election	Authorization Used Series 2011	Authorization Used Series 2017	Remaining at December 31, 2022
Street Improvements	\$ 9,500,000	\$ 10,000,000	\$ 550,800	\$ 3,062,000	\$ 15,887,200
Parks and Recreation	9,500,000	10,000,000	-	-	19,500,000
Water	9,500,000	10,000,000	-	3,116,200	16,383,800
Sanitation/Storm Sewer	9,500,000	10,000,000	-	6,016,000	13,484,000
Transportation	9,500,000	10,000,000	-	-	19,500,000
Mosquito Control	9,500,000	10,000,000	-	-	19,500,000
Traffic and Safety Protection	9,500,000	10,000,000	-	148,000	19,352,000
Fire Protection	9,500,000	10,000,000	-	-	19,500,000
TV Relay and Translation	9,500,000	10,000,000	-	-	19,500,000
Security	9,500,000	10,000,000	-	-	19,500,000
Operations and Maintenance	9,500,000	10,000,000	-	-	19,500,000
Refunding of Debt	9,500,000	10,000,000	-	550,800	18,949,200
Governmental IGA's	9,500,000	10,000,000	-	-	19,500,000
Private IGA's	9,500,000	10,000,000	-	-	19,500,000
Total	<u>\$ 133,000,000</u>	<u>\$ 140,000,000</u>	<u>\$ 550,800</u>	<u>\$ 12,893,000</u>	<u>259,556,200</u>

**NOTE 6 NET POSITION**

The District has net position consisting of two components – restricted and unrestricted.

Restricted net position consists of 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 a restricted net position of \$16,400 as of December 31, 2022, for emergencies.

The District has a deficit in unrestricted net position. The deficit at December 31, 2022 was primarily due to interest paid and related costs on long-term debts.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 AGREEMENTS**

**Operations Funding Agreement**

On October 30, 2013, the Operations Funding Agreement was entered into between the District and TCIRATO, LLC (the Developer). The Agreement provides that the Developer will advance to the District funds required to be paid by the District for the District's permitted purposes. The Developer agrees to loan to the District an amount that does not exceed the aggregate of \$100,000 per annum for five years, up to \$500,000. The interest rate shall be 5% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount. The term for repayment of this obligation shall not extend beyond 40 years from the date of this agreement. On September 9, 2021, a Termination of Operations Funding Agreement was signed, and the District agreed to pay the full amount due of \$43,346. As of December 31, 2022, no amounts are outstanding.

**Lennar Facilities Acquisition Agreement**

On October 21, 2013, the Lennar Facilities Acquisition Agreement (the Lennar Agreement) was entered into between the District and Lennar Colorado, LLC (Lennar), as amended by a First Amendment dated October 30, 2014, and as amended by a Second Amendment dated May 2, 2017. Lennar has incurred certain costs related to the Public Improvements for the benefit of the District, and expects to incur additional costs on the condition that the District agrees to reimburse Lennar for such costs, constituting Repayment Obligations. Repayment Obligation shall bear simple interest at a rate of 5% per annum from the date any such Repayment Obligation is incurred to the earlier of the date a Reimbursement Obligation is issued, or the date of payment of such amount in full. The District is not required to make any payments to Lennar unless and until the District issues bonds in an amount sufficient to acquire all or a portion of the completed Public Improvements. The District's obligations under the Lennar Agreement are subordinate to the Senior Bonds.

On August 29, 2022 an Agreement in the Nature of an Accord Concerning Developer Advance Agreements was signed, memorializing termination of the developer advance agreements and waiver of the district obligations.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 AGREEMENTS (CONTINUED)**

**Subordinate Facilities Acquisition Agreement**

The District and the Developer entered into a Subordinate Facilities Acquisition Agreement on October 2013, as amended by a First Amendment thereto dated as of May 2, 2017. Pursuant to the Subordinate Facilities Acquisition Agreement, the Developer agreed to design, construct, and complete and/or cause the design, construction, and completion of certain Public Improvements to serve the development within the District. In exchange, the District agreed to acquire such Public Improvements and to reimburse the Developer for the costs of such Public Improvements at the rate of 5% per annum. The District's obligations under the Subordinate Facilities Acquisition Agreement are subordinate to the Lennar Agreement and any other bonds issued by the District. No payments are to be made to the Developer until all obligations to reimburse Lennar under the Lennar Agreement have been satisfied in full. In the event that the District has not paid the Developer for any Verified Reimbursement Amount by December 31, 2043, any amount of principal and accrued interest outstanding on such date is to be deemed forever discharged and satisfied in full.

On August 29, 2022 an Agreement in the Nature of an Accord Concerning Developer Advance Agreements was signed, memorializing termination of the developer advance agreements and waiver of the district obligations.

**NOTE 8 TRANSFERS**

The District transferred \$130,000 from the General Fund to Special Revenue Fund to support the ongoing maintenance of District facilities.

**NOTE 9 RELATED PARTIES**

The Developer of the property which constitutes the District is TCIRATO, LLC. Certain members of the Board of Directors are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District. As of June 2022, there were no remaining members of the Board of Directors associated with the Developer.

The Homebuilder of the project is Lennar Colorado, LLC. Certain members of the Board of Directors are employees, owners, or otherwise associated with the Homebuilder, and may have conflicts of interest in dealing with the District. As of July 2022, there were no remaining members of the Board of Directors associated with the Homebuilder.

**ORCHARD FARMS METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 RISK MANAGEMENT**

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be 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 liability, property, workers' compensation, and public officials' liability coverage. 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 11 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which 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.

On November 6, 2007 and November 4, 2014, the District's voters approved for an annual increase in taxes of \$500,000 and \$5,000,000, respectively, for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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.

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.



## **SUPPLEMENTARY INFORMATION**

**ORCHARD FARMS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 795,017	\$ 795,017	\$ 796,033	\$ 1,016
Specific Ownership Taxes	55,651	41,700	56,700	15,000
Interest Income	1,163	2,800	11,255	8,455
Total Revenues	<u>851,831</u>	<u>839,517</u>	<u>863,988</u>	<u>24,471</u>
<b>EXPENDITURES</b>				
Bond Principal - 2017A Bonds	30,000	10,031,300	-	10,031,300
Bond Principal - 2017B Bonds	-	1,863,645	-	1,863,645
Bond Principal - 2017C Bonds	-	2,786,964	-	2,786,964
Cost of Issuance	-	388,875	383,650	5,225
County Treasurer's Fees	11,930	11,930	11,946	(16)
Interest - Series 2017A Bonds	560,050	576,585	280,025	296,560
Interest - Series 2017B Bonds	-	124,519	563,704	(439,185)
Interest - Series 2017C Bonds	-	214,905	913,069	(698,164)
Loan Interest - Series 2022	-	-	127,846	(127,846)
Loan Principal - Series 2022	-	-	165,000	(165,000)
Miscellaneous	-	57	729	(672)
Paying Agent Fees	7,500	7,500	5,500	2,000
Contingency	520	574,769	-	574,769
Total Expenditures	<u>610,000</u>	<u>16,581,049</u>	<u>2,451,469</u>	<u>14,129,580</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	241,831	(15,741,532)	(1,587,481)	14,154,051
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Issuance	-	14,700,000	14,330,000	(370,000)
2017 Refunding Escrow	-	-	(13,742,631)	(13,742,631)
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,700,000</u>	<u>587,369</u>	<u>(14,112,631)</u>
<b>NET CHANGE IN FUND BALANCE</b>	241,831	(1,041,532)	(1,000,112)	41,420
Fund Balance - Beginning of Year	<u>1,041,345</u>	<u>1,041,532</u>	<u>1,041,532</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,283,176</u>	<u>\$ -</u>	<u>\$ 41,420</u>	<u>\$ 41,420</u>

## **OTHER INFORMATION**

**ORCHARD FARMS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2022**

\$14,330,000 Tax - Exempt Refunding Loan, Series 2022  
Issue date September 16, 2022  
Principal Due Annually December 1  
Interest at 4.226%  
Due June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 130,000	\$ 598,613	\$ 728,613
2024	185,000	593,119	778,119
2025	195,000	585,301	780,301
2026	215,000	577,060	792,060
2027	225,000	567,974	792,974
2028	245,000	558,466	803,466
2029	260,000	548,112	808,112
2030	285,000	537,125	822,125
2031	300,000	525,081	825,081
2032	325,000	512,403	837,403
2033	340,000	498,668	838,668
2034	365,000	484,300	849,300
2035	385,000	468,875	853,875
2036	415,000	452,605	867,605
2037	435,000	435,067	870,067
2038	465,000	416,684	881,684
2039	485,000	397,033	882,033
2040	515,000	376,537	891,537
2041	540,000	354,773	894,773
2042	570,000	331,952	901,952
2043	580,000	327,825	907,825
2044	615,000	301,725	916,725
2045	645,000	274,050	919,050
2046	675,000	245,025	920,025
2047	710,000	214,650	924,650
2048	740,000	182,700	922,700
2049	775,000	149,400	924,400
2050	810,000	114,525	924,525
2051	850,000	78,075	928,075
2052	885,000	39,825	924,825
Total	<u>\$ 14,165,000</u>	<u>\$ 11,747,548</u>	<u>\$ 25,912,548</u>

**ORCHARD FARMS METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2022**

Year Ended <u>December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	Levied	Collected	
		2018	\$ 2,727,320	18.000	55.277	
2019	5,264,340	18.000	55.277	385,755	385,540	99.94
2020	8,885,760	18.000	55.664	654,561	654,186	99.94
2021	11,097,390	18.000	55.664	817,478	815,313	99.74
2022	14,282,420	18.000	55.664	1,052,101	1,053,446	100.13
Estimated for the Year Ending December 31, 2023	\$ 15,334,050	18.467	45.815	\$ 985,703		

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.