

**MEADOWS METROPOLITAN DISTRICT NOS. 2-7
ANNUAL REPORT FOR REPORT YEAR 2023
TOWN OF CASTLE ROCK**

- A. A narrative summary of the progress of the Districts in implementing its service plan for the report year.**

The Consolidated Service Plan for Meadows Metropolitan Districts Nos. 1-7 was amended and restated on October 1, 1993. During the report year of 2023, Meadows Metropolitan District Nos. 2-7 continued with the development and build-out of the Meadows project and continued providing services to the portions of the projects as defined in the Consolidated Service Plan.

- B. Except when an exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of net position as of December 31 of the report year and the statement of activities for the report year.**

The Audits are attached as **Exhibit A**.

- C. Boundary Changes in the report year.**

No boundary changes were made during 2023 for any of the Districts.

- D. Intergovernmental Agreements entered into or terminated with other governmental entities during the report year.**

No Intergovernmental Agreements were entered into or terminated during the report year.

- E. Access Information to obtain a copy of rules and regulations adopted by the Boards.**

No rules and regulations or changes were adopted by the Districts in the report year of 2023.

- F. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year.**

Under agreements between the Districts comprising the Meadows Development, it is established that Meadows Metropolitan District No. 4 (Master District) will be the Master District for these Districts. The Master District is otherwise responsible for completion of all capital improvements within the Districts. However, the Districts are jointly responsible for financing.

The Master District did not construct any public improvements during the report year, and the capital projects to be undertaken in the next five years consist of parks and recreation improvements.

- G. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the Districts in the report year, the total assessed valuation of all taxable properties within the Districts as of January 1 of the report year, and the current mill levy of the Districts pledged to debt retirement in the report year.**

Meadows Metropolitan District Nos. 2 and 7 have incurred long term debt. Through the convention of the Regional Facilities Cost Sharing Agreement (reference Notes 6 and 7 of the audited financial statements) between the Districts, all of the Districts within The Meadows Planned Development are obligated for the repayment of the debts incurred by Meadows Metropolitan Districts Nos. 2 and 7.

Further information regarding current financial obligations, outstanding indebtedness, new indebtedness and the amount of payment or retirement of existing debts may be found within Notes 4 and 5 of the audited financial statements.

The assessed valuations as certified by the Douglas County Assessor in 2023 for the Districts are as follows:

	12/2023
Meadows Metropolitan District No. 2	\$ 53,747,850
Meadows Metropolitan District No. 3	\$ 50,502,370
Meadows Metropolitan District No. 4	\$ 2,090
Meadows Metropolitan District No. 4 Debt Only	\$ 7,571,190
Meadows Metropolitan District No. 5	\$ 49,432,490

Meadows Metropolitan District No. 6	\$ 88,239,120
Meadows Metropolitan District No. 7	\$ 66,993,650

Regarding the current mill levy pledged to debt retirement, refer to the audited financial statements.

H. The Districts' budgets for the calendar year in which the annual report is submitted.

See the attached adopted budgets for 2024 and, if appropriate, budget amendments for 2023 **Exhibit B**.

I. A summary of residential and commercial development which has occurred within the District for the report year.

Incorporated herein by reference is the Meadows Metropolitan District Nos. 2-7 2023 Facilities Development Fee Town Reimbursement Log ("Log"). It is the belief of the Districts that this Log accurately reflects a summary of the residential development within the Districts for the year of 2023. See **Exhibit C**.

J. A summary of all fees, charges and assessments imposed by the Districts as of January 1, of the report year.

During the report year, Meadows Metropolitan District No. 4 assessed a \$ 6,810 facilities development fee per lot, a \$ 3,812 capital reserve fee per lot, and a \$ 300 street oversizing fee per lot. Facilities development fee revenue generated during the report year, net of expenses, totaled \$ 860,868. Street oversizing fee revenue generated during the report year totaled \$ 42,122. Both fees were used for landscaping maintenance and debt service. The Town of Castle Rock retains a 0.25% administrative fee to cover its cost of collection on all facilities development fees it collects on behalf of the Districts.

K. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

None.

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

None.

M. Certification of the Board that no action, event or condition enumerated in Section 11.02.060 of this Chapter has occurred in the report year.

See certification below.

N. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board.

**BOARD OF DIRECTORS
MEADOWS METROPOLITAN DISTRICT NOS. 2, 4, 5, & 6
AS OF JANUARY 1, 2024**

NAME OF BOARD MEMBER	BUSINESS ADDRESS	BUSINESS TELEPHONE and/or E-mail
Kelly L. Beach	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Bruce Stokes	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Robert C. Hanisch Jr.	3033 East First Avenue, Suite 410 Denver, Colorado 8020	303/394-5500
Logan T. Jones	3033 East First Avenue, Suite 410 Denver, Colorado 80206	ljones@sturmgroup.com

**MEADOWS METROPOLITAN
DISTRICT NO. 3
AS OF JANUARY 1, 2024**

NAME OF BOARD MEMBER	BUSINESS ADDRESS	BUSINESS TELEPHONE and/or E-mail
Robert C. Hanisch Jr.	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Kelly L. Beach	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Logan T. Jones	3033 East First Avenue, Suite 410 Denver, Colorado 80206	ljones@sturmgroup.com
Bruce Stokes	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Connie Van Dorn	3033 East First Avenue, Suite 410 Denver, CO 80206	cjvandorn@msn.com

**BOARD OF DIRECTORS
MEADOWS METROPOLITAN
DISTRICT NO. 7
AS OF JANUARY 1, 2024**

NAME OF BOARD MEMBER	BUSINESS ADDRESS	BUSINESS TELEPHONE and/or E-mail
Logan T. Jones	3033 East First Avenue, Suite 410 Denver, Colorado 80206	ljones@sturmgroup.com
Kelly L. Beach	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500

Robert C. Hanisch Jr.	3033 East First Avenue, Suite 410 Denver, Colorado 80206	303/394-5500
Otis Jones	3033 East First Avenue, Suite 410 Denver, Colorado 80206	Ojones21@gmail.com
Bo Teichman	3033 East First Avenue, Suite 410 Denver, Colorado 80206	bo.teichman@gmail.com

GENERAL COUNSEL

Lisa K. Mayers (District Nos. 2-7)
c/o Spencer Fane LLP
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Denver, Colorado 80203
(303) 839-3800

ACCOUNTANT

Seef Le Roux
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111-2811
(303) 779-5710

MEETINGS

The Boards of Directors of District Nos. 2-7 have a regularly scheduled a meeting on the third Wednesday of November in 2024, held at The Taft House, 3750 Celestial Avenue, Castle Rock, Colorado, or at some other place as duly posted in compliance with statute including but not limited to virtual means.

CERTIFICATION

ON BEHALF OF THE BOARDS OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICTS NOS. 2-7, I HEREBY CERTIFY that no action, event or condition enumerated in Section 11.02.060 of the Intergovernmental Affairs Chapter for the Town of Castle Rock, Colorado, has occurred in the report year of 2023.

/s/ Lisa K. Mayers
Lisa K. Mayers, General Counsel Meadows
Metropolitan District Nos. 2- 7

Exhibit A
2023 Audits

**MEADOWS METROPOLITAN DISTRICT NO. 2
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 2
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	20
CAPITAL PROJECTS FUND – CONSERVATION TRUST FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	21
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	23



SCHILLING & COMPANY, INC.

Certified Public Accountants

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 2
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 2 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 2, 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. 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments - Restricted	\$ 16,573
Receivable - County Treasurer	8,413
Due from District No. 4	346,161
Property Taxes Receivable	<u>1,881,175</u>
Total Assets	<u>2,252,322</u>
LIABILITIES	
Due to District No. 4	8,413
Noncurrent Liabilities:	
Due in More than One Year	<u>147,868,063</u>
Total Liabilities	<u>147,876,476</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	<u>1,881,175</u>
Total Deferred Inflows of Resources	<u>1,881,175</u>
NET POSITION	
Restricted for:	
Debt Service	118,442
Capital Projects	244,292
Unrestricted	<u>(147,868,063)</u>
Total Net Position	<u><u>\$ (147,505,329)</u></u>

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 2
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 1,533,314	\$ -	\$ -	\$ -	\$ (1,533,314)
Culture and Recreation	-	-	27,349	-	27,349
Interest on Long-Term Debt	11,155,251	-	3,909,523	-	(7,245,728)
Total Governmental Activities	\$ 12,688,565	\$ -	\$ 3,936,872	\$ -	(8,751,693)
 GENERAL REVENUES					
Property Taxes					1,402,495
Specific Ownership Taxes					130,074
Interest Income					32,181
Total General Revenues					1,564,750
 CHANGE IN NET POSITION					
Net Position - Beginning of Year					(140,318,386)
 NET POSITION - END OF YEAR					
					\$ (147,505,329)

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 2
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Debt Service	Capital Projects - Conservation Trust	Total Governmental Funds
ASSETS				
Cash and Investments - Restricted	\$ -	\$ 16,573	\$ -	\$ 16,573
Receivable - County Treasurer	8,413	-	-	8,413
Due from District No. 4	-	101,869	244,292	346,161
Property Taxes Receivable	1,881,175	-	-	1,881,175
Total Assets	\$ 1,889,588	\$ 118,442	\$ 244,292	\$ 2,252,322
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to District No. 4	\$ 8,413	\$ -	\$ -	\$ 8,413
Total Liabilities	8,413	-	-	8,413
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	1,881,175	-	-	1,881,175
Total Deferred Inflows of Resources	1,881,175	-	-	1,881,175
FUND BALANCES				
Restricted for:				
Debt Service	-	118,442	-	118,442
Capital Projects	-	-	244,292	244,292
Total Fund Balances	-	118,442	244,292	362,734
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,889,588	\$ 118,442	\$ 244,292	
Amounts reported for governmental activities in the statement of net position are different because:				
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(23,830,000)
Accrued Interest Payable - Bonds				(124,038,063)
Net Position of Governmental Activities				\$ (147,505,329)

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects - Conservation Trust	Total Governmental Funds
REVENUES				
Property Taxes	\$ 1,402,495	\$ -	\$ -	\$ 1,402,495
Specific Ownership Taxes	130,074	-	-	130,074
Intergovernmental Revenue - District No. 4	-	3,909,523	-	3,909,523
Conservation Trust Entitlement	-	-	27,349	27,349
Interest Income	745	23,994	7,442	32,181
Total Revenues	<u>1,533,314</u>	<u>3,933,517</u>	<u>34,791</u>	<u>5,501,622</u>
EXPENDITURES				
Current:				
Intergovernmental Expenditure - District No. 4	1,512,265	-	-	1,512,265
County Treasurer's Fees	21,049	-	-	21,049
Debt Service:				
Bond Interest	-	3,873,297	-	3,873,297
Total Expenditures	<u>1,533,314</u>	<u>3,873,297</u>	<u>-</u>	<u>5,406,611</u>
NET CHANGE IN FUND BALANCES	-	60,220	34,791	95,011
Fund Balances - Beginning of Year	<u>-</u>	<u>58,222</u>	<u>209,501</u>	<u>267,723</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 118,442</u>	<u>\$ 244,292</u>	<u>\$ 362,734</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 2
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	\$ 95,011
Amounts reported for governmental activities in the statement of activities are different because:	
Certain expenses, including accrued interest on bonds, reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Bonds - Change in Liability	<u>(7,281,954)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (7,186,943)</u></u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 2
GENERAL FUND –
STATEMENT 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
REVENUES			
Property Taxes	\$ 1,402,649	\$ 1,402,495	\$ (154)
Specific Ownership Taxes	126,238	130,074	3,836
Interest Income	1,000	745	(255)
Other Income	20,113	-	(20,113)
Total Revenues	<u>1,550,000</u>	<u>1,533,314</u>	<u>(16,686)</u>
EXPENDITURES			
Current:			
Intergovernmental Expenditure - District No. 4	1,508,847	1,512,265	(3,418)
County Treasurer's Fees	21,040	21,049	(9)
Contingency	20,113	-	20,113
Total Expenditures	<u>1,550,000</u>	<u>1,533,314</u>	<u>16,686</u>
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Organization

Meadows Metropolitan District No. 2 (the District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (the Town). The District was established primarily to finance the construction of water, sewer, and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (the Project).

Meadows Metropolitan District No. 4 (District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related Districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby District No. 4 annually sets assessments to the other Districts and collects all operating revenues except for property taxes and certain restricted revenues of the related Districts.

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

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

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

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.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

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

Separate financial statements are provided for 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. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

The 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 - Conservation Trust Fund is used to account for financial resources to be used for the acquisition or construction and maintenance of recreational facilities.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District amended its annual budget for the year ended December 31, 2023.

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.

Deferred Inflows of Resources

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

Equity

Net Position

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

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Net Position (Continued)

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – this component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors, or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – the component of net position that does not meet the definitions above.

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.

**MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments - Restricted	\$ 16,573
Total Cash and Investments	\$ 16,573

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

Investments	\$ 16,573
Total Cash and Investments	\$ 16,573

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 had no cash deposits.

**MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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.

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:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Morgan Stanley Institutional Liquidity Fund - Treasury Securities Portfolio	Weighted-Average Under 90 Days	\$ 16,573

Morgan Stanley Institutional Liquidity Funds

The debt service money that is included in the trust accounts at United Missouri Bank is invested in the Morgan Stanley Institutional Liquidity Funds' Treasury Securities Portfolio. This portfolio is a money market fund that is managed by Morgan Stanley Investment Management and each share is equal in value to \$1.00. The fund is AAAM rated and invests exclusively in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury securities. The average maturity of the underlying securities is 90 days or less.

**MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Morgan Stanley Institutional Liquidity Funds (Continued)

The fund records its investments based in amortized costs. The District records its investment in fund using the net asset value method, There are no unfunded commitments, the redemption frequency is daily and there is not redemption notice period.

NOTE 4 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 January 1, 2023	Additions	Payments	Balance December 31, 2023	Due Within One Year
General Obligation Bonds:					
Series 1989B	\$ 23,830,000	\$ -	\$ -	\$ 23,830,000	\$ -
Accrued Interest	116,756,109	11,155,251	3,873,297	124,038,063	-
Total	<u>\$ 140,586,109</u>	<u>\$ 11,155,251</u>	<u>\$ 3,873,297</u>	<u>\$ 147,868,063</u>	<u>\$ -</u>

Additions to accrued interest include current interest, accrued interest, and compounded interest.

The details of the District’s long-term debt are as follows:

General Obligation Bonds, Series 1989B

The General Obligation Bonds, Series 1989B, are characterized as general obligation bonds with a “capped mill levy.” Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust, which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March 1, June 1, September 1 and December 1 of each year. Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The District's required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989B (Continued)

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term. However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993
5. Principal
6. Capital improvements

During 2023, under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6), District No. 4 computed District No. 2's net revenues available for debt service to be \$3,909,523.

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenues and cannot be predicted with certainty.

Regional Facilities Cost Sharing Agreement (see Note 6)

The District is liable for a portion of the total general obligation debt incurred by the other related Districts constituting the Project. At December 31, 2023, the total outstanding bond debt (for District Nos. 1, 2, and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on revenues and relative changes in assessed valuations among the seven Districts.

The District relies on the development of the entire Project to provide revenues and cash flows sufficient to allow the District to pay its debt service obligations and those of District Nos. 1 and 7 in future years. System development fees and property taxes will depend on future development and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

**MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 NET POSITION

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

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

	Governmental Activities
Restricted Net Position:	
Debt Service	\$ 118,442
Capital Projects	244,292
Total Restricted Net Position	\$ 362,734

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 and compounding accrued interest for the construction of public improvements conveyed to other government entities.

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related Districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town of Castle Rock (see Note 7).

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the Districts. District No. 4 receives the system development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest, and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees, and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT (CONTINUED)

Normal debt service-related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the Districts as administration charges based upon each individual District's percentage of assessed valuation to the total assessed valuation of the Project.

The Project revenues collected by District No. 4, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other Districts in the Project which are in excess of the individual District's allocated share of priority expenses are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK

The District, together with the related contiguous Districts, entered into an Intergovernmental Agreement (the Agreement) with the Town, dated December 1, 1991, and amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of system development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer, and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all system development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK (CONTINUED)

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity and, consequently, the Town will be entitled to recover its costs, including interest, from system development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the wastewater system development fee.

On June 16, 2015, the Agreement was amended (Third Amendment to Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs; and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee, provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project had exceeded 7,548 SFEs used.

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, system development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Operating District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the Trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,348.

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (the Developer). All members of the Board of Directors are officers or employees associated directly or indirectly with these companies and may have conflicts of interest in dealing with the Districts.

MEADOWS METROPOLITAN DISTRICT NO. 2
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; 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.

The District pays annual premiums to the Pool for liability 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.

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. Since the District's net revenue is transferred entirely to District No. 4 for, primarily, debt service of bonds issued for the benefit of the entire Project (see Note 6), an emergency reserve has not been provided. An emergency reserve has been established in District No. 4's Special Revenue Fund as of December 31, 2023.

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

**MEADOWS METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenue - District No. 4	\$ 3,840,341	\$ 3,850,619	\$ 3,909,523	\$ 58,904
Interest Income	400	30,000	23,994	(6,006)
Other Income	17,859	-	-	-
Total Revenues	<u>3,858,600</u>	<u>3,880,619</u>	<u>3,933,517</u>	<u>52,898</u>
EXPENDITURES				
Debt Service:				
Bond Interest	3,840,741	3,938,841	3,873,297	65,544
Contingency	17,859	-	-	-
Total Expenditures	<u>3,858,600</u>	<u>3,938,841</u>	<u>3,873,297</u>	<u>65,544</u>
NET CHANGE IN FUND BALANCES	-	(58,222)	60,220	118,442
Fund Balance - Beginning of Year	<u>-</u>	<u>58,222</u>	<u>58,222</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,442</u>	<u>\$ 118,442</u>

**MEADOWS METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND – CONSERVATION TRUST 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
REVENUES			
Conservation Trust Entitlement	\$ 25,000	\$ 27,349	\$ 2,349
Interest Income	200	7,442	7,242
Total Revenues	<u>25,200</u>	<u>34,791</u>	<u>9,591</u>
EXPENDITURES			
Recreation Facilities	<u>239,912</u>	-	<u>239,912</u>
Total Expenditures	<u>239,912</u>	<u>-</u>	<u>239,912</u>
NET CHANGES IN FUND BALANCES	(214,712)	34,791	249,503
Fund Balance - Beginning of Year	<u>214,712</u>	<u>209,501</u>	<u>(5,211)</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 244,292</u>	<u>\$ 244,292</u>

OTHER INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 2
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 35,261,670	0.000	35.000	\$ 1,234,158	\$ 1,234,160	100.00 %
2020	38,758,690	0.000	35.000	1,356,554	1,356,556	100.00
2021	38,791,660	0.000	35.000	1,357,708	1,357,710	100.00
2022	41,238,550	0.000	35.000	1,443,349	1,443,351	100.00
2023	40,075,690	0.000	35.000	1,402,649	1,402,495	99.99
Estimated for Year Ending December 31, 2024	\$ 53,747,850	0.000	35.000	\$ 1,881,175		

NOTE:

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**MEADOWS METROPOLITAN DISTRICT NO. 3
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 3
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR’S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	5
NOTES TO BASIC FINANCIAL STATEMENTS	6
SUPPLEMENTARY INFORMATION	
CAPITAL PROJECTS FUND – CONSERVATION TRUST FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	18
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	20



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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 3
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 3 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 3, 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. 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Receivable - County Treasurer	\$ 7,805
Due from District No. 4	81,510
Property Taxes Receivable	<u>1,767,583</u>
Total Assets	<u>1,856,898</u>
LIABILITIES	
Due to District No. 4	<u>7,805</u>
Total Liabilities	7,805
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	<u>1,767,583</u>
Total Deferred Inflows of Resources	<u>1,767,583</u>
NET POSITION	
Restricted For:	
Capital Projects	<u>81,510</u>
Total Net Position	<u><u>\$ 81,510</u></u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

		Program Revenues			Net Revenue (Expenses) 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	\$ 1,422,844	\$ -	\$ -	\$ -	\$ (1,422,844)
Culture and Recreation	-	-	23,194	-	23,194
	-	-	23,194	-	23,194
Total Governmental Activities	\$ 1,422,844	\$ -	\$ 23,194	\$ -	(1,399,650)
 GENERAL REVENUES					
Property Taxes					1,301,785
Specific Ownership Taxes					120,678
Interest Income					6,692
Total General Revenues					1,429,155
 CHANGE IN NET POSITION					
Net Position - Beginning of Year					52,005
 NET POSITION - END OF YEAR					
					\$ 81,510

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 3
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Capital Projects - Conservation Trust	Total Governmental Funds
ASSETS			
Receivable - County Treasurer	\$ 7,805	\$ -	\$ 7,805
Due from District No. 4	-	81,510	81,510
Property Taxes Receivable	1,767,583	-	1,767,583
Total Assets	\$ 1,775,388	\$ 81,510	\$ 1,856,898
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to District No. 4	\$ 7,805	\$ -	\$ 7,805
Total Liabilities	7,805	-	7,805
 DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes Revenue	1,767,583	-	1,767,583
Total Deferred Inflows of Resources	1,767,583	-	1,767,583
 FUND BALANCES			
Restricted For:			
Capital Projects	-	81,510	81,510
Total Fund Balances	-	81,510	81,510
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,775,388	\$ 81,510	\$ 1,856,898

Amounts reported for governmental activities in the statement of net position are the same as above.

**MEADOWS METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Capital Projects - Conservation Trust	Total Governmental Funds
REVENUES			
Property Taxes	\$ 1,301,785	\$ -	\$ 1,301,785
Specific Ownership Taxes	120,678	-	120,678
Conservation Trust Entitlement	-	23,194	23,194
Interest Income	381	6,311	6,692
Total Revenues	1,422,844	29,505	1,452,349
EXPENDITURES			
Current:			
Intergovernmental Expenditure -			
District No. 4	1,403,318	-	1,403,318
County Treasurer's Fees	19,526	-	19,526
Total Expenditures	1,422,844	-	1,422,844
NET CHANGE IN FUND BALANCES	-	29,505	29,505
Fund Balances - Beginning of Year	-	52,005	52,005
FUND BALANCES - END OF YEAR	\$ -	\$ 81,510	\$ 81,510

Amounts reported for governmental activities in the statement of net position are the same as above.

**MEADOWS METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT 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
REVENUES			
Property Taxes	\$ 1,301,327	\$ 1,301,785	\$ 458
Specific Ownership Taxes	117,119	120,678	3,559
Interest Income	-	381	381
Other Revenue	11,552	-	(11,552)
Total Revenues	1,429,998	1,422,844	(7,154)
EXPENDITURES			
Current:			
Intergovernmental Expenditure -			
District No. 4	1,398,926	1,403,318	(4,392)
County Treasurer's Fees	19,520	19,526	(6)
Contingency	11,552	-	11,552
Total Expenditures	1,429,998	1,422,844	7,154
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 ORGANIZATION AND REPORTING ENTITY

Organization

Meadows Metropolitan District No. 3 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (the Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (Project).

Meadows Metropolitan District No. 4 (District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby District No. 4 annually sets assessments to the other districts and collects all operating revenues except for property taxes and certain restricted revenues of the related districts.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

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

The Capital Projects Fund - Conservation Trust Fund is used to account for financial resources to be used for the maintenance or acquisition and construction of recreational facilities.

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Deferred Inflows of Resources

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

Equity

Net Position

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

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Net Position (Continued)

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – This component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – The component of net position that does not meet the definitions above.

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.

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

NOTE 3 CASH AND INVESTMENTS

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 had no cash deposits.

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 which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

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

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

- . Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities

**MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . 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 no investments.

NOTE 4 LONG-TERM OBLIGATIONS

Under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6), the District is liable for a portion of the total general obligation debt incurred by the other related districts constituting the Project. At December 31, 2023, the total outstanding debt (for District Nos. 1, 2, and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on other revenues and relative changes in assessed valuations among the seven districts.

General Obligation Bonds, Series 1989A, 1989B, and 1989C

The General Obligation Bonds, Series 1989A, 1989B and 1989C, are characterized as general obligation bonds with a "capped mill levy". Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March 1, June 1, September 1 and December 1 of each year.

Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The Project's (District Nos. 1 through 7 inclusive) required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term.

**MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989A, 1989B, and 1989C (Continued)

However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993
5. Principal
6. Capital improvements

During 2023, District No. 4 computed net revenues available for District Nos. 1, 2, and 7's debt service to be \$11,498,596 under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6).

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on revenues and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

NOTE 5 NET POSITION

The District has net position consisting of one component - restricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

	Governmental Activities
Restricted Net Position:	
Capital Projects	\$ 81,510
Total Restricted Net Position	\$ 81,510

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town (see Note 7).

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the districts. District No. 4 receives the facilities development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest, and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

Normal debt service-related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the districts as administration charges based upon each individual district's percentage of assessed valuation to the total assessed valuation of the Project.

The Project revenues collected by District No. 4, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other districts in the Project which are in excess of the individual district's allocated share of priority expenses are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK

The District, together with the related contiguous districts, entered into an Intergovernmental Agreement with the Town, dated December 1, 1991, and as amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of facilities development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer, and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all facilities development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity, and consequently, the Town will be entitled to recover its costs, including interest, from facilities development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the sewer system development fee.

On June 16, 2015, the Agreement was amended (Third Amendment to the Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs; and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee, provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project had exceeded 7,548 SFEs used.

**MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK (CONTINUED)

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, facilities development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Master District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the Trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,348.

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (the Developer). All Members of the Board of Directors are officers or employees associated directly or indirectly with these companies, and may have conflicts of interest in dealing with the Districts, or residents of the District.

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The Districts are members 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.

The Districts pay annual premiums to the Pool for liability 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.

MEADOWS METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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.

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. Since the District's net revenue are transferred entirely to District No. 4 for, primarily, debt service of bonds issued for the benefit of the entire Project (see Note 6), an emergency reserve has not been provided. An emergency reserve has been established in District No. 4's Special Revenue Fund as of December 31, 2023.

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

**MEADOWS METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – CONSERVATION TRUST 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
REVENUES			
Conservation Trust Entitlement	\$ 15,000	\$ 23,194	\$ 8,194
Interest Income	400	6,311	5,911
Total Revenues	<u>15,400</u>	<u>29,505</u>	<u>14,105</u>
EXPENDITURES			
Current:			
Recreation Facilities	66,271	-	66,271
Total Expenditures	<u>66,271</u>	<u>-</u>	<u>66,271</u>
NET CHANGES IN FUND BALANCE	(50,871)	29,505	80,376
Fund Balance - Beginning of Year	<u>50,871</u>	<u>52,005</u>	<u>1,134</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 81,510</u></u>	<u><u>\$ 81,510</u></u>

OTHER INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 27,096,810	0.000	35.000	\$ 948,388	\$ 948,390	100.00 %
2020	30,661,040	0.000	35.000	1,073,136	1,073,086	100.00
2021	32,476,340	0.000	35.000	1,136,672	1,136,664	100.00
2022	36,363,700	0.000	35.000	1,272,730	1,273,194	100.04
2023	37,180,780	0.000	35.000	1,301,327	1,301,785	100.04
Estimated for the Year Ending December 31, 2024	\$ 50,502,370	0.000	35.000	\$ 1,767,583		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**MEADOWS METROPOLITAN DISTRICT NO. 4
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 4
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	5
SPECIAL REVENUE FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	21
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	23



SCHILLING & COMPANY, INC.

Certified Public Accountants

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 4
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 4 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 4, as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 4
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
ASSETS	
Cash and Investments - Restricted	\$ 1,222,844
Receivable - Homeowners Association	5,728
Receivable - County Treasurer	1,145
Receivable - Town of Castle Rock	140,086
Due from Other Districts	48,799
Property Taxes Receivable	265,065
Prepaid Insurance	16,169
Total Assets	1,699,836
LIABILITIES	
Accounts Payable	55,878
Due to Other Districts	1,013,186
Total Liabilities	1,069,064
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	265,065
Total Deferred Inflows of Resources	265,065
NET POSITION	
Restricted for:	
Emergency Reserve	14,000
Capital Projects - CTF	6,772
Capital Projects	53,466
Operations	291,469
Total Net Position	\$ 365,707

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Government Activities:					
General Government and Intergovernmental	\$ 11,992,724	\$ -	\$ 10,820,212	\$ 906,505	\$ (266,007)
Total Governmental Activities	\$ 11,992,724	\$ -	\$ 10,820,212	\$ 906,505	(266,007)
GENERAL REVENUES					
Property Taxes					190,904
Specific Ownership Taxes					17,703
Interest Income					34,012
Total General Revenues					242,619
CHANGE IN NET POSITION					(23,388)
Net Position - Beginning of Year					389,095
NET POSITION - END OF YEAR					\$ 365,707

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Special Revenue	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments - Restricted	\$ -	\$ 459,540	\$ 763,304	\$ 1,222,844
Receivable - Homeowners Association	-	5,728	-	5,728
Receivable - County Treasurer	1,145	-	-	1,145
Receivable - Town of Castle Rock	-	140,086	-	140,086
Due from Other Districts	-	48,799	-	48,799
Due from Other Funds	-	1,145	-	1,145
Prepaid Insurance	-	16,169	-	16,169
Property Taxes Receivable	265,065	-	-	265,065
	<u>\$ 266,210</u>	<u>\$ 671,467</u>	<u>\$ 763,304</u>	<u>\$ 1,700,981</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 55,878	\$ -	\$ 55,878
Due to Other Districts	-	310,120	703,066	1,013,186
Due to Other Funds	1,145	-	-	1,145
Total Liabilities	<u>1,145</u>	<u>365,998</u>	<u>703,066</u>	<u>1,070,209</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes Revenue	265,065	-	-	265,065
Total Deferred Inflows of Resources	<u>265,065</u>	<u>-</u>	<u>-</u>	<u>265,065</u>
FUND BALANCES				
Nonspendable:				
Prepaid Insurance	-	16,169	-	16,169
Restricted for:				
Emergency Reserve	-	14,000	-	14,000
Capital Projects - CTF	-	-	6,772	6,772
Capital Projects	-	-	53,466	53,466
Operations	-	275,300	-	275,300
Total Fund Balances	<u>-</u>	<u>305,469</u>	<u>60,238</u>	<u>365,707</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 266,210</u>	<u>\$ 671,467</u>	<u>\$ 763,304</u>	<u>\$ 1,700,981</u>

Amounts reported for governmental activities in the statement of net position are the same as above.

MEADOWS METROPOLITAN DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Special Revenue	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 190,904	\$ -	\$ -	\$ 190,904
Specific Ownership Taxes	17,703	-	-	17,703
Intergovernmental Revenue - Other Districts	-	10,799,191	-	10,799,191
System Development Fees	-	860,868	-	860,868
Street Oversizing Fees	-	42,122	-	42,122
Cost Reimbursements - Homeowners Association	-	21,021	-	21,021
Interest Income	163	31,553	2,296	34,012
Conservation Trust Entitlement	-	-	3,515	3,515
Total Revenues	<u>208,770</u>	<u>11,754,755</u>	<u>5,811</u>	<u>11,969,336</u>
EXPENDITURES				
Accounting	-	74,754	-	74,754
Audit	-	23,000	-	23,000
Collection Expense - Town	-	2,154	-	2,154
Dues	-	6,276	-	6,276
Insurance	-	18,253	-	18,253
Landscape Maintenance	-	226,072	-	226,072
Landscape Maintenance - MCA	-	55,527	-	55,527
Legal	-	32,035	-	32,035
Miscellaneous	-	3,096	-	3,096
Paying Agent/Trustee Fees	-	15,000	750	15,750
Payments to Other Districts for Debt Service	-	11,498,596	-	11,498,596
Treasurer's Fees	2,866	-	-	2,866
Utilities - Electricity	-	5,012	-	5,012
Utilities - Water	-	29,333	-	29,333
Total Expenditures	<u>2,866</u>	<u>11,989,108</u>	<u>750</u>	<u>11,992,724</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	205,904	(234,353)	5,061	(23,388)
OTHER FINANCING SOURCES (USES)				
Transfers from (to) Other Funds	(205,904)	207,702	(1,798)	-
Total Other Financing Sources (Uses)	<u>(205,904)</u>	<u>207,702</u>	<u>(1,798)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(26,651)	3,263	(23,388)
Fund Balances - Beginning of Year	<u>-</u>	<u>332,120</u>	<u>56,975</u>	<u>389,095</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 305,469</u>	<u>\$ 60,238</u>	<u>\$ 365,707</u>

Amounts reported for governmental activities in the statement of activities are the same as above.

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 4
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
REVENUES			
Property Taxes	\$ 190,903	\$ 190,904	\$ 1
Specific Ownership Taxes	17,181	17,703	522
Interest Income	100	163	63
Other Income	3,816	-	(3,816)
Total Revenues	<u>212,000</u>	<u>208,770</u>	<u>(3,230)</u>
EXPENDITURES			
Treasurer's Fees	3,816	2,866	950
Contingency	2,864	-	2,864
Total Expenditures	<u>6,680</u>	<u>2,866</u>	<u>3,814</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	205,320	205,904	584
OTHER FINANCING SOURCES (USES)			
Transfer to Special Revenue Fund	<u>(205,320)</u>	<u>(205,904)</u>	<u>(584)</u>
Total Other Financing Sources (Uses)	<u>(205,320)</u>	<u>(205,904)</u>	<u>(584)</u>
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 4
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental Revenue - Other Districts	\$ 10,749,480	\$ 10,799,191	\$ 49,711
System Development Fees	1,127,971	860,868	(267,103)
Street Oversizing Fees	12,600	42,122	29,522
Cost Reimbursements - Homeowners Association	27,720	21,021	(6,699)
Interest Income	6,000	31,553	25,553
Total Revenues	<u>11,923,771</u>	<u>11,754,755</u>	<u>(169,016)</u>
EXPENDITURES			
Accounting	115,000	74,754	40,246
Audit	40,000	23,000	17,000
Banking Fees	70	-	70
Collection Expense - Town	2,820	2,154	666
Contingency	112,330	-	112,330
Dues	3,000	6,276	(3,276)
Insurance	20,600	18,253	2,347
Landscape Maintenance	331,000	226,072	104,928
Landscape Maintenance - MCA	65,000	55,527	9,473
Legal	33,000	32,035	965
Miscellaneous	3,000	3,096	(96)
Paying Agent Fees	15,000	15,000	-
Payments to Other Districts for Debt Service	11,295,120	11,498,596	(203,476)
Repairs and Maintenance	1,000	-	1,000
Utilities - Electricity	10,000	5,012	4,988
Utilities - Water	50,000	29,333	20,667
Total Expenditures	<u>12,096,940</u>	<u>11,989,108</u>	<u>107,832</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(173,169)	(234,353)	(61,184)
OTHER FINANCING SOURCES (USES)			
Transfer from (to) Other Funds	205,380	207,702	2,322
Total Other Financing Sources (Uses)	<u>205,380</u>	<u>207,702</u>	<u>2,322</u>
NET CHANGE IN FUND BALANCES	32,211	(26,651)	(58,862)
Fund Balances - Beginning of Year	<u>401,000</u>	<u>332,120</u>	<u>(68,880)</u>
FUND BALANCES - END OF YEAR	<u>\$ 433,211</u>	<u>\$ 305,469</u>	<u>\$ (127,742)</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DEFINITION OF REPORTING ENTITY

Organization

Meadows Metropolitan District No. 4 (the District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (the Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems, and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (the Project).

The District is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related Districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby the District annually sets assessments to the other Districts and collects all operating revenues except for property taxes and certain restricted revenues of the related Districts.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds is recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, intergovernmental revenues, and facilities development fees. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

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

The Special Revenue Fund is used to account for revenues earned and expenditures incurred in connection with the other Districts as required under the Regional Facilities Cost Sharing Agreement.

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction and maintenance of recreational facilities.

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.

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.

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – this component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors, or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – the component of net position that does not meet the definitions above.

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.

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

Reconciliation of Government-wide and Fund Financial Statements

The governmental funds balance sheet does not include reconciliation between the fund balance - total governmental funds and the net position - governmental activities as reported in the government-wide statement of net position, nor between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The District had no current year transactions requiring such reconciliations.

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 - Restricted	\$ 1,222,844
Total Cash and Investments	\$ 1,222,844

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

Deposits with Financial Institutions	\$ 36,566
Investments	1,186,278
Total	\$ 1,222,844

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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 \$36,566.

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.

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

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 709,956
Colorado Local Government Liquid Asset Trust (COLOTRUST PRIME)	Weighted-Average Under 60 Days	422,974
Morgan Stanley Institutional Liquidity Fund - Treasury Securities Portfolio	Weighted-Average Under 90 Days	53,348
Total		<u>\$ 1,186,278</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, 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.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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.

Morgan Stanley Treasury Securities Fund

The Intergovernmental Agreement with the Town, as it relates to the Project's obligation to provide financial support for the East Plum Creek Trail, requires the Town to place in escrow a specific dollar value of the system development fees it collects on behalf of the District (see Note 7). As of December 31, 2023, the escrow agent had invested \$56,541 in the name of the District. The East Plum Creek Trail funds deposited in the United Missouri Bank account are invested in the Morgan Stanley Institutional Liquidity Funds' Treasury Securities Portfolio. This portfolio is a money market fund that is managed by Morgan Stanley Investment Management and each share is equal in value in \$1.00. The fund is AAAM rated and invests exclusively in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury securities. The average maturity of the underlying securities is 90 days or less.

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Morgan Stanley Treasury Securities Fund (Continued)

The fund records its investments based in amortized costs. The District records its investment in the fund using the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

Under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6), the District is liable for a portion of the total general obligation debt incurred by the other related Districts constituting the Project. At December 31, 2023, the total outstanding debt (for District Nos. 1, 2, and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on revenues and relative changes in assessed valuations among the seven Districts.

General Obligation Bonds, Series 1989A, 1989B, and 1989C

The General Obligation Bonds, Series 1989A, 1989B, and 1989C, are characterized as general obligation bonds with a "capped mill levy". Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March, June 1, September 1, and December 1 of each year. Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The Project's (District Nos. 1 through 7, inclusive) required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term. However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989 through March 4, 1993
5. Principal
6. Capital improvements

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989A, 1989B, and 1989C (Continued)

During 2023, the District computed net revenues available for District Nos. 1, 2, and 7's debt service to be \$11,498,596 under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6).

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on revenues and cannot be predicted with certainty.

The District relies on the development of the entire Project to provide revenues and cash flows sufficient to pay the debt service obligations of District Nos. 1, 2, and 7 in future years. System development fees and property taxes will depend on future development and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

NOTE 5 NET POSITION

The District has net position consisting of one component - restricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023, as follows:

Restricted Net Position:

Emergency Reserve (see Note 10)	\$ 14,000
Capital Project - CTF	6,772
Capital Projects (see Note 7)	53,466
Operations (see Note 6)	291,469
Total Restricted Net Position	<u>\$ 365,707</u>

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related Districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the sixth amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town (see Note 7).

**MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT (CONTINUED)

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the Districts. District No. 4 receives the system development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest, and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees, and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by the District as Master District for the Project.

Normal debt service-related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the Districts as administration charges based upon each individual District's percentage of assessed valuation to the total assessed valuation of the Project.

The Project revenues collected by the District, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other Districts in the Project, which are in excess of the individual District's allocated share of priority expenses, are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK

The District, together with the related contiguous Districts, entered into an Intergovernmental Agreement with the Town, dated December 1, 1991, and as amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of system development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK (CONTINUED)

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer, and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all system development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity, and consequently, the Town will be entitled to recover its costs, including interest, from system development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the wastewater system development fee.

On June 16, 2015, the Agreement was amended (Third Amendment to Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs, and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee; provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project had exceeded 7,548 SFEs used.

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for the District, system development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through the Master District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,466.

MEADOWS METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (Developer). All members of the Board of Directors are officers or employees associated directly or indirectly with these companies and may have conflicts of interest in dealing with the Districts.

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The Districts are members 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.

The Districts pay annual premiums to the Pool for liability 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.

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

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

SUPPLEMENTARY INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS 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			
Interest Income	\$ 60	\$ 2,296	\$ 2,236
Conservation Trust Entitlement	2,000	3,515	1,515
Total Revenues	<u>2,060</u>	<u>5,811</u>	<u>3,751</u>
EXPENDITURES			
Trustee Fees	750	750	-
Construction - Parks and Recreation	58,142	-	58,142
Total Expenditures	<u>58,892</u>	<u>750</u>	<u>58,142</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(56,832)	5,061	61,893
OTHER FINANCING SOURCES (USES)			
Transfer to Special Revenue Fund	(60)	(1,798)	(1,738)
Total Other Financing Sources (Uses)	<u>(60)</u>	<u>(1,798)</u>	<u>(1,738)</u>
NET CHANGE IN FUND BALANCES	(56,892)	3,263	60,155
Fund Balance - Beginning of Year	56,892	56,975	83
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 60,238</u>	<u>\$ 60,238</u>

OTHER INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 4
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 5,277,140	0.000	35.000	\$ 184,700	\$ 184,700	100.00 %
2020	5,591,250	0.000	35.000	195,703	195,703	100.00
2021	5,605,800	0.000	35.000	196,203	196,148	99.97
2022	5,612,870	0.000	35.000	196,450	196,451	100.00
2023	5,454,380	0.000	35.000	190,903	190,904	100.00
Estimated for the Year Ending December 31, 2024	\$ 7,573,280	0.000	35.000	\$ 265,065		

NOTE:

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**MEADOWS METROPOLITAN DISTRICT NO. 5
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 5
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	5
NOTES TO BASIC FINANCIAL STATEMENTS	6
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	18



SCHILLING & COMPANY, INC.

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 5
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Meadows Metropolitan District No. 5 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Meadows Metropolitan District No. 5, 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. 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 5
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
ASSETS	
Receivable - County Treasurer	\$ 7,741
Property Taxes Receivable	1,730,137
Total Assets	1,737,878
LIABILITIES	
Due to District No. 4	7,741
Total Liabilities	7,741
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	1,730,137
Total Deferred Inflows of Resources	1,730,137
NET POSITION	
Total Net Position	\$ -

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 5
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Total Governmental Funds
ASSETS		
Receivable - County Treasurer	\$ 7,741	\$ 7,741
Property Taxes Receivable	1,730,137	1,730,137
Total Assets	\$ 1,737,878	\$ 1,737,878
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Due to District No. 4	\$ 7,741	\$ 7,741
Total Liabilities	7,741	7,741
DEFERRED INFLOWS OF RESOURCES		
Deferred Property Taxes Revenue	1,730,137	1,730,137
Total Deferred Inflows of Resources	1,730,137	1,730,137
FUND BALANCES		
Total Fund Balances	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,737,878	\$ 1,737,878

Amounts reported for governmental activities in the Statement of Net Position are the same as above.

**MEADOWS METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023**

	General	Total Governmental Funds
REVENUES		
Property Taxes	\$ 1,295,203	\$ 1,295,203
Specific Ownership Taxes	119,684	119,684
Interest Income	2,678	2,678
Total Revenues	1,417,565	1,417,565
EXPENDITURES		
Current:		
Intergovernmental Expenditure - District No. 4	1,398,180	1,398,180
County Treasurer's Fees	19,385	19,385
Total Expenditures	1,417,565	1,417,565
NET CHANGE IN FUND BALANCES	-	-
Fund Balances - Beginning of Year	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -

Amounts reported for governmental activities in the Statement of Net Position are the same as above.

**MEADOWS METROPOLITAN DISTRICT NO. 5
GENERAL FUND
STATEMENT 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
REVENUES			
Property Taxes	\$ 1,290,613	\$ 1,295,203	\$ 4,590
Specific Ownership Taxes	116,155	119,684	3,529
Interest Income	-	2,678	2,678
Other Revenue	11,382	-	(11,382)
Total Revenues	<u>1,418,150</u>	<u>1,417,565</u>	<u>(585)</u>
EXPENDITURES			
Current:			
Intergovernmental Expenditure - District No. 4	1,387,409	1,398,180	(10,771)
County Treasurer's Fees	19,359	19,385	(26)
Contingency	11,382	-	11,382
Total Expenditures	<u>1,418,150</u>	<u>1,417,565</u>	<u>585</u>
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 ORGANIZATION AND REPORTING ENTITY

Organization

Meadows Metropolitan District No. 5 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (Project).

Meadows Metropolitan District No. 4 (District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby District No. 4 annually sets assessments to the other districts and collects all operating revenues except for property taxes and certain restricted revenues of the related districts.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Deferred Inflows of Resources

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

Equity

Net Position

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

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Net Position (Continued)

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – This component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – The component of net position that does not meet the definitions above.

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.

**MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

NOTE 3 CASH AND INVESTMENTS

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 had no cash deposits.

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 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.

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 no investments.

NOTE 4 LONG-TERM OBLIGATIONS

Under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6), the District is liable for a portion of the total general obligation debt incurred by the other related districts constituting the Project. At December 31, 2023, the total outstanding debt (for District Nos. 1, 2, and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on other revenues and relative changes in assessed valuations among the seven districts.

General Obligation Bonds, Series 1989A, 1989B and 1989C

The General Obligation Bonds, Series 1989A, 1989B and 1989C, are characterized as general obligation bonds with a "capped mill levy". Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March 1, June 1, September 1 and December 1 of each year.

Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The Project's (District Nos. 1 through 7 inclusive) required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

**MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989A, 1989B and 1989C (Continued)

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term.

However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993
5. Principal
6. Capital improvements

During 2023, District No. 4 computed net revenues available for District Nos. 1, 2, and 7's debt service to be \$11,498,596 under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6).

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on revenues and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

NOTE 5 NET POSITION

The District has no net position, as all revenues earned less treasurer's fees are transferred to District No. 4 (see Note 6).

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town (see Note 7).

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the districts. District No. 4 receives the facilities development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

Normal debt service related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the districts as administration charges based upon each individual district's percentage of assessed valuation to the total assessed valuation of the Project.

The Project revenues collected by District No. 4, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other districts in the Project which are in excess of the individual district's allocated share of priority expenses are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK

The District, together with the related contiguous districts, entered into an Intergovernmental Agreement with the Town, dated December 1, 1991, and as amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of facilities development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all facilities development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity, and consequently, the Town will be entitled to recover its costs, including interest, from facilities development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the sewer system development fee.

On June 16, 2015, the Agreement was amended (Third Amendment to the Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs; and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee, provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project had exceeded 7,548 SFEs used.

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK (CONTINUED)

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, facilities development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Master District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the Trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,348.

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (Developer). All members of the Board of Directors are officers or employees associated directly or indirectly with these companies and may have conflicts of interest in dealing with the Districts.

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

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

The Districts pay annual premiums to the Pool for liability 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.

MEADOWS METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

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. Since the District's net revenue are transferred entirely to District No. 4 for, primarily, debt service of bonds issued for the benefit of the entire Project (see Note 6), an emergency reserve has not been provided. An emergency reserve has been established in District No. 4's Special Revenue Fund as of December 31, 2023.

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.

OTHER INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 5
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 24,601,240	0.000	35.000	\$ 861,043	\$ 840,771	97.65 %
2020	31,216,720	0.000	35.000	1,092,585	1,093,160	100.05
2021	31,594,730	0.000	35.000	1,105,816	1,073,806	97.11
2022	33,478,850	0.000	35.000	1,171,760	1,174,750	100.26
2023	36,874,670	0.000	35.000	1,290,613	1,295,203	100.36
Estimated for the Year Ending December 31, 2024	\$ 49,432,490	0.000	35.000	\$ 1,730,137		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**MEADOWS METROPOLITAN DISTRICT NO. 6
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 6
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	5
NOTES TO BASIC FINANCIAL STATEMENTS	6
SUPPLEMENTARY INFORMATION	
CAPITAL PROJECTS FUND – CONSERVATION TRUST FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	18
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	20



SCHILLING & COMPANY, INC.

Certified Public Accountants

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HIGHLANDS RANCH, CO 80163

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 6
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 6 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 6, 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. 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 6
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities
ASSETS	
Receivable - County Treasurer	\$ 14,549
Due from District No. 4	146,813
Property Taxes Receivable	3,088,369
Total Assets	3,249,731
LIABILITIES	
Due to District No. 4	14,549
Total Liabilities	14,549
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	3,088,369
Total Deferred Inflows of Resources	3,088,369
NET POSITION	
Restricted for:	
Capital Projects	146,813
Total Net Position	\$ 146,813

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 6
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenue and Change in Net Position
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Primary Government:					
Government Activities:					
General Government	\$ 2,651,181	\$ -	\$ -	\$ -	\$ (2,651,181)
Culture and Recreation	-	-	35,624	-	35,624
	-	-	35,624	-	35,624
Total Government Activities	\$ 2,651,181	\$ -	\$ 35,624	\$ -	(2,615,557)
 GENERAL REVENUES					
Property Taxes					2,425,293
Specific Ownership Taxes					224,954
Interest Income					10,627
Total General Revenues					2,660,874
 CHANGE IN NET POSITION					
					45,317
Net Position - Beginning of Year					101,496
 NET POSITION - END OF YEAR					
					\$ 146,813

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 6
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

ASSETS	General	Capital Projects - Conservation Trust	Total Governmental Funds
Receivable - County Treasurer	\$ 14,549	\$ -	\$ 14,549
Due from District No. 4	-	146,813	146,813
Property Taxes Receivable	3,088,369	-	3,088,369
Total Assets	\$ 3,102,918	\$ 146,813	\$ 3,249,731
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to District No. 4	\$ 14,549	\$ -	\$ 14,549
Total Liabilities	14,549	-	14,549
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes Revenue	3,088,369	-	3,088,369
Total Deferred Inflows of Resources	3,088,369	-	3,088,369
FUND BALANCES			
Restricted for:			
Capital Projects	-	146,813	146,813
Total Fund Balances	-	146,813	146,813
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,102,918	\$ 146,813	\$ 3,249,731

Amounts reported for governmental activities in the Statement of Net Position are the same as above.

MEADOWS METROPOLITAN DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Capital Projects - Conservation Trust	Total Governmental Funds
REVENUES			
Property Taxes	\$ 2,425,293	\$ -	\$ 2,425,293
Specific Ownership Taxes	224,954	-	224,954
Conservation Trust Entitlement	-	35,624	35,624
Interest Income	934	9,693	10,627
Total Revenues	2,651,181	45,317	2,696,498
EXPENDITURES			
Current:			
Intergovernmental Expenditure - District No. 4	2,614,789	-	2,614,789
County Treasurer's Fees	36,392	-	36,392
Total Expenditures	2,651,181	-	2,651,181
NET CHANGE IN FUND BALANCES	-	45,317	45,317
Fund Balances - Beginning of Year	-	101,496	101,496
FUND BALANCES - END OF YEAR	\$ -	\$ 146,813	\$ 146,813

Amounts reported for governmental activities in the Statement of Net Position are the same as above.

**MEADOWS METROPOLITAN DISTRICT NO. 6
GENERAL FUND
STATEMENT 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
REVENUES			
Property Taxes	\$ 2,425,789	\$ 2,425,293	\$ (496)
Specific Ownership Taxes	218,321	224,954	6,633
Interest Income	1,000	934	(66)
Other Revenue	24,890	-	(24,890)
Total Revenues	<u>2,670,000</u>	<u>2,651,181</u>	<u>(18,819)</u>
EXPENDITURES			
Current			
Intergovernmental Expenditure - District No. 4	2,608,723	2,614,789	(6,066)
County Treasurer's Fees	36,387	36,392	(5)
Contingency	24,890	-	24,890
Total Expenditures	<u>2,670,000</u>	<u>2,651,181</u>	<u>18,819</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Organization

Meadows Metropolitan District No. 6 (the District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (the Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (the Project).

Meadows Metropolitan District No. 4 (District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby District No. 4 annually sets assessments to the other districts and collects all operating revenues except for property taxes and certain restricted revenues of the related districts.

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

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

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

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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 Capital Projects Fund – Conservation Trust Fund is used to account for financial resources to be used for the maintenance or acquisition and construction of recreational facilities.

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.

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – this component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors, or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – the component of net position that does not meet the definitions above.

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.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

NOTE 3 CASH AND INVESTMENTS

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 had no cash deposits.

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 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.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 no investments.

NOTE 4 LONG-TERM OBLIGATIONS

Under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6), the District is liable for a portion of the total general obligation debt incurred by the other related districts constituting the Project. At December 31, 2023, the total outstanding debt (for District Nos. 1, 2, and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on other revenues and relative changes in assessed valuations among the seven districts.

General Obligation Bonds, Series 1989A, 1989B, and 1989C

The General Obligation Bonds, Series 1989A, 1989B, and 1989C, are characterized as general obligation bonds with a "capped mill levy". Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March 1, June 1, September 1 and December 1 of each year.

Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The Project's (District Nos. 1 through 7 inclusive) required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

**MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989A, 1989B, and 1989C (Continued)

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term.

However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993
5. Principal
6. Capital improvements

During 2023, District No. 4 computed net revenues available for District Nos. 1, 2, and 7's debt service to be \$11,498,596 under the terms of the Regional Facilities Cost Sharing Agreement (see Note 6).

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on revenues and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

**MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 NET POSITION

The District has net position consisting of one component – restricted.

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023 as follows:

	Governmental Activities
Restricted Net Position:	
Capital Projects	\$ 146,813
Total Restricted Net Position	\$ 146,813

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town (see Note 7).

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the districts. District No. 4 receives the facilities development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1’s administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

Normal debt service-related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the districts as administration charges based upon each individual district’s percentage of assessed valuation to the total assessed valuation of the Project.

**MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT (CONTINUED)

The Project revenues collected by District No. 4, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other districts in the Project which are in excess of the individual district's allocated share of priority expenses are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK

The District, together with the related contiguous districts, entered into an Intergovernmental Agreement with the Town, dated December 1, 1991, and as amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of facilities development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all facilities development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity, and consequently, the Town will be entitled to recover its costs, including interest, from facilities development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the sewer system development fee.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK (CONTINUED)

On June 16, 2015, the Agreement was amended (Third Amendment to Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs; and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee, provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project has exceeded 7,548 SFEs used.

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, facilities development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Master District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,348.

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (Developer). All members of the Board of Directors are officers or employees associated directly or indirectly with these companies and may have conflicts of interest in dealing with the Districts.

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The Districts are members 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.

MEADOWS METROPOLITAN DISTRICT NO. 6
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 RISK MANAGEMENT (CONTINUED)

The Districts pay annual premiums to the Pool for liability 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.

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. Since the District's net revenue are transferred entirely to District No. 4 for, primarily, debt service of bonds issued for the benefit of the entire Project (see Note 6), an emergency reserve has not been provided. An emergency reserve has been established in District No. 4's Special Revenue Fund as of December 31, 2023.

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

**MEADOWS METROPOLITAN DISTRICT NO. 6
CAPITAL PROJECTS FUND – CONSERVATION TRUST 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
REVENUES			
Conservation Trust Entitlement	\$ 10,000	\$ 35,624	\$ 25,624
Interest Income	300	9,693	9,393
Total Revenues	10,300	45,317	35,017
EXPENDITURES			
Current:			
Recreation Facilities	102,176	-	102,176
Total Expenditures	102,176	-	102,176
NET CHANGE IN FUND BALANCES	(91,876)	45,317	137,193
Fund Balance - Beginning of Year	91,876	101,496	9,620
FUND BALANCE - END OF YEAR	\$ -	\$ 146,813	\$ 146,813

OTHER INFORMATION

MEADOWS METROPOLITAN DISTRICT NO. 6
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 38,303,370	0.000	35.000	\$ 1,340,618	\$ 1,336,597	99.70 %
2020	52,090,960	0.000	35.000	1,823,184	1,816,305	99.62
2021	59,285,590	0.000	35.000	2,074,996	2,070,758	99.80
2022	69,383,460	0.000	35.000	2,428,421	2,418,228	99.58
2023	69,308,270	0.000	35.000	2,425,789	2,425,293	99.98
Estimated for the Year Ending December 31, 2024	\$ 88,239,120	0.000	35.000	\$ 3,088,369		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

**MEADOWS METROPOLITAN DISTRICT NO. 7
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**MEADOWS METROPOLITAN DISTRICT NO. 7
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	21
CAPITAL PROJECTS FUND – CONSERVATION TRUST FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	22
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	24



SCHILLING & COMPANY, INC.

Certified Public Accountants

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 7
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 7 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 7, 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. 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 27, 2024

BASIC FINANCIAL STATEMENTS

**MEADOWS METROPOLITAN DISTRICT NO. 7
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments - Restricted	\$ 10,724
Receivable - County Treasurer	10,291
Due from District No. 4	296,367
Property Taxes Receivable	<u>2,344,778</u>
Total Assets	<u>2,662,160</u>
LIABILITIES	
Due to District No. 4	10,291
Noncurrent Liabilities:	
Due in More Than One Year	<u>95,937,935</u>
Total Liabilities	<u>95,948,226</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes Revenue	<u>2,344,778</u>
Total Deferred Inflows of Resources	<u>2,344,778</u>
NET POSITION	
Restricted for:	
Debt Service	76,639
Capital Projects	230,452
Unrestricted	<u>(95,937,935)</u>
Total Net Position	<u><u>\$ (95,630,844)</u></u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 7
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

<u>FUNCTIONS/PROGRAMS</u>	Expenses	Program Revenues			Net Revenue (Expenses) and Change in Net Position
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Primary Government:					
Government Activities:					
General Government	\$ 1,876,057	\$ -	\$ -	\$ -	\$ (1,876,057)
Culture and Recreation	-	-	31,272	-	31,272
Interest on Long-Term Debt	7,237,302	-	2,529,691	-	(4,707,611)
Total Governmental Activities	\$ 9,113,359	\$ -	\$ 2,560,963	\$ -	(6,552,396)
GENERAL REVENUES					
Property Taxes					1,715,933
Specific Ownership Taxes					159,117
Interest Income					25,042
Total General Revenues					1,900,092
CHANGE IN NET POSITION					(4,652,304)
Net Position - Beginning of Year					(90,978,540)
NET POSITION - END OF YEAR					\$ (95,630,844)

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 7
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General	Debt Service	Capital Projects - Conservation Trust	Total Governmental Funds
ASSETS				
Cash and Investments - Restricted	\$ -	\$ 10,724	\$ -	\$ 10,724
Receivable - County Treasurer	10,291	-	-	10,291
Due from District No. 4	-	65,915	230,452	296,367
Property Taxes Receivable	2,344,778	-	-	2,344,778
Total Assets	<u>\$ 2,355,069</u>	<u>\$ 76,639</u>	<u>\$ 230,452</u>	<u>\$ 2,662,160</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Due to District No. 4	\$ 10,291	\$ -	\$ -	\$ 10,291
Total Liabilities	10,291	-	-	10,291
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Taxes Revenue	2,344,778	-	-	2,344,778
Total Deferred Inflows of Resources	2,344,778	-	-	2,344,778
FUND BALANCES				
Restricted for:				
Debt Service	-	76,639	-	76,639
Capital Projects	-	-	230,452	230,452
Total Fund Balances	<u>-</u>	<u>76,639</u>	<u>230,452</u>	<u>307,091</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,355,069</u>	<u>\$ 76,639</u>	<u>\$ 230,452</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:				
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(15,440,000)
Accrued Interest Payable				(80,497,935)
Net Position of Governmental Activities				<u>\$ (95,630,844)</u>

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 7
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Debt Service	Capital Projects - Conservation Trust	Total Governmental Funds
REVENUES				
Property Taxes	\$ 1,715,933	\$ -	\$ -	\$ 1,715,933
Specific Ownership Taxes	159,117	-	-	159,117
Intergovernmental Revenue - District No. 4	-	2,529,691	-	2,529,691
Conservation Trust Entitlement	-	-	31,272	31,272
Interest Income	1,007	15,526	8,509	25,042
Total Revenues	<u>1,876,057</u>	<u>2,545,217</u>	<u>39,781</u>	<u>4,461,055</u>
EXPENDITURES				
Current:				
Intergovernmental Expenditure - District No. 4	1,850,304	-	-	1,850,304
County Treasurer's Fees	25,753	-	-	25,753
Debt Service:				
Bond Interest	-	2,506,251	-	2,506,251
Total Expenditures	<u>1,876,057</u>	<u>2,506,251</u>	<u>-</u>	<u>4,382,308</u>
NET CHANGE IN FUND BALANCES	-	38,966	39,781	78,747
Fund Balances - Beginning of Year	-	37,673	190,671	228,344
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 76,639</u>	<u>\$ 230,452</u>	<u>\$ 307,091</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 7
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 - Governmental Funds	\$ 78,747
Amounts reported for governmental activities in the Statement of Activities are different because:	
Certain expenses, including accrued interest on bonds, reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Bonds - Change in Liability	<u>(4,731,051)</u>
Change in Net Position of Governmental Activities	<u>\$ (4,652,304)</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 7
GENERAL FUND
STATEMENT 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
REVENUES			
Property Taxes	\$ 1,715,835	\$ 1,715,933	\$ 98
Specific Ownership Taxes	154,425	159,117	4,692
Interest Income	1,000	1,007	7
Other Revenue	13,165	-	(13,165)
Total Revenues	1,884,425	1,876,057	(8,368)
EXPENDITURES			
Current:			
Intergovernmental Expenditure - District No. 4	1,845,523	1,850,304	(4,781)
County Treasurer's Fees	25,737	25,753	(16)
Contingency	13,165	-	13,165
Total Expenditures	1,884,425	1,876,057	8,368
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Organization

Meadows Metropolitan District No. 7 (the District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (the Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by District Nos. 1, 2, and 7, the Town may require that the Districts initiate dissolution procedures.

The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows Project (the Project).

Meadows Metropolitan District No. 4 (District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 6), whereby District No. 4 annually sets assessments to the other districts and collects all operating revenues except for property taxes and certain restricted revenues of the related districts.

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

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

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

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Redemption of bonds is recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

**MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)**

The District reports the following major governmental funds:

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

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

The Capital Projects Fund - Conservation Trust Fund is used to account for financial resources to be used for the acquisition or construction and maintenance of recreational facilities.

Budgets

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

The District amended its annual budget for the year ended December 31, 2023.

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 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

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

Equity

Net Position

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

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in this component.

Restricted – This component of net position consists of assets that are restricted for use as imposed by external parties such as creditors, grantors, or contributors, or as imposed by laws or regulations of other governments, or as imposed through constitutional provisions or enabling legislation.

Unrestricted – The component of net position that does not meet the definitions above.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 - Restricted	\$ 10,724
Total and Cash Investments	<u>\$ 10,724</u>

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

Investments	\$ 10,724
Total Cash and Investments	<u>\$ 10,724</u>

Deposits with Financial Institutions

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

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

At December 31, 2023, the District had no cash deposits.

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.

**MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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 noncategorized investment:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Morgan Stanley Institutional Liquidity Fund - Treasury Securities Portfolio	Weighted-Average Under 90 Days	\$ 10,724

Morgan Stanley Treasury Securities Fund

The debt service money that is included in the trust accounts at United Missouri Bank is invested in the Morgan Stanley Institutional Liquidity Funds' Treasury Securities Portfolio. This portfolio is a money market fund that is managed by Morgan Stanley Investment Management and each share is equal in value to \$1.00. The fund is AAAM rated and invests exclusively in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury securities. The average maturity of the underlying securities is 90 days or less.

The fund records its investments based in amortized costs. The District records its investment in fund using the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is not redemption notice period.

**MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS

The District's transactions relating to long-term debt during 2023 were as follows:

	Balance - January 1, 2023	Additions	Payments	Balance - December 31, 2023	Due Within One Year
General Obligation Bonds					
Series 1989C	\$ 15,440,000	\$ -	\$ -	\$ 15,440,000	\$ -
Accrued Interest	75,766,884	7,237,302	2,506,251	80,497,935	-
Total	<u>\$ 91,206,884</u>	<u>\$ 7,237,302</u>	<u>\$ 2,506,251</u>	<u>\$ 95,937,935</u>	<u>\$ -</u>

Additions to accrued interest include current interest, accrued interest, and compounded interest.

The detail of the District's long-term debt is as follows:

General Obligation Bonds, Series 1989C

The General Obligation Bonds, Series 1989C, are characterized as general obligation bonds with a "capped mill levy". Effective June 1, 2002, District Nos. 1 through 7 (inclusive) entered into the First Amendment to the Amended and Restated Indenture of Trust, which states that the remaining payments to the bond holders on the Series 1989 General Obligation Bonds will be made on a quarterly basis, instead of semi-annually. Therefore, interest of 7.999% is payable quarterly on March 1, June 1, September 1, and December 1 of each year. Any interest that is due and not paid at the end of each quarter is charged interest at a rate of 7.999% per annum. Unpaid current interest becomes accrued interest on December 1 of each year. Accrued interest compounds annually on December 1 of each year. The District's required payment on the bonds is limited to the proceeds generated from the limited mill levy of 35 mills and certain other revenues less priority expenses (see Note 6).

The bonds mature as of June 1, 2029. Interest will not accrue after the 40-year term. However, the Project will continue to set the limited mill levy until the bonds and accrued interest are paid in full. The Project is not entitled to prepay the bonds during the 40-year term. However, the Project may maintain a sinking fund for future principal payments, provided that all accrued and current interest has been paid. Priority of principal repayment can be assigned among and between the bondholders. Revenues received by the Project will be disbursed for the following (in order of priority):

1. Priority expenses (see Note 6)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993
5. Principal
6. Capital improvements

**MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 1989C (Continued)

During 2023, under the terms of Regional Facilities Cost Sharing Agreement (see Note 6), District No. 4 computed District No. 7's net revenues available for debt service to be \$2,529,691.

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenues and cannot be predicted with certainty.

Regional Facilities Cost Sharing Agreement (see Note 6)

The District is liable for a portion of the total general obligation debt incurred by the other related districts constituting the Project. At December 31, 2023, the total outstanding bond debt (for District Nos. 1, 2 and 7) was \$70,000,000 plus accrued and compounding interest of \$363,747,518. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on revenues and relative changes in assessed valuations among the seven districts.

The District relies on the development of the entire Project to provide revenues and cash flows sufficient to allow the District to pay its debt service obligations and those of District Nos. 1 and 2 in future years. System development fees and property taxes will depend on future development and cannot be predicted with certainty.

Debt Authorization

As of December 31, 2023, the District has no authorized but unissued debt.

NOTE 5 NET POSITION

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

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2023, as follows:

Restricted Net Position:	
Debt Service	\$ 76,639
Capital Projects	230,452
Total Restricted Net Position	<u>\$ 307,091</u>

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 and compounding accrued interest for the construction of public improvements conveyed to other government entities.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town of Castle Rock (see Note 7).

District No. 4 has been specified to coordinate and manage the operations and debt service payments of the districts. District No. 4 receives the system development fees and other revenues of the Project (District Nos. 1 through 7) and collects property taxes and interest on behalf of District Nos. 2 through 7. District No. 1 collects its own property taxes, interest, and Conservation Trust Fund entitlements.

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees, and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$124,000 in 2023 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$338,000 in 2023 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

Normal debt service-related costs such as paying agent fees and trustee fees and bond issuance costs have not been included in priority expenses. Written notice to this effect was provided to the bondholders.

Priority expenses are allocated to the districts as administration charges based upon each individual district's percentage of assessed valuation to the total assessed valuation of the Project.

The Project revenues collected by District No. 4, to the extent not required to fund priority expenses and capital improvements of the Project approved by the bondholders, are to be allocated to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued and outstanding of District Nos. 1, 2, and 7.

Property taxes and other revenues of the other districts in the Project which are in excess of the individual district's allocated share of priority expenses are to be allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as described above.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK

The District, together with the related contiguous districts, entered into an Intergovernmental Agreement (the Agreement) with the Town, dated December 1, 1991, and amended on October 1, 1993, and December 12, 1996. The Agreement defines the responsibilities of the Town and the District with regard to the development of infrastructure, provision of services, maintenance responsibilities, and collection of system development fees. Additionally, the Town has oversight responsibilities and powers as to the District's future debt transactions and the District's ability to impose and collect future fees.

The District has transferred title to its facilities, water rights, and wastewater system capacity to the Town. The Districts do not have any commitment to develop additional facilities to serve the Project other than those described below.

The Town currently maintains and operates the District facilities, except for maintaining certain landscaping. The Town charges users directly for water, sewer, and irrigation water. The Town retains a 0.25% administrative fee to cover its cost of collection on all system development fees it collects on behalf of the Districts.

The District's landscape responsibilities relate to the maintenance of public street right-of-way, which is the landscaping between the right-of-way and the street curbing, as well as within street medians.

The Agreement further provides that when the water or wastewater capacities are fully utilized, the Districts and Town may agree that the Town will finance the development of additional water or wastewater capacity, and consequently, the Town will be entitled to recover its costs, including interest, from system development fees currently being collected by the Town. In 2007, the wastewater capacity maximum was reached, and the Town started to keep a portion of the wastewater system development fee.

On June 16, 2015, the Agreement was amended (Third Amendment to Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs, and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee; provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. As of May 31, 2022, the Project had exceeded 7,548 SFEs used.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 INTERGOVERNMENTAL AGREEMENT - TOWN OF CASTLE ROCK (CONTINUED)

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, system development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2, and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Operating District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the trustee for fees related to managing the account. As of December 31, 2023, the remaining balance in the East Plum Creek Trail escrow account was \$53,348.

NOTE 8 RELATED PARTIES

The Developer of the property is Castle Rock Development Company (the Developer). All members of the Board of Directors are officers or employees associated directly or indirectly with this company, and may have conflicts of interest in dealing with the Districts, or residents of the District.

NOTE 9 RISK MANAGEMENT

District Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The Districts are members 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.

The Districts pay annual premiums to the Pool for liability 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.

MEADOWS METROPOLITAN DISTRICT NO. 7
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

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.

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. Since the District's net revenue is transferred entirely to District No. 4 for, primarily, debt service of bonds issued for the benefit of the entire Project (see Note 6), an Emergency Reserve has not been provided. An Emergency Reserve has been established in District No. 4's Special Revenue Fund as of December 31, 2023.

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

**MEADOWS METROPOLITAN DISTRICT NO. 7
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental Revenue - District No. 4	\$ 2,484,926	\$ 2,491,577	\$ 2,529,691	\$ 38,114
Interest Income	300	20,000	15,526	(4,474)
Other Revenue	14,774	-	-	-
Total Revenues	<u>2,500,000</u>	<u>2,511,577</u>	<u>2,545,217</u>	<u>33,640</u>
EXPENDITURES				
Debt Service:				
Bond Interest	2,485,226	2,549,250	2,506,251	42,999
Contingency	14,774	-	-	-
Total Expenditures	<u>2,500,000</u>	<u>2,549,250</u>	<u>2,506,251</u>	<u>42,999</u>
NET CHANGE IN FUND BALANCE	-	(37,673)	38,966	76,639
Fund Balance - Beginning of Year	<u>-</u>	<u>37,673</u>	<u>37,673</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,639</u>	<u>\$ 76,639</u>

**MEADOWS METROPOLITAN DISTRICT NO. 7
CAPITAL PROJECTS FUND – CONSERVATION TRUST 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
REVENUES			
Conservation Trust Entitlement	\$ 20,000	\$ 31,272	\$ 11,272
Interest Income	600	8,509	7,909
Total Revenues	<u>20,600</u>	<u>39,781</u>	<u>19,181</u>
EXPENDITURES			
Recreation Facilities	209,117	-	209,117
Total Expenditures	<u>209,117</u>	<u>-</u>	<u>209,117</u>
NET CHANGE IN FUND BALANCE	(188,517)	39,781	228,298
Fund Balance - Beginning of Year	<u>188,517</u>	<u>190,671</u>	<u>2,154</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 230,452</u>	<u>\$ 230,452</u>

OTHER INFORMATION

MEADOWS METROPOLITAN DISTRICT NO. 7
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2019	\$ 40,386,580	0.000	35.000	\$ 1,413,530	\$ 1,413,533	100.00 %
2020	44,266,580	0.000	35.000	1,549,330	1,549,182	99.99
2021	45,521,210	0.000	35.000	1,593,242	1,593,245	100.00
2022	49,084,450	0.000	35.000	1,717,956	1,717,873	100.00
2023	49,023,870	0.000	35.000	1,715,835	1,715,933	100.01

Estimated for Year Ending December 31, 2024	\$ 66,993,650	0.000	35.000	\$ 2,344,778		
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NOTE:

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years. Information received from the County Treasurer does not permit identification of specific year of assessment.

Exhibit B
2024 Budgets/2023 Budget Amendments

**RESOLUTION TO AMEND 2023 BUDGET
MEADOWS METROPOLITAN DISTRICT NO. 2**

WHEREAS, the Board of Directors of the Meadows Metropolitan District No. 2 appropriated funds for the fiscal year 2023 as follows:

General Fund	\$ 1,550,000
Debt Service Fund	\$ 3,858,600
Capital Projects Fund	\$ 239,912

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2023; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to and accepted by the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Meadows Metropolitan District No. 2 shall and hereby does amend the budget for the fiscal year 2023 as follows:

Debt Service Fund	\$ 3,938,841
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the above-referenced Fund(s) for the purposes stated in **Exhibit A** and, if applicable, that such action of the Board is hereby ratified and approved *nunc pro tunc* as of the date of the actual expenditures.

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ADOPTED this 13th day of November 2023.

MEADOWS METROPOLITAN DISTRICT NO. 2

By: Robert C. Hanisch, Jr.
President

ATTEST: Bruce Stokes
Secretary

EXHIBIT A

**MEADOWS METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2023 BUDGET**

	Original Budget 2023	Amended Budget 2023
	<u> </u>	<u> </u>
BEGINNING FUND BALANCE	\$ -	\$ 58,222
REVENUE		
IGA revenue - District No. 4	3,840,341	3,850,619
Interest income	400	30,000
Other revenue	17,859	-
Total revenue	<u>3,858,600</u>	<u>3,880,619</u>
Total funds available	<u>3,858,600</u>	<u>3,938,841</u>
EXPENDITURES		
Debt Service		
Bond interest	3,840,741	3,938,841
Contingency	17,859	-
Total expenditures	<u>3,858,600</u>	<u>3,938,841</u>
Total expenditures and transfers out requiring appropriation	<u>3,858,600</u>	<u>3,938,841</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 2, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 1,881,175; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ -0-; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$53,747,850; and

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 2 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 2 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 2

Robert C. Hanisch, Jr.

President

ATTEST:

Bruce Stokes

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 2 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

I, Robert Hanisch Jr. as President of the Meadows Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Robert C. Hanisch, Jr.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

MEADOWS METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 259,890	\$ 267,723	\$ 242,501
REVENUES			
Property taxes	1,443,351	1,402,495	1,881,175
Specific ownership taxes	127,636	130,075	169,306
Interest income	6,225	37,800	12,500
Other revenue	-	-	40,365
Intergovernmental revenue - District No. 4	3,948,043	3,850,619	4,819,154
Conservation trust entitlement	23,834	26,000	27,000
Total revenues	<u>5,549,089</u>	<u>5,446,989</u>	<u>6,949,500</u>
Total funds available	<u>5,808,979</u>	<u>5,714,712</u>	<u>7,192,001</u>
EXPENDITURES			
General Fund	1,571,700	1,533,370	2,075,000
Debt Service Fund	3,969,556	3,938,841	4,846,000
Capital Projects Fund	-	-	271,001
Total expenditures	<u>5,541,256</u>	<u>5,472,211</u>	<u>7,192,001</u>
Total expenditures and transfers out requiring appropriation	<u>5,541,256</u>	<u>5,472,211</u>	<u>7,192,001</u>
ENDING FUND BALANCES	<u>\$ 267,723</u>	<u>\$ 242,501</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

MEADOWS METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 40,973,180	\$ 39,827,120	\$ 53,266,360
State assessed	118,400	101,600	328,100
Vacant land	146,970	146,970	153,390
Certified Assessed Value	\$ 41,238,550	\$ 40,075,690	\$ 53,747,850

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

Debt Service	\$ 1,443,349	\$ 1,402,649	\$ 1,881,175
Levied property taxes	1,443,349	1,402,649	1,881,175
Adjustments to actual/rounding	2	(1,416)	-
Budgeted property taxes	\$ 1,443,351	\$ 1,401,233	\$ 1,881,175

BUDGETED PROPERTY TAXES

General	\$ 1,443,351	\$ 1,401,233	\$ 1,881,175
	\$ 1,443,351	\$ 1,401,233	\$ 1,881,175

**MEADOWS METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	1,443,351	1,402,495	1,881,175
Specific ownership taxes	127,636	130,075	169,306
Interest income	713	800	1,000
Other revenue	-	-	23,519
Total revenues	<u>1,571,700</u>	<u>1,533,370</u>	<u>2,075,000</u>
Total funds available	<u>1,571,700</u>	<u>1,533,370</u>	<u>2,075,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	21,661	21,049	28,218
Contingency	-	-	23,519
IGA expenditure - District No. 4	1,550,039	1,512,321	2,023,263
Total expenditures	<u>1,571,700</u>	<u>1,533,370</u>	<u>2,075,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,571,700</u>	<u>1,533,370</u>	<u>2,075,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 76,258	\$ 58,222	\$ -
REVENUES			
Interest income	3,477	30,000	10,000
Other revenue	-	-	16,846
Intergovernmental revenue - District No. 4	3,948,043	3,850,619	4,819,154
Total revenues	<u>3,951,520</u>	<u>3,880,619</u>	<u>4,846,000</u>
Total funds available	<u>4,027,778</u>	<u>3,938,841</u>	<u>4,846,000</u>
EXPENDITURES			
Debt Service			
Bond interest	3,969,556	3,938,841	4,829,154
Contingency	-	-	16,846
Total expenditures	<u>3,969,556</u>	<u>3,938,841</u>	<u>4,846,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,969,556</u>	<u>3,938,841</u>	<u>4,846,000</u>
ENDING FUND BALANCES	<u>\$ 58,222</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 183,632	\$ 209,501	\$ 242,501
REVENUES			
Interest income	2,035	7,000	1,500
Conservation trust entitlement	23,834	26,000	27,000
Total revenues	<u>25,869</u>	<u>33,000</u>	<u>28,500</u>
Total funds available	<u>209,501</u>	<u>242,501</u>	<u>271,001</u>
EXPENDITURES			
Capital Projects			
Parks and recreation	-	-	271,001
Total expenditures	<u>-</u>	<u>-</u>	<u>271,001</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>271,001</u>
ENDING FUND BALANCES	<u>\$ 209,501</u>	<u>\$ 242,501</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

Services Provided

Meadows Metropolitan District No. 2 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows project (Project). The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District provides no services directly at this time, but is a participant in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through No. 7 (inclusive, "the Project"), in which District No. 4 acts as the "Master District" for the Project. The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the Master District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

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

Revenues

The Master District receives the revenue for the Project, including facility development fees, interest on invested funds and other revenue ("Project Revenue") and collects property taxes and interest on behalf of Districts No. 2 through No. 7.

Property Taxes

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

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

Revenues – (continued)

The District is required to impose a maximum Required Mill Levy of 35.000 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 any 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.

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.

Interest Income

Interest earned on the District’s available funds has been estimated based on prior year’s interest earnings.

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

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid through the Master District under the District Agreement. The contractual obligation represents a portion of the District's share of the administrative expenditures (priority expenditures) of the Project which have been allocated to all Districts of the Project based on their relative assessed valuations. Operating expenditures to be incurred by the District are estimated based upon the prior year's experience.

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy". Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1 and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The Master District has been designated to coordinate debt service payments of the Project.

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

Expenditures – (continued)

	Balance December 31, 2022	Additions	Payments	Balance December 31, 2023	Due Within One Year
General Obligation					
Bonds Series 1989B	\$ 23,830,000	\$ -	\$ -	\$ 23,830,000	\$ -
Accrued interest	116,756,109	11,154,814 (a)	3,938,841	123,972,082	-
Total	<u>\$140,586,109</u>	<u>\$ 11,154,814</u>	<u>\$ 3,938,841</u>	<u>\$147,802,082</u>	<u>\$ -</u>

	Balance December 31, 2023	Additions	Payments	Balance December 31, 2024	Due Within One Year
General Obligation					
Bonds Series 1989B	\$ 23,830,000	\$ -	\$ -	\$ 23,830,000	\$ -
Accrued interest	123,972,082	11,702,235 (b)	4,829,154	130,845,163	-
Total	<u>\$147,802,082</u>	<u>\$ 11,702,235</u>	<u>\$ 4,829,154</u>	<u>\$154,675,163</u>	<u>\$ -</u>

(a) Estimated for the year ending December 31, 2023

(b) Estimated for the year ending December 31, 2024

Leases

The District currently has no operating or capital leases, nor does it anticipate any for fiscal year 2024.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 4, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 2,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 2

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 53,747,850 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 53,747,850 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) **USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10**

Submitted: 01/02/2024 for budget/fiscal year 2024. (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	_____ mills	\$ _____
3. General Obligation Bonds and Interest ^J	<u>35.000</u> mills	\$ <u>1,881,175</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$1,881,175

Contact person: Seef Le Roux Phone: (719) 635-0330

Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$1,881,175

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 3, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 3 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 1,767,583; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$50,502,370; and

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 3 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 3 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 3

Robert C. Hanisch, Jr.

President

ATTEST:

Logan Jones

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

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

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 3 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

I, ^{Robert Hanisch Jr} _____ as President of the Meadows Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Robert C. Hanisch, Jr.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

MEADOWS METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 30,071	\$ 52,005	\$ 78,505
REVENUES			
Property taxes	1,273,194	1,301,699	1,767,583
Specific ownership taxes	112,548	118,027	159,082
Interest income	1,993	6,350	2,500
Conservation trust entitlement	20,208	20,500	16,000
Other revenue	-	-	4,335
Total revenues	<u>1,407,943</u>	<u>1,446,576</u>	<u>1,949,500</u>
Total funds available	<u>1,438,014</u>	<u>1,498,581</u>	<u>2,028,005</u>
EXPENDITURES			
General Fund	1,386,009	1,420,076	1,931,000
Capital Projects Fund	-	-	97,005
Total expenditures	<u>1,386,009</u>	<u>1,420,076</u>	<u>2,028,005</u>
Total expenditures and transfers out requiring appropriation	<u>1,386,009</u>	<u>1,420,076</u>	<u>2,028,005</u>
ENDING FUND BALANCES	<u>\$ 52,005</u>	<u>\$ 78,505</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 32,759,720	\$ 34,327,610	\$ 47,085,450
Commercial	133,510	112,590	132,600
Agricultural	40	40	40
State assessed	96,800	85,400	360,400
Vacant land	3,373,630	2,655,140	2,923,880
Certified Assessed Value	\$ 36,363,700	\$ 37,180,780	\$ 50,502,370

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

Debt Service	\$ 1,272,730	\$ 1,301,327	\$ 1,767,583
Levied property taxes	1,272,730	1,301,327	1,767,583
Adjustments to actual/rounding	464	372	-
Budgeted property taxes	\$ 1,273,194	\$ 1,301,699	\$ 1,767,583

BUDGETED PROPERTY TAXES

Debt Service	\$ 1,273,194	\$ 1,301,699	\$ 1,767,583
	\$ 1,273,194	\$ 1,301,699	\$ 1,767,583

**MEADOWS METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	1,273,194	1,301,699	1,767,583
Specific ownership taxes	112,548	118,027	159,082
Interest income	267	350	-
Other revenue	-	-	4,335
Total revenues	<u>1,386,009</u>	<u>1,420,076</u>	<u>1,931,000</u>
Total funds available	<u>1,386,009</u>	<u>1,420,076</u>	<u>1,931,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	19,095	19,525	26,514
Contingency	-	-	4,335
Intergovernmental expense - District No. 4	1,366,914	1,400,551	1,900,151
Total expenditures	<u>1,386,009</u>	<u>1,420,076</u>	<u>1,931,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,386,009</u>	<u>1,420,076</u>	<u>1,931,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 30,071	\$ 52,005	\$ 78,505
REVENUES			
Conservation trust entitlement	20,208	20,500	16,000
Interest income	1,726	6,000	2,500
Total revenues	<u>21,934</u>	<u>26,500</u>	<u>18,500</u>
Total funds available	<u>52,005</u>	<u>78,505</u>	<u>97,005</u>
EXPENDITURES			
Capital Projects			
Parks and recreation	-	-	97,005
Total expenditures	<u>-</u>	<u>-</u>	<u>97,005</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>97,005</u>
ENDING FUND BALANCES	<u>\$ 52,005</u>	<u>\$ 78,505</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meadows Metropolitan District No. 3 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows project (Project). The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District provides no services directly at this time, but is a participant in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through No. 7 (inclusive, "the Project"), in which District No. 4 acts as the "Master District" for the Project. The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the Master District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

The District has no employees and all administrative functions are contracted

Revenues

The Master District receives the revenue for the Project, including facility development fees, interest on invested funds and other revenue ("Project Revenue") and collects property taxes and interest on behalf of District Nos. 2 through No. 7.

Property Taxes

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

**MEADOWS METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

The District is required to impose a maximum Required Mill Levy of 35.000 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 any 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.

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 forecast assumes that the District’s share will be equal to approximately 9% of the property taxes collected.

Interest Income

Interest earned on the District’s available funds has been estimated based on prior year’s interest earnings.

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid through the Master District under the District Agreement. The contractual obligation represents a portion of the District’s share of the administrative expenditures (priority expenditures) of the Project which have been allocated to all Districts of the Project based on their relative assessed valuations.

**MEADOWS METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Operating expenditures to be incurred by the District are estimated based upon the prior years' experience.

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy." Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1, and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty. The Master District has been designated to coordinate debt service payments of the Project.

Leases

The District currently has no operating or capital leases, nor does it anticipate any for fiscal year 2024.

**MEADOWS METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of fiscal year spending for 2024 as defined under TABOR.

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 3,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 3

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 50,502,370 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 50,502,370 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[] mills	\$ []
3. General Obligation Bonds and Interest ^J	35.000 mills	\$ 1,767,583
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$1,767,583

Contact person: Seef Le Roux Phone: (719) 635-0330
 Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$1,767,583

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 4**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 4, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 4 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ **see listed; and **** (4089) \$73 & (4506) \$264,992**

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ -0- _____; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$ **see listed; and ^{**}(4089) \$2,090 and (4506) \$7,571,190

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 4 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 4 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of **see listed mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023. ^{**}(4089) 35.000 mills & (4506) 35.000 mills

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 4

Robert C. Hanisch, Jr.

President

ATTEST:

Bruce Stokes

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 4 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

I, ^{Robert Hanisch Jr} _____ as President of the Meadows Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Robert C. Hanisch, Jr.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

DE 8095757.1

No assurance provided. See summary of significant assumptions.

MEADOWS METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 4
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 357,946	\$ 389,095	\$ 468,575
REVENUES			
Property taxes	196,451	190,903	265,065
Specific ownership taxes	17,372	17,850	23,856
Conservation trust entitlement	3,050	3,350	2,500
Development fees	1,261,774	756,500	340,052
Street oversizing fees	62,069	40,600	3,900
Cost reimbursements - Landscaping	26,182	17,850	28,350
IGA Revenue - District #1	2,078,903	2,037,140	2,714,423
IGA Revenue - District #2	1,550,039	1,512,321	2,023,263
IGA Revenue - District #3	1,366,914	1,400,551	1,900,151
IGA Revenue - District #5	1,262,875	1,392,481	1,859,897
IGA Revenue - District #6	2,597,286	2,612,416	3,320,996
IGA Revenue - District #7	1,844,964	1,851,202	2,521,636
Interest income	7,277	37,200	22,350
Other revenue	-	-	5,929
Total revenues	<u>12,275,156</u>	<u>11,870,364</u>	<u>15,032,368</u>
TRANSFERS IN	<u>211,271</u>	<u>208,089</u>	<u>287,295</u>
Total funds available	<u>12,844,373</u>	<u>12,467,548</u>	<u>15,788,238</u>
EXPENDITURES			
General Fund	2,948	2,864	9,905
Capital Projects Fund	750	750	62,075
Special Revenue Fund	12,240,309	11,787,270	14,999,963
Total expenditures	<u>12,244,007</u>	<u>11,790,884</u>	<u>15,071,943</u>
TRANSFERS OUT	<u>211,271</u>	<u>208,089</u>	<u>287,295</u>
Total expenditures and transfers out requiring appropriation	<u>12,455,278</u>	<u>11,998,973</u>	<u>15,359,238</u>
ENDING FUND BALANCES	<u>\$ 389,095</u>	<u>\$ 468,575</u>	<u>\$ 429,000</u>

MEADOWS METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION - DOUGLAS

Vacant land	\$ 2,180	\$ 2,180	\$ 2,090
Certified Assessed Value	\$ 2,180	\$ 2,180	\$ 2,090

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

General	\$ 76	\$ 76	\$ 73
Budgeted property taxes	\$ 76	\$ 76	\$ 73

ASSESSED VALUATION - DOUGLAS - Debt Service

Residential	\$ 5,597,150	\$ 5,440,660	\$ 7,535,950
State assessed	13,500	11,500	35,200
Other	40	40	40
Certified Assessed Value	\$ 5,610,690	\$ 5,452,200	\$ 7,571,190

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

General	\$ 196,374	\$ 190,827	\$ 264,992
Levied property taxes	196,374	190,827	264,992
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	\$ 196,375	\$ 190,827	\$ 264,992

BUDGETED PROPERTY TAXES

General	\$ 196,451	\$ 190,903	\$ 265,065
	\$ 196,451	\$ 190,903	\$ 265,065

**MEADOWS METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	196,451	190,903	265,065
Specific ownership taxes	17,372	17,850	23,856
Interest income	63	100	150
Other revenue	-	-	5,929
Total revenues	<u>213,886</u>	<u>208,853</u>	<u>295,000</u>
Total funds available	<u>213,886</u>	<u>208,853</u>	<u>295,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,948	2,864	3,976
Contingency	-	-	5,929
Total expenditures	<u>2,948</u>	<u>2,864</u>	<u>9,905</u>
TRANSFERS OUT			
Transfer to Special Revenue Fund	<u>210,938</u>	<u>205,989</u>	<u>285,095</u>
Total expenditures and transfers out requiring appropriation	<u>213,886</u>	<u>208,853</u>	<u>295,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MEADOWS METROPOLITAN DISTRICT NO. 4
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 303,404	\$ 332,120	\$ 409,000
REVENUES			
Development fees	1,261,774	756,500	340,052
Street oversizing fees	62,069	40,600	3,900
Cost reimbursements - Landscaping	26,182	17,850	28,350
IGA Revenue - District #1	2,078,903	2,037,140	2,714,423
IGA Revenue - District #2	1,550,039	1,512,321	2,023,263
IGA Revenue - District #3	1,366,914	1,400,551	1,900,151
IGA Revenue - District #5	1,262,875	1,392,481	1,859,897
IGA Revenue - District #6	2,597,286	2,612,416	3,320,996
IGA Revenue - District #7	1,844,964	1,851,202	2,521,636
Interest income	6,748	35,000	20,000
Total revenues	<u>12,057,754</u>	<u>11,656,061</u>	<u>14,732,668</u>
TRANSFERS IN			
Transfer from General Fund	210,938	205,989	285,095
Transfer from Capital Projects Fund	333	2,100	2,200
Total funds available	<u>12,572,429</u>	<u>12,196,270</u>	<u>15,428,963</u>
EXPENDITURES			
General and administrative			
Accounting	70,928	80,000	115,000
Auditing	22,400	22,400	40,000
Collection expense - Town	3,275	1,891	1,382
Contingency	-	-	126,030
Dues and membership	2,536	6,276	7,000
Insurance	17,432	18,253	20,000
Legal	16,206	25,000	33,000
Miscellaneous	2,163	2,100	2,500
Banking fees	-	-	70
Repairs and maintenance	982	-	1,000
Operations and maintenance			
Landscape maintenance	334,002	200,000	335,000
Landscape maintenance - MCA	75,942	55,000	70,000
Utilities - Electricity	16,726	6,000	10,000
Utilities - Water	50,826	30,000	50,000
Debt Service			
Debt service - District #1	5,109,232	4,983,154	6,236,552
Debt service - District #2	3,948,043	3,850,619	4,819,154
Debt service - District #7	2,554,616	2,491,577	3,118,275
Paying agent fees	15,000	15,000	15,000
Total expenditures	<u>12,240,309</u>	<u>11,787,270</u>	<u>14,999,963</u>
Total expenditures and transfers out requiring appropriation	<u>12,240,309</u>	<u>11,787,270</u>	<u>14,999,963</u>
ENDING FUND BALANCES	<u>\$ 332,120</u>	<u>\$ 409,000</u>	<u>\$ 429,000</u>
EMERGENCY RESERVE	<u>\$ 19,000</u>	<u>\$ 24,000</u>	<u>\$ 25,000</u>
TOTAL RESERVE	<u>\$ 19,000</u>	<u>\$ 24,000</u>	<u>\$ 25,000</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 54,542	\$ 56,975	\$ 59,575
REVENUES			
Conservation trust entitlement	3,050	3,350	2,500
Interest income	466	2,100	2,200
Total revenues	<u>3,516</u>	<u>5,450</u>	<u>4,700</u>
Total funds available	<u>58,058</u>	<u>62,425</u>	<u>64,275</u>
EXPENDITURES			
Capital Projects			
Parks and recreation	-	-	61,325
Paying agent fees	750	750	750
Total expenditures	<u>750</u>	<u>750</u>	<u>62,075</u>
TRANSFERS OUT			
Transfer to Special Revenue Fund	<u>333</u>	<u>2,100</u>	<u>2,200</u>
Total expenditures and transfers out requiring appropriation	<u>1,083</u>	<u>2,850</u>	<u>64,275</u>
ENDING FUND BALANCES	<u>\$ 56,975</u>	<u>\$ 59,575</u>	<u>\$ -</u>

**MEADOWS METROPOLITAN DISTRICT NO. 4
 DETAILED SCHEDULE OF OPERATIONS AND MAINTENANCE
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
Accounting	70,928	80,000	115,000
Auditing	22,400	22,400	40,000
Contingency	-	-	126,030
Dues and membership	2,536	6,276	7,000
Insurance	17,432	18,253	20,000
Legal	16,206	25,000	33,000
Miscellaneous	3,144	2,100	3,570
Utilities - IREA only	16,726	6,000	10,000
Total Operations and Maint. Costs	<u>\$ 149,372</u>	<u>\$ 160,029</u>	<u>\$ 354,600</u>
Calculation of Operating & Maintenance Cap Adjusted for Inflation	<u>\$ 301,800</u> 103.700%	<u>\$ 313,000</u> 108.000%	<u>338,000</u> 104.900%
Rounded to nearest \$100	<u>\$ 313,000</u>	<u>\$ 338,000</u>	<u>\$ 354,600</u>

**MEADOWS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meadows Metropolitan District No. 4 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District functions as the Master District as defined in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through 7 (inclusive, "the Project"). The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

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

Revenues

Intergovernmental (IGA) Revenues

The District pays certain administrative and operations expenditures of the Project pursuant to the District Agreement. These expenditures are allocated to District Nos. 1 – 3 and 5 – 7 based on their relative assessed valuations. The District receives reimbursement for these expenditures from District Nos. 1 – 3 and 5 – 7 in the form of an inter-district transfer.

**MEADOWS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

System Development Fees and Street Over-sizing Fees

The District receives the revenue for the Project including street over-sizing fees (SOF) and system development fees (SDF), which are based on rates that vary depending on each tap's single family equivalent (SFE). The budget anticipates the collection of these fees in the following manner:

**Meadows Metropolitan Districts
SDF & SOF Projection
For the year 2024**

	<u>Units</u>	<u>SFE</u>	<u>SDF per unit</u>	<u>Total</u>	<u>SOF per unit</u>	<u>Total</u>
Residential						
	0	0.67	\$ 5,707.67	\$ -	\$ 300.00	\$ -
	9	1.00	\$ 8,518.82	76,669.38	\$ 300.00	2,700.00
	0	1.67	\$ 14,226.48	-	\$ 300.00	-
	<u>9</u>			<u>76,669.38</u>		<u>2,700.00</u>
Irrigation						
	3	1.00	\$ 7,964.01	23,892.03	N/A	-
	1	3.33	\$ 26,520.14	26,520.14	N/A	-
Commercial						
	0	1.00	\$ 8,518.82	-	\$ 300.00	-
	1	1.67	\$ 14,226.48	14,226.48	\$ 300.00	300.00
	2	3.33	\$ 28,367.61	56,735.22	\$ 300.00	600.00
	1	16.67	\$ 142,008.78	142,008.78	\$ 300.00	300.00
				<u>\$ 340,052.03</u>		<u>\$ 3,900.00</u>

Cost Reimbursements - HOA

The Meadows Community Association contributes to the District an amount equivalent to 7% of the total cost of streetscape maintenance.

**MEADOWS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes

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

The District is required to impose a maximum Required Mill Levy of 35.000 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.

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 by the General Fund.

Interest Income

Interest earned on the District’s available funds has been estimated based on prior year’s interest earnings.

**MEADOWS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid by the District under the District Agreement. These expenditures have been allocated to all Districts of the Project based on their relative assessed valuations. Administrative, operating and streetscape maintenance costs are estimated based on prior year's experience.

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy". Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1 and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The District has been designated to coordinate debt service payments of the Project.

Leases

The District currently has no operating or capital leases nor does it anticipate any for fiscal year 2024.

**MEADOWS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided an Emergency Reserve equal to at least 3% of fiscal year spending of Districts Nos. 2, 3, 4, 5, 6, and 7, as defined under TABOR, which is part of the District's Special Revenue Fund ending fund balance.

General Reserve

The District has also provided a reserve for contingencies and contractual obligations as defined in the Regional Facilities Cost Sharing Agreement ("General Reserve"). The general reserve is included as part of the District's Special Revenue Fund balance.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 4 Debt Service,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 4

(local government)^C

Hereby officially certifies the following mills

to be levied against the taxing entity's GROSS \$ 7,571,190

assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax

Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of:

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024

(no later than Dec. 15)

(mm/dd/yyyy)

(yyyy)

PURPOSE (see end notes for definitions and examples)

LEVY²

REVENUE²

1. General Operating Expenses^H _____ mills \$ _____

2. <Minus> Temporary General Property Tax Credit/
Temporary Mill Levy Rate Reduction^I < _____ > mills \$ < _____ >

SUBTOTAL FOR GENERAL OPERATING:

mills \$

3. General Obligation Bonds and Interest^J 35.000 mills \$ 264,992

4. Contractual Obligations^K _____ mills \$ _____

5. Capital Expenditures^L _____ mills \$ _____

6. Refunds/Abatements^M _____ mills \$ _____

7. Other^N (specify): _____ mills \$ _____

TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]

35.000 mills **\$264,992**

Contact person: Seef Le Roux Phone: (719) 635-0330

Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$264,992

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 4,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the Meadows Metropolitan District No. 4,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,090 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 2,090 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY²	REVENUE²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[] mills	\$ []
3. General Obligation Bonds and Interest ^J	35.000 mills	\$ 73
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$73

Contact person: Seef Le Roux Phone: (719) 635-0330
 Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$73

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 5

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAID THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 5, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 5 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 1,730,137; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-_____ ; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$49,432,490 ; and

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 5 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 5 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 5

Robert C. Hanisch, Jr.

President

ATTEST:

Bruce Stokes

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 5 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

I, Robert Hanisch Jr as President of the Meadows Metropolitan District No. 5, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Robert C. Hanisch, Jr.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

DE 8095758.1

No assurance provided. See summary of significant assumptions.

MEADOWS METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	1,174,750	1,290,613	1,730,137
Specific ownership taxes	103,663	118,627	155,712
Interest income	2,032	2,600	-
Other revenue	-	-	16,151
Total revenues	<u>1,280,445</u>	<u>1,411,840</u>	<u>1,902,000</u>
Total funds available	<u>1,280,445</u>	<u>1,411,840</u>	<u>1,902,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	17,570	19,359	25,952
Contingency	-	-	16,151
IGA expenditure - District No. 4	1,262,875	1,392,481	1,859,897
Total expenditures	<u>1,280,445</u>	<u>1,411,840</u>	<u>1,902,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,280,445</u>	<u>1,411,840</u>	<u>1,902,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 337,430	\$ 2,075,700	\$ 2,487,710
Commercial	28,812,210	30,198,580	38,364,080
Agricultural	7,310	6,630	6,480
State assessed	842,800	1,114,700	2,397,000
Vacant land	3,479,080	3,479,040	6,177,200
Natural resources	20	20	20
Certified Assessed Value	\$ 33,478,850	\$ 36,874,670	\$ 49,432,490

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

Debt Service	\$ 1,171,760	\$ 1,290,613	\$ 1,730,137
Levied property taxes	1,171,760	1,290,613	1,730,137
Adjustments to actual/rounding	2,990	-	-
Budgeted property taxes	\$ 1,174,750	\$ 1,290,613	\$ 1,730,137

BUDGETED PROPERTY TAXES

General	\$ 1,174,750	\$ 1,290,613	\$ 1,730,137
	\$ 1,174,750	\$ 1,290,613	\$ 1,730,137

**MEADOWS METROPOLITAN DISTRICT NO. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meadows Metropolitan District No. 5 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows project (Project). The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District provides no services directly at this time, but is a participant in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through 7 (inclusive, "the Project"), in which District No. 4 acts as the "Master District" for the Project. The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the Master District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

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

Revenues

The Master District receives the revenue for the Project, including facility development fees, interest on invested funds and other revenue ("Project Revenue") and collects property taxes and interest on behalf of District Nos. 2 through No. 7.

Property Taxes

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

The District is required to impose a maximum Required Mill Levy of 35.000 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 any deficiencies in the Reserve Fund].

**MEADOWS METROPOLITAN DISTRICT NO. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes (continued)

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%			

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 forecast assumes that the District’s share will be equal to approximately 9% of the property taxes collected.

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid through the Master District under the District Agreement. The contractual obligation represents a portion of the District’s share of the administrative expenditures (priority expenditures) of the Project which have been allocated to all Districts of the Project based on their relative assessed valuations.

Operating expenditures to be incurred by the District are estimated based upon the prior year’s experience.

**MEADOWS METROPOLITAN DISTRICT NO. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy." Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1 and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The Master District has been designated to coordinate debt service payments of the Project.

Leases

The District currently has no operating or capital leases, nor does it anticipate any for fiscal year 2024.

**MEADOWS METROPOLITAN DISTRICT NO. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Fund Included in Fund Balance

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 4, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 5,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 5

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 49,432,490 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 49,432,490 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[] mills	\$ []
3. General Obligation Bonds and Interest ^J	35.000 mills	\$ 1,730,137
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$1,730,137

Contact person: Seef Le Roux Phone: (719) 635-0330
 Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$1,730,137

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 6

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 6, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 6 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 3,088,369; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-_____ ; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$88,239,120 ; and

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 6 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 6 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 6

Robert C. Hanisch, Jr.

President

ATTEST:

Bruce Stokes

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 6 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

I, Robert Hanisch Jr as President of the Meadows Metropolitan District No. 6, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Robert C. Hanisch, Jr.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

DE 8095760.1

No assurance provided. See summary of significant assumptions.

MEADOWS METROPOLITAN DISTRICT NO. 6
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 6
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 67,806	\$ 101,496	\$ 140,796
REVENUES			
Property taxes	2,418,228	2,426,914	3,088,369
Specific ownership taxes	214,750	220,906	277,953
Conservation trust entitlement	31,040	30,300	20,000
Interest income	3,245	10,000	8,000
Other revenue	-	-	22,678
Total revenues	<u>2,667,263</u>	<u>2,688,120</u>	<u>3,417,000</u>
Total funds available	<u>2,735,069</u>	<u>2,789,616</u>	<u>3,557,796</u>
EXPENDITURES			
General Fund	2,633,573	2,648,820	3,390,000
Capital Projects Fund	-	-	167,796
Total expenditures	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,557,796</u>
Total expenditures and transfers out requiring appropriation	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,557,796</u>
ENDING FUND BALANCES	<u>\$ 101,496</u>	<u>\$ 140,796</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 6
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 63,892,290	\$ 64,046,410	\$ 81,418,580
Commercial	3,446,750	4,584,140	5,748,470
State assessed	244,100	216,400	581,800
Vacant land	1,800,260	461,260	490,210
Other	60	60	60
Certified Assessed Value	\$ 69,383,460	\$ 69,308,270	\$ 88,239,120

MILL LEVY

Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000

PROPERTY TAXES

Debt Service	\$ 2,428,421	\$ 2,425,789	\$ 3,088,369
Levied property taxes	2,428,421	2,425,789	3,088,369
Adjustments to actual/rounding	(10,193)	1,125	-
Budgeted property taxes	\$ 2,418,228	\$ 2,426,914	\$ 3,088,369

BUDGETED PROPERTY TAXES

General	\$ 2,418,228	\$ 2,426,914	\$ 3,088,369
	\$ 2,418,228	\$ 2,426,914	\$ 3,088,369

**MEADOWS METROPOLITAN DISTRICT NO. 6
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	2,418,228	2,426,914	3,088,369
Specific ownership taxes	214,750	220,906	277,953
Interest income	595	1,000	1,000
Other revenue	-	-	22,678
Total revenues	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,390,000</u>
Total funds available	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,390,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	36,287	36,404	46,326
Contingency	-	-	22,678
IGA expenditure - District No. 4	2,597,286	2,612,416	3,320,996
Total expenditures	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,390,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,633,573</u>	<u>2,648,820</u>	<u>3,390,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 6
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 67,806	\$ 101,496	\$ 140,796
REVENUES			
Conservation trust entitlement	31,040	30,300	20,000
Interest income	2,650	9,000	7,000
Total revenues	33,690	39,300	27,000
Total funds available	101,496	140,796	167,796
EXPENDITURES			
Capital Projects			
Parks and recreation	-	-	167,796
Total expenditures	-	-	167,796
Total expenditures and transfers out requiring appropriation	-	-	167,796
ENDING FUND BALANCES	\$ 101,496	\$ 140,796	\$ -

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 6
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meadows Metropolitan District No. 6 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows project (Project). The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District provides no services directly at this time, but is a participant in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through 7 (inclusive, "the Project"), in which District No. 4 acts as the "Master District" for the Project. The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the Master District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

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

Revenues

The Master District receives the revenue for the Project, including facility development fees, interest on invested funds and other revenue ("Project Revenue") and collects property taxes and interest on behalf of District Nos. 2 through No. 7.

Property Taxes

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

**MEADOWS METROPOLITAN DISTRICT NO. 6
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

The District is required to impose a maximum Required Mill Levy of 35.000 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 any 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.

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 forecast assumes that the District's share will be equal to approximately 9% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on prior year's interest earnings.

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid through the Master District under the District Agreement. The contractual obligation represents a portion of the District's share of the administrative expenditures (priority expenditures) of the Project which have been allocated to all Districts of the Project based on their relative assessed valuations.

**MEADOWS METROPOLITAN DISTRICT NO. 6
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Operating expenditures to be incurred by the District are estimated based upon the prior year's experience.

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy". Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1 and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The Master District has been designated to coordinate debt service payments of the Project.

Leases

The District currently has no operating or capital leases, nor does it anticipate any for fiscal year 2024.

**MEADOWS METROPOLITAN DISTRICT NO. 6
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Fund Included in Fund Balance

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 4, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 6,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 6

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 88,239,120 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 88,239,120 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[] mills	\$ []
3. General Obligation Bonds and Interest ^J	35.000 mills	\$ 3,088,369
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$3,088,369

Contact person: Seef Le Roux Phone: (719) 635-0330
 Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$3,088,369

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

**RESOLUTION TO AMEND 2023 BUDGET
MEADOWS METROPOLITAN DISTRICT NO. 7**

WHEREAS, the Board of Directors of the Meadows Metropolitan District No. 7 appropriated funds for the fiscal year 2023 as follows:

General Fund	\$ 1,884,425
Debt Service Fund	\$ 2,500,000
Capital Projects Fund	\$ 209,117

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2023; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to and accepted by the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023, and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Meadows Metropolitan District No. 7 shall and hereby does amend the budget for the fiscal year 2023 as follows:

Debt Service Fund	\$ 2,549,250
-------------------	--------------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the above-referenced Fund(s) for the purposes stated in **Exhibit A** and, if applicable, that such action of the Board is hereby ratified and approved *nunc pro tunc* as of the date of the actual expenditures.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November 2023.

MEADOWS METROPOLITAN DISTRICT NO. 7

Robert C. Hanisch, Jr.

By: _____
President

ATTEST: *Bo*

Secretary

EXHIBIT A

**MEADOWS METROPOLITAN DISTRICT NO. 7
DEBT SERVICE FUND
2023 BUDGET**

	Original Budget 2023	Amended Budget 2023
BEGINNING FUND BALANCE	\$ -	\$ 37,673
REVENUE		
IGA revenue - District No. 4	2,484,926	2,491,577
Interest income	300	20,000
Other revenue	14,774	-
Total revenue	2,500,000	2,511,577
Total funds available	2,500,000	2,549,250
EXPENDITURES		
Debt Service		
Bond interest	2,485,226	2,549,250
Contingency	14,774	-
Total expenditures	2,500,000	2,549,250
Total expenditures and transfers out requiring appropriation	2,500,000	2,549,250
ENDING FUND BALANCE	\$ -	\$ -

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWS METROPOLITAN DISTRICT NO. 7

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAID THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MEADOWS METROPOLITAN DISTRICT NO. 7, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the MEADOWS METROPOLITAN DISTRICT NO. 7 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 13, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ -0-; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 2,344,778; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ -0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ -0- _____; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of County of Douglas is \$ 66,993,650; and

WHEREAS, at an election held on July 11, 1985, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEADOWS METROPOLITAN DISTRICT NO. 7 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Meadows Metropolitan District No. 7 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 35.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2023, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2023 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 13th day of November, 2023.

MEADOWS METROPOLITAN DISTRICT NO. 7

Robert C. Hanisch, Jr.

President

ATTEST:

Bo

Secretary

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message MEADOWS METROPOLITAN DISTRICT NO. 7 in Douglas County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 13, 2023. If there are any questions on the budget, please contact:

Seef Le Roux Seef.LeRoux@claconnect.com
CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Tel.: 303/779-5710

^{Robert Hanisch Jr}
I, _____ as President of the Meadows Metropolitan District No. 7, hereby certify that the attached is a true and correct copy of the 2024 budget.

Robert C. Hanisch, Jr.
By: _____

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

DE 8095761.1

No assurance provided. See summary of significant assumptions.

MEADOWS METROPOLITAN DISTRICT NO. 7
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**MEADOWS METROPOLITAN DISTRICT NO. 7
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 210,460	\$ 228,344	\$ 226,871
REVENUES			
Property taxes	1,717,873	1,715,835	2,344,778
Specific ownership taxes	151,920	160,155	211,030
Conservation trust entitlement	27,229	28,200	25,000
Interest income	5,527	28,950	16,000
Other revenue	-	-	34,917
Intergovernmental revenue - District No. 4	2,554,616	2,491,577	3,118,275
Total revenues	<u>4,457,165</u>	<u>4,424,717</u>	<u>5,750,000</u>
Total funds available	<u>4,667,625</u>	<u>4,653,061</u>	<u>5,976,871</u>
EXPENDITURES			
General Fund	1,870,745	1,876,940	2,570,000
Debt Service Fund	2,568,536	2,549,250	3,150,000
Capital Projects Fund	-	-	256,871
Total expenditures	<u>4,439,281</u>	<u>4,426,190</u>	<u>5,976,871</u>
Total expenditures and transfers out requiring appropriation	<u>4,439,281</u>	<u>4,426,190</u>	<u>5,976,871</u>
ENDING FUND BALANCES	<u>\$ 228,344</u>	<u>\$ 226,871</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 7
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Residential	\$ 45,849,760	\$ 45,342,110	\$ 65,249,930
Commercial	79,030	115,410	129,030
Agricultural	1,760	1,600	1,650
State assessed	161,300	140,300	497,100
Vacant land	2,992,520	3,424,370	1,115,860
Other	80	80	80
Certified Assessed Value	\$ 49,084,450	\$ 49,023,870	\$ 66,993,650
MILL LEVY			
Debt Service	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000
PROPERTY TAXES			
Debt Service	\$ 1,717,956	\$ 1,715,835	\$ 2,344,778
Levied property taxes	1,717,956	1,715,835	2,344,778
Adjustments to actual/rounding	(83)	-	-
Budgeted property taxes	\$ 1,717,873	\$ 1,715,835	\$ 2,344,778
BUDGETED PROPERTY TAXES			
General	\$ 1,717,873	\$ 1,715,835	\$ 2,344,778
	\$ 1,717,873	\$ 1,715,835	\$ 2,344,778

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 7
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	1,717,873	1,715,835	2,344,778
Specific ownership taxes	151,920	160,155	211,030
Interest income	952	950	1,000
Other revenue	-	-	13,192
Total revenues	<u>1,870,745</u>	<u>1,876,940</u>	<u>2,570,000</u>
Total funds available	<u>1,870,745</u>	<u>1,876,940</u>	<u>2,570,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	25,781	25,738	35,172
Contingency	-	-	13,192
IGA expenditure - District No. 4	1,844,964	1,851,202	2,521,636
Total expenditures	<u>1,870,745</u>	<u>1,876,940</u>	<u>2,570,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,870,745</u>	<u>1,876,940</u>	<u>2,570,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 7
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 49,343	\$ 37,673	\$ -
REVENUES			
Interest income	2,250	20,000	10,000
Other revenue	-	-	21,725
Intergovernmental revenue - District No. 4	2,554,616	2,491,577	3,118,275
Total revenues	<u>2,556,866</u>	<u>2,511,577</u>	<u>3,150,000</u>
Total funds available	<u>2,606,209</u>	<u>2,549,250</u>	<u>3,150,000</u>
EXPENDITURES			
Debt Service			
Bond interest	2,568,536	2,549,250	3,128,275
Contingency	-	-	21,725
Total expenditures	<u>2,568,536</u>	<u>2,549,250</u>	<u>3,150,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,568,536</u>	<u>2,549,250</u>	<u>3,150,000</u>
ENDING FUND BALANCES	<u>\$ 37,673</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 7
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 161,117	\$ 190,671	\$ 226,871
REVENUES			
Interest income	2,325	8,000	5,000
Conservation trust entitlement	27,229	28,200	25,000
Total revenues	<u>29,554</u>	<u>36,200</u>	<u>30,000</u>
Total funds available	<u>190,671</u>	<u>226,871</u>	<u>256,871</u>
EXPENDITURES			
Capital Projects			
Parks and recreation	-	-	256,871
Total expenditures	<u>-</u>	<u>-</u>	<u>256,871</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>256,871</u>
ENDING FUND BALANCES	<u>\$ 190,671</u>	<u>\$ 226,871</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**MEADOWS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meadows Metropolitan District No. 7 (District), a quasi-municipal corporation, was organized on July 11, 1985, and is governed pursuant to provisions of the Colorado Special District Act. The District is one of seven similar contiguous metropolitan districts formed as a part of the Meadows project (Project). The District's service area is located in Douglas County, Colorado, and is entirely within the Town of Castle Rock (Town). The District was established primarily to finance the construction of water, sewer and drainage systems, street improvements, safety control, park and recreational systems and transportation facilities. At the time of completion of all the facilities and repayment of the bonds issued by the District, the Town may require that the District initiate dissolution procedures.

The District provides no services directly at this time, but is a participant in an intergovernmental agreement ("District Agreement") between Meadows Metropolitan District Nos. 1 through 7 (inclusive, "the Project"), in which District No. 4 acts as the "Master District" for the Project. The District Agreement provides for the sharing of the Project costs including administrative services and debt service among the individual Districts of the Project. Most services, primarily consisting of landscape maintenance, are provided under the District Agreement by the Master District. All other services under the District's powers are provided by the Town of Castle Rock under a separate intergovernmental agreement.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes 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.

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

Revenues

The Master District receives the revenue for the Project, including facility development fees, interest on invested funds and other revenue ("Project Revenue") and collects property taxes and interest on behalf of District Nos. 2 through No. 7.

Property Taxes

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

**MEADOWS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes (continued)

The District is required to impose a maximum Required Mill Levy of 35.000 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 any 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

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.

Interest Income

Interest earned on the District’s available funds has been estimated based on prior year’s interest earnings.

Expenditures

Administrative and Operations Expenditures

Administrative and operations expenditures of the Project, except as later noted, are paid through the Master District under the District Agreement. The contractual obligation represents a portion of the District’s share of the administrative expenditures (priority expenditures) of the Project which have been allocated to all Districts of the Project based on their relative assessed valuations.

**MEADOWS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Operating expenditures to be incurred by the District are estimated based upon the prior year's experience.

Debt Service

On December 29, 1993, the Series 1989A, 1989B and 1989C, General Obligation Bonds were restructured. The restructured bonds are characterized as General Obligation Bonds with a "capped mill levy". Interest of 7.999% is payable to the bondholder quarterly on March 1, June 1, September 1 and December 1 of each year. Unpaid current interest becomes accrued interest. Accrued interest compounds annually on December 1 of each year. The Project's required payment on the bonds is limited to the proceeds generated from the limited mill levy and Project Revenue less priority expenses. Priority expenses of the project include the following: costs of revenue collection, operations and maintenance expenses in an amount not to exceed \$200,000 as adjusted for inflation, water service fees and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$130,000 in 2024 as adjusted for inflation) is designated to be spent by District No. 1 for the District's administration. The remainder (\$354,600 in 2024 as adjusted for inflation) is to be spent by the Master District for the Project.

The limited mill levy is to be levied (for collection in the year following the levy year) as follows:

<u>Collection Year</u>	<u>Mill Levy</u>
2003 and thereafter	35.000 mills

To the extent that District Nos. 1, 2, 3, 4, 5, 6, or 7 property tax revenue or other revenue exceed their allocated share of priority expenses, such excess is to be applied to District Nos. 1, 2, and 7's debt service requirements, based upon the percentage of the bonds issued by District Nos. 1, 2, and 7. Project Revenue, to the extent that it is not required to fund priority expenses and certain capital expenditures of the Project, is allocated to District Nos. 1, 2, and 7's debt service requirements in the same manner as excess revenue of the other Districts.

Interest on the Bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The Master District has been designated to coordinate debt service payments of the Project.

**MEADOWS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service (continued)

	Balance December 31, 2022	Additions	Payments	Balance December 31, 2023	Due Within One Year
General Obligation					
Bonds Series 1989C	\$ 15,440,000	\$ -	\$ -	\$ 15,440,000	\$ -
Accrued interest	75,766,884	7,237,016 (a)	2,549,250	80,454,650	-
Total	<u>\$ 91,206,884</u>	<u>\$ 7,237,016</u>	<u>\$ 2,549,250</u>	<u>\$ 95,894,650</u>	<u>\$ -</u>
	Balance December 31, 2023	Additions	Payments	Balance December 31, 2024	Due Within One Year
General Obligation					
Bonds Series 1989C	\$ 15,440,000	\$ -	\$ -	\$ 15,440,000	\$ -
Accrued interest	80,454,650	7,592,592 (b)	3,128,275	84,918,967	-
Total	<u>\$ 95,894,650</u>	<u>\$ 7,592,592</u>	<u>\$ 3,128,275</u>	<u>\$100,358,967</u>	<u>\$ -</u>

(a) Estimated for the year ending December 31, 2023

(b) Estimated for the year ending December 31, 2024

Leases

The District currently has no operating or capital leases, nor does it anticipate any for fiscal year 2024.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 4, which pays for all Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Meadows Metropolitan District No. 7,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Meadows Metropolitan District No. 7

(local government)^C

Hereby officially certifies the following mills

to be levied against the taxing entity's GROSS \$ 66,993,650

assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax

Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total

property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/02/2024 for budget/fiscal year 2024

(no later than Dec. 15)

(mm/dd/yyyy)

(yyyy)

PURPOSE (see end notes for definitions and examples)

LEVY²

REVENUE²

1. General Operating Expenses^H _____ mills \$ _____

2. <Minus> Temporary General Property Tax Credit/
Temporary Mill Levy Rate Reduction^I < _____ > mills \$ < _____ >

SUBTOTAL FOR GENERAL OPERATING:

mills \$

3. General Obligation Bonds and Interest^J 35.000 mills \$ 2,344,778

4. Contractual Obligations^K _____ mills \$ _____

5. Capital Expenditures^L _____ mills \$ _____

6. Refunds/Abatements^M _____ mills \$ _____

7. Other^N (specify): _____ mills \$ _____

TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]

35.000 mills \$ **\$2,344,778**

Contact person: Seef Le Roux Phone: (719) 635-0330

Signed: Seef Le Roux Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: Capital Infrastructure Improvements
Series: 1989 A,B,C
Date of Issue: September 1, 1989
Coupon Rate: 7.999%
Maturity Date: June 1, 2029
Levy: 35.000
Revenue: \$2,344,778

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Exhibit C
Town Reimbursement Log

**MEADOWS METROPOLITAN DISTRICTS NOS. 1 - 7
2023 DISTRICTS FACILITIES DEVELOPMENT FEE
TOWN REIMBURSEMENT LOG**

For the Month Ending: **December-23**

SDF Certificate #	Date Issued	Address Number	Street Name	Builder Name	Legal Description Filing	#4				Facilities Development Fees Received			Street Oversizing Fee		Collection Fee		Meadows Development Fee		Total Amount Received
						Parcel	Lot	Block	Total Amount Due 2023	Date	Water & Sewer Fee	Capital Reserve Fee	Date Reported	Amount Received	Date Reported	Amount Deducted	Date Received	Amount Received	
7833 4/14/22		1069 Sunlit Drive		Richmond American Homes	18	-	4	9	8,974.61	4/30/23	5,065.90	3,630.45	4/30/23	300.00	4/30/23	(21.74)	N/A Parcel in District #3	8,974.61	
VOID7842 4/29/22		2360 Meadows Blvd - Comm		Town of Castle Rock	17	-	-	-	53,064.87	4/30/23	-	-	-	-	-	-	N/A Parcel in District #5	0.00	
7859 6/10/22		1180 Sunlit Drive		Richmond American Homes	18	-	5	9	8,974.61	4/30/23	5,065.90	3,630.45	4/30/23	300.00	4/30/23	(21.74)	N/A Parcel in District #3	8,974.61	
7889 8/22/22		792 Oleander Street		Richmond American Homes	16	6 & 7	20	1	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7920 1/5/23		1199 Sunlit Drive		Richmond American Homes	18	-	10	9	8,974.61	5/31/23	5,065.90	3,630.45	5/31/23	300.00	5/31/23	(21.74)	N/A Parcel in District #3	8,974.61	
7921 1/9/23		1211 Sunlit Drive		Richmond American Homes	18	-	11	9	8,974.61	5/31/23	5,065.90	3,630.45	5/31/23	300.00	5/31/23	(21.74)	N/A Parcel in District #3	8,974.61	
7922 1/19/23		958 Oleander Street		Richmond American Homes	16	6&7	9	1	8,974.61	1/31/23	5,065.90	3,630.45	1/31/23	300.00	1/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7923 1/19/23		928 Oleander Street		Richmond American Homes	16	6&7	12	1	8,974.61	3/31/23	5,065.90	3,630.45	3/31/23	300.00	3/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7924 1/19/23		910 Oleander Street		Richmond American Homes	16	6&7	14	1	8,974.61	3/31/23	5,065.90	3,630.45	3/31/23	300.00	3/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7925 1/19/23		765 Oleander Street		Richmond American Homes	16	6&7	27	1	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7926 1/19/23		915 Oleander Street		Richmond American Homes	16	6&7	36	1	8,974.61	3/31/23	5,065.90	3,630.45	3/31/23	300.00	3/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7927 1/19/23		943 Oleander Street		Richmond American Homes	16	6&7	38	1	8,974.61	3/31/23	5,065.90	3,630.45	3/31/23	300.00	3/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7928 1/19/23		2245 Bramble Street		Richmond American Homes	16	6&7	3	2	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7929 1/19/23		2268 Bramble Street		Richmond American Homes	16	6&7	12	2	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7930 1/19/23		2898 Morningbird Lane		Richmond American Homes	18	-	9	14	8,974.61	6/30/23	5,065.90	3,630.45	6/30/23	300.00	6/30/23	(21.74)	N/A Parcel in District #3	8,974.61	
7931 1/19/23		1124 Sunlit Drive		Richmond American Homes	18	-	9	10	8,974.61	5/31/23	5,065.90	3,630.45	5/31/23	300.00	5/31/23	(21.74)	N/A Parcel in District #3	8,974.61	
7932 1/20/23		766 Oleander Street		Richmond American Homes	16	6&7	22	1	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7933 1/20/23		751 Oleander Street		Richmond American Homes	16	6&7	26	1	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #7	8,974.61	
7934 1/30/23		946 Oleander Street		Richmond American Homes	16	6&7	10	1	8,974.61	1/31/23	5,065.90	3,630.45	1/31/23	300.00	1/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7935 2/13/23		2852 Morningbird Lane		Richmond American Homes	18	-	7	14	8,263.54	2/28/23	5,923.92	3,811.97	2/28/23	300.00	2/28/23	(19.88)	N/A Parcel in District #7	9,716.01	
7936 2/27/23		916 Oleander Street		Richmond American Homes	16	6&7	13	1	8,974.61	3/31/23	5,065.90	3,630.45	3/31/23	300.00	3/31/23	(21.74)	N/A Parcel in District #7	8,974.61	
7937 2/27/23		739 Oleander Street		Richmond American Homes	16	6&7	25	1	8,974.61	2/28/23	5,065.90	3,630.45	2/28/23	300.00	2/28/23	(21.74)	N/A Parcel in District #3	8,974.61	
7938 3/23/23		1148 Sunlit Drive		Richmond American Homes	18	-	11	10	10,011.63	5/31/23	5,924.00	3,811.97	5/31/23	300.00	5/31/23	(24.34)	N/A Parcel in District #7	10,011.63	
7939 3/23/23		1156 Sunlit Drive		Richmond American Homes	18	-	12	10	10,011.63	5/31/23	5,924.00	3,811.97	5/31/23	300.00	5/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7940 3/23/23		2826 Morningbird Lane		Richmond American Homes	18	-	5	14	10,011.63	3/31/23	5,924.00	3,811.97	3/31/23	300.00	3/31/23	(24.34)	N/A Parcel in District #7	10,011.63	
7941 3/23/23		2838 Morningbird Lane		Richmond American Homes	18	-	6	14	10,011.63	5/31/23	5,924.00	3,811.97	5/31/23	300.00	5/31/23	(24.34)	N/A Parcel in District #7	10,011.63	
7942 4/18/23		4390 Regent Street		Storhaus Castle Rock, LLC	17	-	6-A	-	14,741.21	3/31/23	8,414.55	6,062.85	3/31/23	937.60	3/31/23	(36.19)	N/A Parcel in District #5	15,378.81	
7943 5/25/23		4455 Lombard Street - COMM		Kum & Go LLC	17	-	5	-	316.96	-	-	-	-	-	-	pd in 2022	N/A Parcel in District #5	316.96	
7944 5/25/23		3665 Timber Mill Pkwy		Castle Rock Development Company	19	2N	3C	-	157,891.13	4/30/23	83,991.45	60,519.60	4/30/23	13,741.36	4/30/23	(361.28)	N/A Parcel in District #5	144,149.77	
7945 5/25/23		3660 Timber Mill Pkwy - IRR		Castle Rock Development Company	19	2N	4	-	27,169.06	4/30/23	15,147.75	12,089.40	-	-	4/30/23	(68.09)	N/A Parcel in District #5	27,169.06	
7946 6/26/23		3621 N US Highway 85 - IRR		Castle Rock Development Company	19	2N	1	-	8,184.94	5/31/23	4,575.00	3,630.45	-	-	4/30/23	(20.51)	N/A Parcel in District #5	8,184.94	
7947 6/26/23		3621 N US Highway 85 - IRR		Castle Rock Development Company	19	2N	2	-	8,184.94	5/31/23	4,575.00	3,630.45	-	-	4/30/23	(20.51)	N/A Parcel in District #5	8,184.94	
7948 6/26/23		1139 Melting Snow Way		Richmond American Homes	18	-	18	14	10,011.63	7/31/23	5,924.00	3,811.97	7/31/23	300.00	7/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7949 7/6/23		1173 Melting Snow Way		Richmond American Homes	18	-	19	14	10,011.63	7/31/23	5,924.00	3,811.97	7/31/23	300.00	7/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7950 7/24/23		1195 Melting Snow Way		Richmond American Homes	18	-	20	14	10,011.63	7/31/23	5,924.00	3,811.97	7/31/23	300.00	7/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7951 7/26/23		2760 Bright Dawn Court		Richmond American Homes	18	-	22	14	10,011.63	8/31/23	5,924.00	3,811.97	8/31/23	300.00	8/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7952 7/31/23		2728 Bright Dawn Court		Richmond American Homes	18	-	21	14	10,011.63	8/31/23	5,924.00	3,811.97	8/31/23	300.00	8/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7953 8/28/23		3720 Bilberry Street		The Garrett Companies	20	-	2A-1A	3	14,721.21	9/30/23	8,414.55	5,774.14	9/30/23	988.88	9/30/23	(36.19)	N/A Parcel in District #6	15,141.38	
7954 9/12/23		2802 Morningbird Lane		Richmond American Homes	18	-	4	14	10,011.63	9/30/23	5,924.00	3,811.97	9/30/23	300.00	9/30/23	(24.34)	N/A Parcel in District #7	9,711.63	
7955 9/27/23		2766 Bright Dawn Court		Richmond American Homes	18	-	23	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7956 9/27/23		1285 Melting Snow Way		Richmond American Homes	18	-	27	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7957 9/27/23		1309 Melting Snow Way		Richmond American Homes	18	-	28	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7958 10/2/23		2759 Bright Dawn Court		Richmond American Homes	18	-	25	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7959 10/2/23		1263 Melting Snow Way		Richmond American Homes	18	-	26	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7960 10/3/23		2783 Bright Dawn Court		Richmond American Homes	18	-	24	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7961 10/18/23		2710 Morningbird Lane		Richmond American Homes	18	-	1	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7962 10/20/23		1266 Melting Snow Way		Richmond American Homes	18	-	45	10	10,011.63	12/31/23	5,924.00	-	12/31/23	-	-	(14.81)	N/A Parcel in District #7	0.00	
7963 10/23/23		3811 Sol Danza Dr - COM		Nguyen Partner LLC	17	-	6G-1B	-	14,741.21	7/31/23	8,414.55	6,062.85	7/31/23	341.36	7/31/23	(36.19)	N/A Parcel in District #5	14,441.21	
7964 10/23/23		1105 Melting Snow Way		Richmond American Homes	18	-	17	14	10,011.63	7/31/23	5,924.00	3,811.97	7/31/23	300.00	7/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7965 10/23/23		1355 Melting Snow Way		Richmond American Homes	18	-	30	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	10,011.63	
7966 10/27/23		2778 Morningbird Lane		Richmond American Homes	18	-	3	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7967 10/27/23		1333 Melting Snow Way		Richmond American Homes	18	-	29	14	10,011.63	10/31/23	5,924.00	3,811.97	10/31/23	300.00	10/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7968 10/30/23		1377 Melting Snow Way		Richmond American Homes	18	-	31	14	10,011.63	11/30/23	5,924.00	3,811.97	11/30/23	300.00	11/30/23	(24.34)	N/A Parcel in District #7	9,711.63	
7969 10/31/23		3534 Running Deer Drive		Regalo Homes Corp	6	-	157	-	11,208.63	8/31/23	5,924.00	3,811.97	8/31/23	300.00	8/31/23	(24.34)	N/A Parcel in District #7	9,711.63	
7970 11/3/23		2746 Morningbird Lane		Richmond American Homes	18	-	2	1											

