

WESTCREEK METROPOLITAN DISTRICT NOS. 1 AND 2

NOTICE IS HEREBY GIVEN that the Consolidated Annual Meeting of the Westcreek Metropolitan District Nos. 1 and 2, Douglas County, Colorado, has been scheduled to take place on Friday, November 22, 2024

**Two Denver Tech Center
5290 DTC Parkway, Suite 100, Greenwood Village, CO 80111.**

AGENDA

- 1. Call to Order**
- 2. Annual Meeting Presentation Per SB 23-110**
 - a. Review of Infrastructure Projects**
 - b. Outstanding Bonds**
 - c. Review of Year to Date Financial Statements**
- 3. Public Input**
- 4. Adjourn**

WESTCREEK METRO DISTRICT NO. 1

FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

Westcreek Metro District No. 1
Balance Sheet - Governmental Funds
September 30, 2024

	General	Debt Service	Total
Assets			
Checking Account	\$ 7,865.91	\$ -	\$ 7,865.91
CSAFE	48,309.75	5,588.75	53,898.50
Receivable from County Treasurer	347.93	2,446.85	2,794.78
Total Assets	\$ 56,523.59	\$ 8,035.60	\$ 64,559.19
 Liabilities			
Accounts Payable	\$ 5,397.46	\$ -	\$ 5,397.46
Due to Other Districts	-	8,035.60	8,035.60
Total Liabilities	5,397.46	8,035.60	13,433.06
 Fund Balances	51,126.13	-	51,126.13
 Liabilities and Fund Balances	\$ 56,523.59	\$ 8,035.60	\$ 64,559.19

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Westcreek Metro District No. 1
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 36,420.00	\$ 36,223.97	\$ 196.03
Specific ownership taxes	3,278.00	2,043.82	1,234.18
Interest Income	1,500.00	2,106.47	(606.47)
Other Revenue	-	919.10	(919.10)
Total Revenue	<u>41,198.00</u>	<u>41,293.36</u>	<u>(95.36)</u>
Expenditures			
Accounting	23,200.00	12,945.38	10,254.62
County Treasurer's Fee	546.00	545.10	0.90
Dues and Membership	400.00	279.63	120.37
Insurance	2,700.00	2,540.00	160.00
Legal	8,000.00	2,838.48	5,161.52
Contingency	1,575.00	-	1,575.00
Total Expenditures	<u>36,421.00</u>	<u>19,148.59</u>	<u>17,272.41</u>
Net Change in Fund Balances	4,777.00	22,144.77	(17,367.77)
Fund Balance - Beginning	30,134.00	28,981.36	1,152.64
Fund Balance - Ending	<u>\$ 34,911.00</u>	<u>\$ 51,126.13</u>	<u>\$ (16,215.13)</u>

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SUPPLEMENTARY INFORMATION

Westcreek Metro District No. 1
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 256,141.00	\$ 254,762.30	\$ 1,378.70
Specific ownership taxes	23,053.00	14,373.37	8,679.63
Interest Income	-	1,479.90	(1,479.90)
Other Revenue	5,000.00	-	5,000.00
Total Revenue	<u>284,194.00</u>	<u>270,615.57</u>	<u>13,578.43</u>
Expenditures			
County Treasurer's Fee	3,842.00	3,835.68	6.32
Contingency	5,000.00	-	5,000.00
Intergovernmental Expenditures	275,352.00	266,779.89	8,572.11
Total Expenditures	<u>284,194.00</u>	<u>270,615.57</u>	<u>13,578.43</u>
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

WESTCREEK METRO DISTRICT NO. 1
Schedule of Cash Position
September 30, 2024
Updated as of November 14, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Funds</u>
<u>1st Bank</u>			
Balance as of 09/30/24	\$ 7,865.91	\$ -	\$ 7,865.91
<i>Subsequent events:</i>			
10/22/2024 Payables Bill.com	(3,007.96)	-	(3,007.96)
<i>Anticipated events:</i>			
<i>Payables Bill.com</i>	(489.50)	-	(489.50)
Anticipated Balance	<u>4,368.45</u>	<u>-</u>	<u>4,368.45</u>
<u>CSAFE</u>			
Balance as of 09/30/24	48,309.75	5,588.75	53,898.50
<i>Subsequent events:</i>			
10/10/2024 Property Tax	347.93	2,446.85	2,794.78
10/23/2024 Transfer to WCMD 2	-	(5,588.75)	(5,588.75)
10/31/2024 Interest Income	204.90	23.70	228.60
<i>Anticipated events:</i>			
<i>Property Tax</i>	447.65	3,148.29	3,595.94
<i>Transfer to WCMD 2</i>	-	(5,618.84)	(5,618.84)
Anticipated Balance	<u>49,310.23</u>	<u>-</u>	<u>49,310.23</u>
Total Anticipated Cash Balances	<u>\$ 53,678.68</u>	<u>\$ -</u>	<u>\$ 53,678.68</u>

Yield information: (as of 10/31/24)

CSAFE - 4.96%

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WESTCREEK METRO DISTRICT NO. 1
Property Taxes Reconciliation
2024

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Senate Bill Reimbursement	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
									Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 2,091.86	\$ -	\$ -	-	\$ -	\$ 2,091.86	0.00%	0.00%	10,437.65	4.02%	4.02%
February	146,495.66	-	1,779.46	-	(2,197.44)	-	-	146,077.68	50.07%	50.07%	103,172.43	46.55%	50.57%
March	2,417.82	-	1,658.41	-	(36.28)	-	-	4,039.95	0.83%	50.90%	1,916.53	0.06%	50.63%
April	3,284.36	-	1,810.77	-	(49.28)	-	-	5,045.85	1.12%	52.02%	7,523.70	2.76%	53.39%
May	3,052.99	-	1,745.76	15.90	(59.84)	919.10	-	5,673.91	1.04%	53.07%	2,488.18	0.28%	53.68%
June	132,687.02	-	1,734.63	5.09	(1,990.39)	-	-	132,436.35	45.35%	98.42%	102,350.74	46.20%	99.88%
July	982.32	-	1,914.87	29.47	(15.17)	-	-	2,911.49	0.34%	98.76%	2,048.09	0.12%	100.00%
August	1,081.88	-	1,904.58	43.28	(16.88)	-	-	3,012.86	0.37%	99.13%	1,916.31	0.00%	100.00%
September	984.22	-	1,776.85	49.21	(15.50)	-	-	2,794.78	0.34%	99.46%	1,671.43	0.00%	100.00%
October	1,575.14	-	1,956.57	89.20	(24.97)	-	-	3,595.94	0.54%	100.00%	1,765.51	0.00%	100.00%
November	-	-	-	-	-	-	-	-	0.00%	100.00%	1,806.27	0.00%	100.00%
December	-	-	-	-	-	-	-	-	0.00%	100.00%	1,326.68	0.00%	100.00%
Total	\$ 292,561.41	\$ -	\$ 18,373.76	\$ 232.15	\$ (4,405.75)	\$ 919.10	\$ -	\$ 307,680.67	100.00%	100.00%	\$ 238,423.52	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
\$ 36,420.00	12.45%	\$ 36,420.05	100.00%
256,141.00	87.55%	256,141.36	100.00%
\$ 292,561.00	100.00%	\$ 292,561.41	100.00%

Property Tax

General Fund
Debt Service Fund

Specific Ownership Tax

General Fund
Debt Service Fund

Treasurer's Fees

General Fund
Debt Service Fund

Senate Bill Reimbursement

General Fund
Debt Service Fund

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WESTCREEK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized by Court Order dated January 9, 2007, to provide financing for the planning, design, acquisition, construction, installation, relocation, and redevelopment of all powers of a metropolitan district as described in Colorado statutes and the Colorado Constitution except for certain limitations which have been placed upon fire protection and television relay and translation within the District's Service Plan. The District was organized in conjunction with Westcreek Metropolitan District No. 2 (District No. 2) (collectively the "Districts"). The District's service area is located entirely within the Town of Parker in Douglas County, Colorado.

On November 7, 2006, District voters approved authorization to increase property tax up to \$100,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District and \$1,000,000, annually for intergovernmental agreements. Debt authorization was approved in the amount of \$36,000,000 for the above listed facilities, \$6,000,000 for refunding debt, and \$6,000,000 for the cost of operating and maintaining the District's systems. Additionally, amounts were authorized for intergovernmental contracts of \$6,000,000. The election also provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law. Additionally, on November 4, 2008, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$105,000,000. This includes an additional \$15,000,000 each for streets, parks and recreation, water facilities, sanitation systems, transportation systems, safety protection and operation and maintenance. Debt authorization was also increased to \$15,000,000 for refunding debt as well as \$15,000,000 for intergovernmental agreements. However, within the service plan for the District, the total debt that the District is permitted to issue shall not exceed \$5,900,000. The service plan defines District debt to mean bonds or other obligations for the payment of which the District has promised to impose an ad valorem property tax mill levy. The service plan also limits the mill levy to 35 mills less the number of mills necessary to pay operations and maintenance expenses and less the number of mills necessary to pay unlimited mill levy debt.

The District approved the first amendment to the service plan and the first amendment to the Intergovernmental Agreement with the Town of Parker on January 24, 2011. According to the amended service plan, the District's debt is limited to an Intergovernmental Agreement with District No. 2 whereby the District pledges its mill levy and other revenue sources for the payment of District No. 2's debt. The total aggregate principal amount of debt permitted between the Districts shall not exceed \$7,800,000. Additionally, the service plan amendment for the District states that in no event shall any inclusions of property into or out of the District or District No. 2 result in the imposition of a maximum debt mill levy in excess of 35 mills on residential property and 50 mills on commercial property, as adjusted for changes in the residential assessment rate. With the exception of one parcel of land, the District will be solely residential. District No. 2 will comprise the remainder of the development and will be solely commercial.

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

**WESTCREEK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided – (Continued)

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

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

Category	Rate		Category	Rate		Actual Value Reduction	Amount
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%			

**WESTCREEK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Expenditures

Administrative and Operating Expenditures

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

Debt and Leases

The District's only debt is developer advances, which are not G.O. debt. On January 18, 2007, the District entered into a Financing and Reimbursement Agreement with BCP - Midtown Investments I, LLC (the Developer) to repay advances made by the Developer for costs related to construction of District facilities and operation of such facilities. The District agreed to repay the Developer for such advances plus accrued interest at a rate of 5% simple interest per annum for all advances. As of December 31, 2021, outstanding advances under the agreement totaled \$932,067 and accrued interest totaled \$128,418. Repayment is anticipated to come from the proceeds of the General Operations mill levy or future bond proceeds of the District or future bond proceeds of District No. 2. During 2012, Vectra Bank Colorado N.A. (Vectra) assumed the role of developer from BCP - Midtown Investments I, LLC. During 2014, Westcreek Metro District Holdings, LLC (WCMDLLC) assumed the role of Developer from Vectra.

The obligations under these reimbursement agreements are subject to availability and annual appropriation if and when eligible funds become available. Therefore, they are not considered "debt" within the meaning of the State Constitution.

Pursuant to a Senior Capital Pledge Agreement, the District will transfer property taxes, net of fees, derived from the debt service mill levy, together with specific ownership taxes, to Westcreek Metropolitan District No. 2 (District No. 2) to pay for the principal and interest on bonds issued by District No. 2 in 2019.

The District has no operating or capital leases.

**WESTCREEK METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2024, defined under TABOR.

This information is an integral part of the accompanying budget.

**Westcreek MD No. 1
Schedule of Developer Advances**

	Balance at December 31, 2022	Additions*	Payments*	Balance at December 31, 2023*
Developer advance payable	\$ 659,352	\$ -	\$ 36,117	\$ 623,235
Accrued interest on advances	916	32,967	33,883	-
	<u>\$ 660,268</u>	<u>\$ 32,967</u>	<u>\$ 70,000</u>	<u>\$ 623,235</u>
	Balance at December 31, 2023*	Additions*	Payments*	Balance at December 31, 2024*
Developer advance payable	\$ 623,235	\$ -	\$ -	\$ 623,235
Accrued interest on advances	-	31,162	-	31,162
	<u>\$ 623,235</u>	<u>\$ 31,162</u>	<u>\$ -</u>	<u>\$ 654,397</u>

*Estimated amounts

WESTCREEK METRO DISTRICT NO. 2

FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

Westcreek Metro District No. 2
Balance Sheet - Governmental Funds
September 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Assets			
Checking Account	\$ 6,531.17	\$ -	\$ 6,531.17
CSAFE	48,795.76	4,638.32	53,434.08
UMB Bond Fund	-	471,188.87	471,188.87
UMB Reserve Fund	-	325,256.02	325,256.02
Due from Other Districts	-	8,035.60	8,035.60
Total Assets	<u>\$ 55,326.93</u>	<u>\$ 809,118.81</u>	<u>\$ 864,445.74</u>
Liabilities			
Accounts Payable	\$ 19,692.24	\$ 4,000.00	\$ 23,692.24
Due to County Treasurer	1,973.30	11,983.32	13,956.62
Total Liabilities	<u>21,665.54</u>	<u>15,983.32</u>	<u>37,648.86</u>
Fund Balances	<u>33,661.39</u>	<u>793,135.49</u>	<u>826,796.88</u>
Liabilities and Fund Balances	<u>\$ 55,326.93</u>	<u>\$ 809,118.81</u>	<u>\$ 864,445.74</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Westcreek Metro District No. 2
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 36,417.00	\$ 33,897.91	\$ 2,519.09
Specific ownership taxes	3,278.00	2,043.80	1,234.20
Interest Income	1,300.00	1,987.58	(687.58)
Other Revenue	-	1,269.45	(1,269.45)
Total Revenue	<u>40,995.00</u>	<u>39,198.74</u>	<u>1,796.26</u>
Expenditures			
Accounting	24,000.00	15,683.19	8,316.81
Auditing	5,500.00	13,000.00	(7,500.00)
County Treasurer's Fee	546.00	510.97	35.03
Dues and Membership	300.00	279.63	20.37
Insurance	2,400.00	2,076.00	324.00
Legal	3,000.00	2,030.00	970.00
Contingency	675.00	-	675.00
Total Expenditures	<u>36,421.00</u>	<u>33,579.79</u>	<u>2,841.21</u>
Net Change in Fund Balances	4,574.00	5,618.95	(1,044.95)
Fund Balance - Beginning	26,608.00	28,042.44	(1,434.44)
Fund Balance - Ending	<u>\$ 31,182.00</u>	<u>\$ 33,661.39</u>	<u>\$ (2,479.39)</u>

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SUPPLEMENTARY INFORMATION

Westcreek Metro District No. 2
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 221,143.00	\$ 205,845.77	\$ 15,297.23
Specific ownership taxes	19,903.00	12,409.31	7,493.69
Interest Income	25,000.00	23,273.05	1,726.95
Intergovernmental Revenues	275,352.00	266,779.89	8,572.11
Total Revenue	<u>541,398.00</u>	<u>508,308.02</u>	<u>33,089.98</u>
Expenditures			
County Treasurer's Fee	3,317.00	3,104.22	212.78
Paying agent fees	4,000.00	4,000.00	-
Bond interest	419,250.00	209,625.00	209,625.00
Bond principal	100,000.00	-	100,000.00
Total Expenditures	<u>526,567.00</u>	<u>216,729.22</u>	<u>309,837.78</u>
Net Change in Fund Balances	14,831.00	291,578.80	(276,747.80)
Fund Balance - Beginning	502,710.00	501,556.69	1,153.31
Fund Balance - Ending	<u>\$ 517,541.00</u>	<u>\$ 793,135.49</u>	<u>\$ (275,594.49)</u>

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WESTCREEK METRO DISTRICT NO. 2
Schedule of Cash Position
September 30, 2024
Updated as of November 14, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<u>First Bank Checking</u>			
Balance as of 09/30/24	\$ 6,531.17	\$ -	\$ 6,531.17
Subsequent events:			
10/2/2024 Transfer from CSAFE	3,000.00	4,000.00	7,000.00
10/22/2024 Payables Bill.com	(3,955.74)	(4,000.00)	(7,955.74)
10/30/2024 Transfer from CSAFE	8,000.00	-	8,000.00
Anticipated events:			
<i>Payables Bill.com</i>	(7,036.50)	-	(7,036.50)
<i>Anticipated balance</i>	<u>6,538.93</u>	<u>-</u>	<u>6,538.93</u>
<u>CSAFE</u>			
Balance as of 09/30/24	48,795.76	4,638.32	53,434.08
Subsequent events:			
10/2/2024 Transfer to 1st Bank	(3,000.00)	(4,000.00)	(7,000.00)
10/23/2024 Transfer from WCMD1	-	5,588.75	5,588.75
10/30/2024 Transfer to 1st Bank	(8,000.00)	-	(8,000.00)
10/31/2024 Interest Income	185.02	17.59	202.61
Anticipated events:			
<i>Transfer from WCMD1</i>	-	5,618.84	5,618.84
<i>Transfer to UMB Bank</i>	-	(11,863.50)	(11,863.50)
<i>Anticipated balance</i>	<u>37,980.78</u>	<u>-</u>	<u>37,980.78</u>
<u>UMB - 2019 Bond Fund 518.1</u>			
Balance as of 09/30/24	-	471,188.87	471,188.87
Anticipated events:			
<i>Transfer from CSAFE</i>	-	11,863.50	11,863.50
<i>Anticipated balance</i>	<u>-</u>	<u>483,052.37</u>	<u>483,052.37</u>
<u>UMB - 2019 Reserve Fund 518.2</u>			
Balance as of 09/30/24	-	325,256.02	325,256.02
<i>Anticipated balance</i>	<u>-</u>	<u>325,256.02</u>	<u>325,256.02</u>
Total Anticipated Cash Balances	<u>\$ 44,519.71</u>	<u>\$ 808,308.39</u>	<u>\$ 852,828.10</u>

Yield information: (as of 09/30/24)

CSAFE - 5.19%
UMB - 4.95%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

WESTCREEK METRO DISTRICT NO. 2
Property Taxes Reconciliation
2024

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Senate Bill Reimbursement	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
									Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 1,841.60	\$ -	\$ -	\$ -	\$ 1,841.60	0.00%	0.00%	\$ 1,534.22	0.00%	0.00%	
February	88,628.50	-	1,566.57	-	(1,329.42)	-	88,865.65	34.41%	34.41%	84,305.66	41.32%	41.32%	
March	41,083.93	-	1,460.00	-	(616.26)	-	41,927.67	15.95%	50.36%	18,946.53	9.79%	51.11%	
April	21,580.88	-	1,594.14	-	(314.62)	-	22,860.40	8.38%	58.74%	14,237.53	6.42%	57.53%	
May	1,038.95	-	1,536.91	-	(43.71)	1,269.45	3,801.60	0.40%	59.14%	64,933.43	31.59%	89.12%	
June	105,834.25	-	1,527.11	-	(1,587.52)	-	105,773.84	41.09%	100.24%	15,625.81	7.04%	96.16%	
July	-	(18,422.83)	1,685.78	(736.91)	276.34	-	17,197.62	-7.15%	93.08%	1,628.42	0.00%	96.16%	
August	-	-	1,676.72	-	-	-	(1,676.72)	0.00%	93.08%	1,760.10	0.00%	96.16%	
September	-	-	1,564.28	-	-	-	(1,564.28)	0.00%	93.08%	1,535.19	0.00%	96.16%	
October	-	-	1,722.50	-	-	-	(1,722.50)	0.00%	93.08%	1,621.59	0.00%	96.16%	
November	-	-	-	-	-	-	-	0.00%	93.08%	1,659.04	0.00%	96.16%	
December	-	-	-	-	-	-	-	0.00%	93.08%	1,218.54	0.00%	96.16%	
Total	\$ 258,166.51	\$ (18,422.83)	\$ 16,175.61	\$ (736.91)	\$ (3,615.19)	\$ 1,269.45	\$ 12,234.12	\$ 265,070.76	93.08%	93.08%	\$ 209,006.06	96.16%	96.16%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 36,417.00	14.14%	\$ 33,897.91	93.08%
Debt Service Fund	221,143.00	85.86%	205,845.77	93.08%
Total	\$ 257,560.00	100.00%	\$ 239,743.68	93.08%

Specific Ownership Tax

General Fund	\$ 3,278.00	14.14%	\$ 2,287.38	69.78%
Debt Service Fund	19,903.00	85.86%	13,888.23	69.78%
Total	\$ 23,181.00	100.00%	\$ 16,175.61	69.78%

Treasurer's Fees

General Fund	\$ 546.00	14.13%	\$ 510.97	93.59%
Debt Service Fund	3,317.00	85.87%	3,104.22	93.59%
Total	\$ 3,863.00	100.00%	\$ 3,615.19	93.59%

Senate Bill Reimbursement

General Fund	\$ 1,269.45	100.00%	\$ 1,269.45	100.00%
Debt Service Fund	-	0.00%	-	0.00%
Total	\$ 1,269.45	100.00%	\$ 1,269.45	100.00%

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

WESTCREEK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized by Court Order dated January 9, 2007, to provide financing for the planning, design, acquisition, construction, installation, relocation, and redevelopment of all powers of a metropolitan district as described in Colorado statutes and the Colorado Constitution except for certain limitations which have been placed upon fire protection and television relay and translation within the District's Service Plan. The District was organized in conjunction with Westcreek Metropolitan District No. 1 (District No. 1) (collectively the "Districts"). The District's service area is located entirely within the Town of Parker in Douglas County, Colorado.

On November 7, 2006, District voters approved authorization to increase property tax up to \$100,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District and \$1,000,000, annually for intergovernmental agreements. Debt authorization was approved in the amount of \$12,000,000 for the above listed facilities, \$2,000,000 for refunding debt, and \$2,000,000 for the cost of operating and maintaining the District's systems. Additionally, amounts were authorized for intergovernmental contracts of \$2,000,000. The election also provided for intergovernmental agreements as multi-fiscal year obligations and allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law. Additionally, on November 4, 2008, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$105,000,000. This includes an additional \$15,000,000 each for streets, parks and recreation, water facilities, sanitation systems, transportation systems, safety protection and operations and maintenance. Debt authorization was also increased \$15,000,000 for refunding debt as well as \$15,000,000 for intergovernmental agreements. However, within the service plan for the District, the total debt that the District is permitted to issue shall not exceed \$1,900,000. The service plan limits the mill levy to 50.000 mills less the number of mills necessary to pay operations and maintenance expenses and less the number of mills necessary to pay unlimited mill levy debt.

The District approved the first amendment to the service plan and the first amendment to the Intergovernmental Agreement with the Town of Parker on January 24, 2011. According to the amended service plan, the District will issue bonds to finance the infrastructure that will benefit both District No. 1 and the District, and District No. 1 will pledge the revenue derived from its debt service mill levy and other revenue sources to the District. The total aggregate principal amount of debt permitted between the Districts shall not exceed \$7,800,000. Additionally, the service plan amendment for the District states that for the portion of any aggregate District debt which exceeds 50% of the District's assessed valuation, the maximum debt mill levy for such portion of debt shall be 50 mills less the number of mills necessary to pay operations and maintenance expenses and less the number of mills necessary to pay unlimited mill levy debt subject to changes in the ratio of actual valuation to assessed valuation. The amendment also says that in no event shall any inclusions of property into or out of District No. 1 or the District result in the imposition of a maximum debt mill levy in excess of 35 mills on residential property and 50 mills on commercial property. With the exception of one parcel of land,

**WESTCREEK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided – (Continued)

District No. 1 will be solely residential. The District will comprise the remainder of the development and will be solely commercial.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District is required to impose a Required Mill Levy of 40.000 mills for collection in 2024. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up and deficiencies in the Reserve Fund].

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

**WESTCREEK METROPOLITAN DISTRICT NO. 2
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:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
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 9% of the property taxes collected.

Net Investment Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 5%.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance, banking, and meeting expense.

County Treasurer’s Fees

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

**WESTCREEK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has outstanding the following bond issues:

Limited Tax General Obligation Bonds, Series 2019A. The District issued the Series 2019A Bonds on April 3, 2019, in the par amount of \$7,800,000. Proceeds from the sale of the Series 2019A Bonds were applied to: (a) pay for a portion of the costs of acquiring, constructing, and installing certain public improvements; (b) fund the Reserve Fund; (c) fund capitalized interest; and (d) pay the costs of issuance of the Series 2019A Bonds.

The Series 2019A Bonds bear interest at the rate of 5.375% and are payable semiannually on June 1 and December 1, commencing June 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2024. The Series 2019A Bonds mature on December 1, 2048.

To the extent the principal of any Series 2019A Bond is not paid when due, such principal will remain outstanding until paid and continue to bear interest at the rate borne by the Series 2019A Bond, subject to discharge on December 1, 2060.

To the extent interest is not paid when due, such interest shall compound semiannually on each June 1 and December 1. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Series 2019A Bonds.

Debt and Leases (Continued)

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

<u>Date of Redemption</u>	<u>Redemption Premium</u>
June 1, 2024, to May 31, 2025	3.00%
June 1, 2025, to May 31, 2026	2.00
June 1, 2026, to May 31, 2027	1.00
June 1, 2027, and thereafter	0.00

Pursuant to the Indenture, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District each year in an amount that maintains the Relative Required Mill Levy Ratio and that would generate Property Tax Revenues which, together with the Taxing District Senior Property Tax Revenues, will be sufficient to pay the principal of, premium if any, and interest on the Series 2019A Bonds (less any amounts on deposit in the Series 2019A Bond Fund and, solely to the extent provided in the Indenture, the Surplus Fund and the Reserve Fund) and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 50 mills (Adjusted) less the Administrative Expenses Deduction.

**WESTCREEK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

For so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount or any portion of the Surplus Fund is taken into account in determining the mill levy that would be sufficient to pay the principal of, premium if any, and interest on the Series 2019A Bonds, the District Required Mill Levy shall be equal to 40 mills (Adjusted), or such lesser amount that maintains the Relative Required Mill Levy Ratio which, if imposed by the District for collection in the succeeding calendar year, would, together with the Taxing District Senior Property Tax Revenues, generate Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Series 2019A Bonds, to replenish the Reserve Fund to the Reserve Requirement, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with the Taxing District Senior Property Tax Revenues and with moneys in the Bond Fund, the Surplus Fund, and the Reserve Fund, will pay the Series 2019A Bonds in full in the year such levy is collected.

Pursuant to a Senior Capital Pledge Agreement by and among the District, Westcreek District No. 1 (District No. 1 or the Taxing District), and the Trustee (the Senior Pledge Agreement), District No. 1 has covenanted to impose an ad valorem mill levy upon all taxable property of District No. 1 each year in an amount determined by the District that maintains the Relative Required Mill Levy Ratio and that would generate Taxing District Senior Property Tax Revenues, which, together with the District Property Tax Revenues, will be equal to the Annual

Financing Costs, but not in excess of 35 mills (Adjusted) less the Administrative Expenses Deduction.

For so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount (or to the extent otherwise required by any Additional Senior Obligation document to fund Financing Costs) or any portion of the Surplus Fund is taken into account in determining the mill levy that would be sufficient to pay the principal of, premium if any, and interest on the Series 2019A Bonds, the Taxing District Senior Required Mill Levy shall be equal to 30 mills (Adjusted), or such lesser amount determined by the District that maintains the Relative Required Mill Levy Ratio, which together with the District Property Tax Revenue, would generate Taxing District Senior Property Tax Revenue sufficient (A) (i) to pay the principal of, premium if any, and interest on the Series 2019A Bonds and any Additional Senior Obligations, (ii) to replenish the Reserve Fund to the Reserve Requirement and to replenish any reserve fund securing Additional Senior Obligations to the amount required by the applicable Additional Senior Obligation Document, and (iii) to fully fund the Surplus Fund to the Maximum Surplus Amount and to fund any other surplus fund securing Additional Senior Obligations to the amount required by the applicable Additional Senior Obligation Document, or (B) when combined with moneys then on deposit in the Series 2019A Bond Fund, the Reserve Fund, and the Surplus Fund, and any similar funds available and securing Additional Senior Obligations in accordance with the applicable Additional Senior Obligation Document, will pay the Series 2019A Bonds and such Additional Senior Obligations in full in the year such mill levy is collected.

**WESTCREEK METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Pursuant to the Indenture, the Relative Required Mill Levy Ratio means the relationship of the District Required Mill Levy and the Taxing District Senior Required Mill Levy imposed by the District and the Taxing District, respectively, vis a vis each other represented by the imposition of 40 mills (Gallagher-Adjusted) by the District and 30 mills (Adjusted) by the Taxing District (i.e., a ratio of 40 (Adjusted as necessary for the District): 30 (Adjusted as necessary for the Taxing District)). As a result of the reduction in the residential assessment ratio for the 2017 mill levy year, the Relative Required Mill Levy Ratio, as adjusted pursuant to the definition of the Taxing District Senior Required Mill Levy, is 33.166 mills for the Taxing District and 40.000 mills for the District as of the date of issuance of the Series 2019A Bonds.

Principal and interest payments in 2024 are provided based on a proposed debt amortization schedule for the anticipated 2019A Bonds.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2024, defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the 2019A Bonds.

The District maintains a Debt Service Surplus fund with a maximum of \$780,000 as required with the issuance of the 2019A Bonds.

This information is an integral part of the accompanying budget.

**WESTCREEK METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$7,800,000.00 General Obligation Limited Tax Refunding Bonds Dated April 3, 2019 Series 2019A Interest Rate of 5.375% Interest Due June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2024	\$ 100,000	\$ 419,250	\$ 519,250
2025	105,000	413,875	518,875
2026	120,000	408,231	528,231
2027	130,000	401,781	531,781
2028	145,000	394,794	539,794
2029	155,000	387,000	542,000
2030	170,000	378,669	548,669
2031	180,000	369,531	549,531
2032	200,000	359,856	559,856
2033	215,000	349,106	564,106
2034	235,000	337,550	572,550
2035	250,000	324,919	574,919
2036	275,000	311,481	586,481
2037	290,000	296,700	586,700
2038	315,000	281,113	596,113
2039	330,000	264,181	594,181
2040	360,000	246,444	606,444
2041	380,000	227,094	607,094
2042	415,000	206,669	621,669
2043	435,000	184,363	619,363
2044	470,000	160,981	630,981
2045	495,000	135,719	630,719
2046	535,000	109,113	644,113
2047	565,000	80,356	645,356
2048	930,000	49,988	979,988
	\$ 7,800,000	\$ 7,098,763	\$ 14,898,763

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.