FIRST CREEK VILLAGE
METROPOLITAN DISTRICT
City and County of Denver, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2023

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2023

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Board of Directors
First Creek Village Metropolitan District
City and County of Denver, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of First Creek Village Metropolitan District (the "District"), as of and for the year ended December 31, 2023, 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 First Creek Village Metropolitan District as of December 31, 2023, 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

Management is responsible for the other information included in our report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and, 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

Wipfli LLP

Denver, Colorado
September 26, 2024

BASIC FINANCIAL STATEMENTS

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and Investments	$ 60,142
Cash and Investments - Restricted	708,153
Accounts Receivable - County Treasurer	3,301
Property Taxes Receivable	1,274,235
Capital Assets:	
Capital Assets Not Being Depreciated	2,877,843
Capital Assets, Net of Accumulated Depreciation	742,315
Total Assets	5,665,989
LIABILITIES	
Accounts Payable	19,854
Retainage Payable	8,875
Due to Town Center Metro District	51,158
Accrued Interest Payable	28,092
Noncurrent Liabilities:	
Due Within One Year	188,680
Due in More Than One Year	21,181,963
Total Liabilities	21,478,622
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,274,235
Total Deferred Inflows of Resources	1,274,235
NET POSITION	
Net Investment in Capital Assets	(114,072)
Restricted for:	
Emergencies (TABOR)	700
Debt Service	633,268
Unrestricted	(17,606,764)
Total Net Position	$ (17,086,868)

See accompanying Notes to Basic Financial Statements.

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues			Net (Expense) Revenue and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Government Activities:					
General Government	$ 297,731	$ -	$ -	$ -	$ (297,731)
Interest and Related Costs on Long-Term Debt	1,142,278	-	-	-	(1,142,278)
Total Governmental Activities	$ 1,440,009	$ -	$ -	$ -	(1,440,009)
GENERAL REVENUES					
Property Taxes					853,368
Specific Ownership Taxes					46,599
Net Investment Income					61,017
Total General Revenues					960,984
CHANGE IN NET POSITION					(479,025)
Net Position - Beginning of Year					(16,607,843)
NET POSITION - END OF YEAR					$ (17,086,868)

See accompanying Notes to Basic Financial Statements.

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 60,142	$ -	$ -	$ 60,142
Cash and Investments - Restricted	700	630,841	76,612	708,153
Accounts Receivable - County Treasurer	874	2,427	-	3,301
Property Tax Receivable	307,798	966,437	-	1,274,235
Total Assets	$ 369,514	$ 1,599,705	$ 76,612	$ 2,045,831
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ 19,854	$ 19,854
Retainage Payable	-	-	8,875	8,875
Due to Town Center Metro District	825	-	50,333	51,158
Total Liabilities	825	-	79,062	79,887
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	307,798	966,437	-	1,274,235
Total Deferred Inflows of Resources	307,798	966,437	-	1,274,235
FUND BALANCES				
Restricted for:				
Emergencies (TABOR)	700	-	-	700
Debt Service	-	633,268	-	633,268
Assigned to:				
Subsequent Year's Expenditures	30,312	-	-	30,312
Unassigned:	29,879	-	(2,450)	27,429
Total Fund Balances (Deficit)	60,891	633,268	(2,450)	691,709
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 369,514	$ 1,599,705	$ 76,612	
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.				3,620,158
Long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported in the funds.				
Bonds Payable				(18,481,000)
Bond Premium				(476,362)
Accrued Interest Payable on Senior Bonds				(28,092)
Accrued Interest Payable on Subordinate Bonds				(1,128,783)
Developer Advance Payable				(971,726)
Accrued Interest on Developer Advance Payable				(312,772)
Net Position of Governmental Activities				$ (17,086,868)

See accompanying Notes to Basic Financial Statements.

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	$ 225,887	$ 627,481	$ -	$ 853,368
Specific Ownership Taxes	12,335	34,264	-	46,599
Net Investment Income	5,893	36,121	19,003	61,017
Total Revenues	244,115	697,866	19,003	960,984
EXPENDITURES				
General Government:				
Intergovernmental Expenditures	222,972	-	-	222,972
County Treasurer's Fees	2,260	6,278	-	8,538
Debt Service:				
Bond Issue Costs	-	-	12,500	12,500
Bond Interest	-	341,750	-	341,750
Bond Principal	-	155,000	-	155,000
Paying Agent Fees	12,542	-	-	12,542
Capital Projects:				
Capital Outlay	-	-	342,548	342,548
Total Expenditures	237,774	503,028	355,048	1,095,850
NET CHANGE IN FUND BALANCES	6,341	194,838	(336,045)	(134,866)
Fund Balances - Beginning of Year	54,550	438,430	333,595	826,575
FUND BALANCES (DEFICIT) - END OF YEAR	$ 60,891	$ 633,268	$ (2,450)	$ 691,709

See accompanying Notes to Basic Financial Statements.

FIRST CREEK VILLAGE 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, 2023

Net Change in Fund Balances - Total Governmental Funds	$	(134,866)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful lives of the asset.		
Capital Outlay		342,548
Depreciation Expense		(72,499)
The issuance of long-term debt (e.g., bonds, receipt of 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:		
Bond Principal Payment		155,000
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 Payable on Senior Bonds - Change in Liability		387
Accrued Interest on Subordinate Bonds - Change in Liability		(730,650)
Accrued Interest on Developer Advances - Change in Liability		(68,021)
Current Year Amortization of Bond Premium		29,076
Change in Net Position of Governmental Activities	$	(479,025)

See accompanying Notes to Basic Financial Statements.

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 225,060	$ 225,887	$ 225,887	$ -
Specific Ownership Taxes	11,253	12,755	12,335	(420)
Net Investment Income	1,000	7,000	5,893	(1,107)
Total Revenues	237,313	245,642	244,115	(1,527)
EXPENDITURES				
Contingency	2,188	1,959	-	1,959
County Treasurer's Fees	2,251	2,260	2,260	-
Intergovernmental Expenditures	221,061	223,239	222,972	267
Paying Agent Fees	9,500	12,542	12,542	-
Total Expenditures	235,000	240,000	237,774	2,226
NET CHANGE IN FUND BALANCE	2,313	5,642	6,341	699
Fund Balance - Beginning of Year	52,513	54,560	54,550	(10)
FUND BALANCE - END OF YEAR	$ 54,826	$ 60,202	$ 60,891	$ 689

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

First Creek Village Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court of the City and County of Denver (the City) recorded on December 13, 2016 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized to provide financing for the construction and installation of all public infrastructure and services within and without the District, including streets, traffic and safety, water, sanitation, storm drainage, transportation, mosquito control, and park and recreation facilities. The District is also authorized to provide covenant enforcement and design review services. The District's Service Plan does not authorize the District to provide fire protection and other public safety services, operation of traffic control devices, or television relay and translations services. The District may provide security services pursuant to an intergovernmental agreement with the Denver Police Department. The District has entered into an intergovernmental agreement with Town Center Metropolitan District (Town) to provide ongoing operations and maintenance services for facilities within the District. The District's service area is located entirely within the City and County of Denver, Colorado (the City).

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

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

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 assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

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 instead 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.

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. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

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

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

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 ending December 31, 2023.

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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.

Capital Assets

Capital assets, which include property and infrastructure improvements, are reported in the government-wide financial statements. 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements, with the exception of landscaping improvements (trees, sod, and similar items) are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Any construction in process that will be dedicated to another entity is not depreciated.

Depreciation expense has been computed using the straight-line method over the following economic useful lives:

Fencing	15 Years
Landscape Improvements	15 Years
Mailboxes	10 Years

Original Issue Discount/Premium

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

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

Deferred Inflow 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 one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

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

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.

Deficits

The Capital Projects Fund reported a deficit in the fund financial statements as of December 31, 2023. The deficit will be eliminated with the receipt of Developer advances in 2024.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	60,142
Cash and Investments - Restricted		708,153
Total Cash and Investments	$	768,295

Cash and investments as of December 31, 2023, consist of the following:

Deposits with Financial Institutions	$	116
Investments		768,179
Total Cash and Investments	$	768,295

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, 2023, the District's cash deposits had a bank balance and a carrying balance of $116.

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.

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, 2023, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	$ 125,877
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	Weighted-Average Under 60 Days	642,302
Total		$ 768,179

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 CASH FUND 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.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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 AAAmmf 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 at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE 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.

A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor’s. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

	Balance - December 31, 2022	Additions	Transfers and Retirements	Balance - December 31, 2023
By Classification				
Capital Assets, Not Being Depreciated:				
Construction in Process	$ 1,855,643	$ -	$ -	$ 1,855,643
Landscaping	679,652	342,548	-	1,022,200
Total Capital Assets, Not Being Depreciated	2,535,295	342,548	-	2,877,843
Capital Assets, Being Depreciated				
Landscaping	412,627	-	-	412,627
Fencing	599,959	-	-	599,959
Mail Boxes	49,933	-	-	49,933
Total Capital Assets, Being Depreciated	1,062,519	-	-	1,062,519
Less: Accumulated Depreciation For:				
Landscaping	(93,989)	(27,509)	-	(121,498)
Fencing	(136,657)	(39,997)	-	(176,654)
Mail Boxes	(17,059)	(4,993)	-	(22,052)
Total Accumulated Depreciation	(247,705)	(72,499)	-	(320,204)
Total Capital Assets, Being Depreciated, Net	814,814	(72,499)	-	742,315
Capital Assets, Net	$ 3,350,109	$ 270,049	$ -	$ 3,620,158

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
General Government	$ 72,499
Total Depreciation Expense - Governmental Activities	$ 72,499

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, 2023:

	Balance - December 31, 2022	Additions	Retirements	Compounding of Unpaid Interest	Balance - December 31, 2023	Due Within One Year
Governmental Activities:						
Bonds Payable:						
General Obligation Series 2019A	$ 7,305,000	$ -	$ 155,000	$ -	$ 7,150,000	$ 160,000
Subtotal of Bonds Payable	7,305,000	-	155,000	-	7,150,000	160,000
Bonds From Direct Borrowings and Direct Placements:						
Subordinate Bonds - Series 2019B	1,550,000	-	-	-	1,550,000	-
Jr. Lien Subordinate Cash Flow Bonds - Series 2022C(3)	9,781,000	-	-	-	9,781,000	-
Accrued Interest on:						
Subordinate Bonds - Series 2019B	383,747	130,138	-	390	514,275	-
Jr. Lien Subordinate Cash Flow Bonds - Series 2022C(3)	14,386	586,860	-	13,262	614,508	-
Subtotal of Bonds From Direct Borrowings and Direct Placements	11,729,133	716,998	-	13,652	12,459,783	-
Other Debts:						
Developer Advances - Capital	971,726	-	-	-	971,726	-
Accrued Interest on:						
Developer Advances - Capital	244,751	68,021	-	-	312,772	-
Subtotal of Other Debts	1,216,477	68,021	-	-	1,284,498	-
Bond Premium	505,438	-	29,076	-	476,362	28,680
Total Long-Term Obligations	$ 20,756,048	$ 785,019	$ 184,076	$ 13,652	$ 21,370,643	$ 188,680

2019 General Obligation Bonds

On August 13, 2019, the District issued Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A (Senior Bonds) in the amount of $7,775,000; Subordinate Limited Tax General Obligation Bonds, Series 2019B (Subordinate Bonds) in the amount of $1,550,000; and Junior Lien Limited Tax General Obligation Bonds, Series 2019C (Junior Lien Bonds, and together with the Senior Bonds and the Subordinate Bonds, the Bonds) in the amount of $2,180,000.

The Bonds are not subject to early termination or acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

Events of Default of the Bonds

Events of default on the Senior Bonds occur if the District fails to impose the Senior Required Mill Levy, or to apply the Senior Pledged Revenues as required by the Senior Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Senior Indenture.

Events of default on the Subordinate Bonds occur if the District fails to impose the Subordinate Required Mill Levy, or to apply the Subordinate Pledged Revenues as required by the Subordinate Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Subordinate Indenture.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2019 General Obligation Bonds (Continued)

Events of Default of the Bonds (Continued)

Events of default on the Junior Lien Bonds occur if the District fails to impose the Junior Lien Required Mill Levy, or to apply the Junior Lien Pledged Revenues as required by the Junior Lien Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Junior Lien Indenture.

Acceleration of the Senior Bonds shall not be an available remedy for an Event of Default.

Proceeds of the Senior Bonds were used to: (i) finance public improvements related to a primarily residential development in Denver; and (ii) pay other costs in connection with the issuance of the Bonds. Proceeds of the Subordinate Bonds were used to finance additional public improvements related to the development. The Junior Lien Bonds were issued in exchange for extinguishing a like amount of reimbursable costs due to the Developer.

The Senior Bonds were issued as three term bonds that bear interest at rates ranging from 3.00% to 5.00%, with maturities of December 1, 2029, December 1, 2039, and August 1, 2049. The Senior Bonds have an arbitrage yield of 3.32%. The Senior Bonds are payable semiannually on June 1 and December 1 of each year commencing December 1, 2019 and mature on August 1, 2049. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019.

The Subordinate Bonds bear interest at 6.750% and mature on August 1, 2049. The Subordinate Bonds constitute subordinate “cash flow” bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Subordinate Pledged Revenue is available for payment. Principal and interest payments are due on the Subordinate Bonds on each December 15 through December 15, 2048, and on August 1, 2049, only to the extent of available Subordinate Pledged Revenue.

In the event that any amount of principal of or interest on the Subordinate Bonds remains unpaid after the application of all available Subordinate Pledged Revenue on December 15, 2059, the Subordinate Bonds shall be deemed discharged and shall no longer be due and outstanding.

The Junior Lien Bonds bear interest at 6.00% and mature on August 1, 2049. The Junior Lien Bonds constitute junior lien “cash flow” bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Junior Lien Pledged Revenue is available for payment. Principal and interest payments are due on the Junior Lien Bonds on each December 15 through December 15, 2048, and on August 1, 2049, only to the extent of available Junior Lien Pledged Revenue.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2019 General Obligation Bonds (Continued)

In no event are any amounts to be paid on the Junior Lien Bonds until such time as there has been paid in full or defeased the Subordinate Bonds. In the event that any amount of principal of or interest on the Junior Lien Bonds remains unpaid after the application of all available Junior Lien Pledged Revenue on December 15, 2059, the Junior Lien Bonds shall be deemed discharged and shall no longer be due and outstanding.

The Junior Lien Bonds were paid in full on December 22, 2022 upon issuance of the 2022 Junior Lien Bonds (detailed below).

Optional Redemption

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

Date of Redemption	Redemption Premium
September 1, 2024, to August 31, 2025	3.00%
September 1, 2025, to August 31, 2026	2.00
September 1, 2026, to August 31, 2027	1.00
September 1, 2027, and thereafter	0.00

Pledged Revenue

The Bonds are payable solely from and to the extent of the Pledged Revenue, generally defined in the Indentures as the following, net of any costs of collection: (a) all Property Tax Revenues derived from the applicable Required Mill Levies; (b) all Specific Ownership Tax Revenues generated from the imposition of the Required Mill Levies; (c) all Capital Fees, if any; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the appropriate Bond Fund.

Required Mill Levies

Prior to the Conversion Date, the District has covenanted to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount that generates Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds, but not in excess of 50 mills (subject to adjustment for changes in the method of calculating assessed valuation occurring after January 1, 2016). The District imposed a debt mill levy of 57.110 for collection in 2023.

The Conversion Date is the date on which the Debt to Assessed Ratio is 50% or less and no amounts of principal or interest on the Senior Bonds are unpaid. On and after the Conversion Date, the Senior Required Mill Levy is the amount that generates Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds, without limitation of rate.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Required Mill Levies (Continued)

The Subordinate Required Mill Levy is 50 mills (as adjusted) less the Senior Required Mill Levy, or such lesser amount that will generate Subordinate Property Tax Revenues which will pay the Subordinate Bonds in full.

The Junior Lien Required Mill Levy is 50 mills (as adjusted) less the Senior and Subordinate Required Mill Levies, or such lesser amount that will generate Junior Lien Property Tax Revenues which will pay the Junior Lien Bonds in full.

Senior Surplus Fund

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of $777,500. The Senior Surplus Fund will be terminated upon the Conversion Date and any monies therein applied to any legal purpose of the District. The District has acknowledged that state law places certain restrictions on the use of money derived from the Senior Required Mill Levy.

Amounts on deposit in the Senior Surplus Fund (if any) on the final maturity date of the Senior Bonds shall be applied to the payment of the Senior Bonds. The availability of such amount shall be taken into account in calculating the Senior Required Mill Levy required to be imposed in December 2048 for collection in calendar year 2049.

Remaining amounts released from the Senior Surplus Fund after the termination of such fund are pledged to the payment of the Subordinate Bonds.

The District's 2019 Senior Bonds will mature as follows. The 2019 Subordinate and Junior Lien Bonds are cash flow bonds, hence their maturity cannot be predicted with certainty.

Unused Lines of Credit

The Series 2019 General Obligation Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the Series 2019 General Obligation Bonds.

Events of Dfault

Events of default occur if the Districts fail to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indentures.

Termination Events

The Series 2019 General Obligation Bonds do not have a termination provision.

Acceleration

The Series 2019 General Obligation Bonds are not subject to acceleration.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The District's senior long-term obligations mature as follows:

Year Ending December 31,	Principal	Interest	Total
2024	$ 160,000	$ 337,100	$ 497,100
2025	165,000	332,300	497,300
2026	165,000	327,350	492,350
2027	170,000	322,400	492,400
2028	175,000	317,300	492,300
2029 - 2033	1,005,000	1,479,050	2,484,050
2034 - 2038	1,270,000	1,206,750	2,476,750
2039 - 2043	1,620,000	855,750	2,475,750
2044 - 2048	2,060,000	409,000	2,469,000
2049	360,000	12,000	372,000
Total	$ 7,150,000	$ 5,599,000	$ 12,749,000

Junior Lien Limited Tax General Obligation Refunding and Improvement Bonds Series 2022C(3)

On December 22, 2022, the District issued Junior Lien Limited Tax General Obligation Refunding and Improvement Bonds, Series 2022C(3) (2022 Junior Lien Bonds) in the amount of $9,781,000.

The Bonds are not subject to early termination or acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

Events of Default of the 2022 Junior Lien Bonds

Events of default on the Junior Lien Bonds occur if the District fails to impose the Junior Lien Required Mill Levy, or to apply the Junior Lien Pledged Revenues as required by the Junior Lien Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Junior Lien Indenture.

Acceleration of the Senior Bonds shall not be an available remedy for an Event of Default.

Proceeds of the 2022 Junior Lien Bonds were used to: (i) repay Developer advances; (ii) refund the outstanding 2019 Junior Lien Bonds; and (iii) pay other costs in connection with the issuance of the 2022 Junior Lien Bonds.

The 2022 Junior Lien Bonds bear interest at 6.00% and mature on December 15, 2052. The 2022 Junior Lien Bonds constitute junior lien "cash flow" bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Junior Lien Pledged Revenue is available for payment. Principal and interest payments are due on each December 15 through December 15, 2052, only to the extent of available Junior Lien Pledged Revenue.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Optional Redemption

The 2022C Junior Lien Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $1,000, on any date upon payment of par and accrued interest to the redemption date, without redemption premium.

Junior Lien Pledged Revenue

The 2022C) Junior Lien Bonds are secured by and payable solely from and to the extent of Junior Lien Pledged Revenue, which includes: (i) all Junior Lien Property Tax Revenues; (ii) all Junior Lien Specific Ownership Tax Revenues; (iii) all Junior Lien Capital Fee Revenue, and; (iv) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Junior Lien Bond Fund.

Junior Lien Required Mill Levy

Pursuant to the Indenture, the District has covenanted to impose a Junior Lien Required Mill Levy upon all taxable property of the District each year in an amount which will fund the Junior Lien Bond Fund in an amount sufficient to pay all of the principal of and interest on the 2022C) Junior Lien Bonds in full, but not in excess of 50.000 mills, less the Senior/Subordinate Required Mill Levy (subject to adjustment for changes in the method of calculating assessed valuation on or after January 1, 2016).

Developer Advances

On January 1, 2017, the District entered into an Advance, Acquisition and Reimbursement Agreement (the Agreement) with Clayton Properties Group II, Inc., a Colorado corporation, doing business as Oakwood Homes, LLC, a Colorado limited liability company, (collectively the Developer). Under the Agreement, the Developer agreed to finance the planning, design, engineering, construction, installation, and completion of certain public improvements on behalf of the District. All public improvements have been or will be constructed, installed and completed in conformance with all duly approved designs, plans and specifications and the requirements, standards and specifications of the District and the City. Additionally, the Developer may, in its sole discretion, advance sums to pay the costs of public improvements and any management, operating and administrative expenses. Principal and interest at the rate of 7% per annum will be repaid by the District subject to annual appropriation from eligible revenues which is not otherwise appropriated, obligated, pledged or reserved for other purposes.

At December 31, 2023, the amount due to the Developer under the Agreement was $1,284,498, which includes $312,772 of accrued interest.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 8, 2016, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $1,050,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 8, 2016	Authorization Used by Series 2019 Bonds	Authorization Used by Series 2022C(3) Bonds	Authorized But Unissued as of December 31, 2023
Street Improvements	$ 105,000,000	$ 4,956,708	$ 3,230,770	$ 96,812,522
Water System	105,000,000	2,009,653	951,583	102,038,764
Storm and Sanitary Sewer System	105,000,000	2,127,823	1,091,212	101,780,965
Parks and Recreation	105,000,000	2,410,816	1,856,002	100,733,182
Safety Protection	105,000,000	-	-	105,000,000
Public Transportation	105,000,000	-	-	105,000,000
Operations and Maintenance	105,000,000	-	-	105,000,000
Debt Refunding	315,000,000	-	2,651,433	312,348,567
Total	$ 1,050,000,000	$ 11,505,000	$ 9,781,000	$ 1,028,714,000

The District's Service Plan limits the total debt issuance of the District to $45,000,000, with a maximum debt mill levy of 50.000 mills.

NOTE 6 INTERGOVERNMENTAL AGREEMENTS

District Facilities Agreement

On September 1, 2017, the District entered into a District Facilities Agreement (the District Facilities Agreement) with Town Center Metropolitan District (Town Center). The purpose of the District Facilities Agreement is to set forth the rights and obligations of the District to fund the operation and maintenance of certain facilities and services that benefit both the District and Town Center. The District Facilities Agreement states that "facilities" include all facilities and improvements contemplated by the Service Plan, generally consisting of street, traffic and safety control, water, sanitation, storm water drainage, parks and recreation, transportation, and mosquito control improvements.

The District is obligated to impose an annual operations and maintenance mill levy not to exceed 17 mills (subject to adjustment). The District imposed a mill levy to fund operations and maintenance in the amount of 20.559 mills for collection in 2023, of which 19.417 mills and the associated specific ownership taxes has been transferred to Town Center per the terms of the District Facilities Agreement.

NOTE 7 NET POSITION

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

The net investment in capital assets component of net position consists of capital assets that are owned by the District, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. As of December 31, 2023, the District had net investment in capital assets calculated as follows.

Net Investment in Capital Assets:	
Capital Assets, Net	$ 3,620,158
Current Portion of Long-Term Obligations	(30,737)
Noncurrent Portion of Long-Term Obligations	(3,706,296)
Unspent Bond Proceeds	2,804
Net Investment in Capital Assets:	$ (114,072)

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. As of December 31, 2023, the District had restricted net position of $700 for TABOR Emergency Reserves and $633,268 for Debt Service.

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 8 RELATED PARTIES

The Developer of the property which constitutes the District is Clayton Properties Group II, Inc. The members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District.

NOTE 9 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the 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.

NOTE 9 RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for liability, property 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 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations 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 8, 2016, District voters approved a mill levy increase to generate property taxes of up to $1,000,000 annually to pay, in part, the District's general cost of operations and maintenance. The mill levy is on all taxable property within the District for collection in 2016 and each year thereafter. Furthermore, the voters authorized the District to collect and expend levied taxes and any other income of the District without regard to any limitations imposed by 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 transfers all of its TABOR related revenue to Town Center. Therefore, the Emergency Reserve associated with revenue is not reported in the District.

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

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 625,188	$ 627,481	$ 2,293
Specific Ownership Taxes	31,260	34,264	3,004
Net Investment Income	7,000	36,121	29,121
Total Revenues	663,448	697,866	34,418
EXPENDITURES			
Bond Interest - Series 2019A	341,750	341,750	-
Bond Principal - Series 2019A	155,010	155,000	10
County Treasurer's Fees	6,252	6,278	(26)
Contingency	1,988	-	1,988
Total Expenditures	505,000	503,028	1,972
NET CHANGE IN FUND BALANCE	158,448	194,838	36,390
Fund Balance - Beginning of Year	433,876	438,430	4,554
FUND BALANCE - END OF YEAR	$ 592,324	$ 633,268	$ 40,944

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Net Investment Income	$ -	$ 21,000	$ 19,003	$ (1,997)
Total Revenues	-	21,000	19,003	(1,997)
EXPENDITURES				
Bond Issue Costs	-	12,500	12,500	-
Landscaping	-	343,500	342,548	952
Total Expenditures	-	356,000	355,048	952
NET CHANGE IN FUND BALANCE	-	(335,000)	(336,045)	(1,045)
Fund Balance - Beginning of Year	-	335,000	333,595	(1,405)
FUND BALANCE (DEFICIT) - END OF YEAR	$ -	$ -	$ (2,450)	$ (2,450)

OTHER INFORMATION

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023

	$7,775,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds Series 2019A Interest Rate of 3.00% to 5.00% (Arbitrage Yield of 3.32%) Payable June 1 and December 1 Principal Due December 1		
Year Ending December 31,	Principal	Interest	Total
2024	$ 160,000	$ 337,100	$ 497,100
2025	165,000	332,300	497,300
2026	165,000	327,350	492,350
2027	170,000	322,400	492,400
2028	175,000	317,300	492,300
2029	185,000	312,050	497,050
2030	190,000	306,500	496,500
2031	200,000	297,000	497,000
2032	210,000	287,000	497,000
2033	220,000	276,500	496,500
2034	230,000	265,500	495,500
2035	240,000	254,000	494,000
2036	255,000	242,000	497,000
2037	265,000	229,250	494,250
2038	280,000	216,000	496,000
2039	295,000	202,000	497,000
2040	305,000	187,250	492,250
2041	325,000	172,000	497,000
2042	340,000	155,750	495,750
2043	355,000	138,750	493,750
2044	375,000	121,000	496,000
2045	390,000	102,250	492,250
2046	410,000	82,750	492,750
2047	430,000	62,250	492,250
2048	455,000	40,750	495,750
2049	360,000	12,000	372,000
Total	$ 7,150,000	$ 5,599,000	$ 12,749,000

FIRST CREEK VILLAGE METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Prior Year Net Assessed Valuation for Current Year Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt	Levied	Collected	
2019	$ 4,040,700	27.639	55.278	$ 335,043	$ 334,925	99.96 %
2020	9,715,330	20.000	55.664	735,101	734,582	99.93
2021	10,766,350	18.000	55.664	793,092	792,402	99.91
2022	11,387,600	18.000	55.664	838,856	835720	99.63
2023	10,947,080	20.559	57.110	850,249	853,368	100.37
Estimated for the Year Ending December 31, 2024	$ 14,971,450	20.559	64.552	$ 1,274,235		

NOTE:
Property taxes shown as collected in any one year include collection of delinquent property taxes or abatements of property taxes assessed in prior years. This presentation does not attempt to identify specific years of assessments.