STONE CREEK METROPOLITAN DISTRICT

2022 ANNUAL REPORT

As required by Section 32-1-207(3)(c), C.R.S. and Section XII of the Service Plan for Stone Creek Metropolitan District (the "District"), approved by Douglas County, Colorado, on September 23, 2014, the following annual report of the activities of the District from January 1, 2022 to December 31, 2022 is hereby submitted:

I. Description of Districts - General Information

a. Board members, officers' titles, and terms as of December 31, 2022:

Ashley Racich, President, Term: May, 2025

Clifton "C.J." Waters, Treasurer, Term May, 2025

Peter J. Klymkow, Assistant Secretary, Term: May, 2023

Amanda Roper, Assistant Secretary, Term: May, 2025

Mauricio "Morris" Barbera, Assistant Secretary, Term: May, 2023

b. Changes in board membership in past year:

- **At the November 17, 2021 meeting Ashley Racich was appointed to the Board of Directors of the District, however, due to complications with her oath documentation, the appointment was not effectuated until following the February 23, 2022 meeting of the Board.**

- **Stacey Jenkins, elected by acclamation via the May 3, 2022 Regular Directors Election, resigned from the Board on October 18, 2022.**

- **Clifton "C.J." Waters was appointed to fill the vacant seat on the Board created by the above-referenced resignation of Stacey Jenkins, at the District's November 2, 2022 Special Board Meeting.**

c. Name and address for official District contact:

Stone Creek Metropolitan District
c/o: Goodwin & Company
14901 E Hampden Ave. #320
Aurora, CO 80014
(303) 693-2118
Shannon Torgerson, District Manager/Board Secretary
Shannon.Torgerson@goodwin-co.com

d. Elections held in the past year and their purpose: **The May 3, 2022 Regular Directors Election was cancelled as there were not more candidates than vacant seats on the Board of Directors.**

II. Boundary changes for the report year and proposed changes for the coming year. **None.**

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements:

a. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts:

1. Clubhouse Construction Agreement by and among the District, Choke Cherry Investors LLC ("Choke Cherry"), Cielo Metropolitan District ("Cielo") and Toll Southwest LLC ("Toll Southwest"), dated August 25, 2021 ("Construction Agreement"). The Construction Agreement sets forth the agreement between Choke Cherry and Toll Southwest to each contribute certain amounts towards the cost of construction of the Clubhouse Improvements (as defined in the Construction Agreement) and for Choke Cherry to convey and the District to acquire the Clubhouse Improvements upon completion, subject to the terms and conditions of the Clubhouse Agreement.

2. Clubhouse Joint Use and Operations Cost Sharing Agreement by and between the District and Cielo, dated August 25, 2021 ("Cost Sharing Agreement"). Pursuant to the Cost Sharing Agreement, Stone Creek will oversee and manage day-to-day operations of the Clubhouse Improvements, including maintenance, and the Clubhouse O&M Costs shall be allocated among the districts subject to the terms of the Cost Sharing Agreement.

3. Joint Resolution of the Boards of Directors of the District and Cielo Concerning the Clubhouse Rules and Regulations, dated August 25, 2021 ("Rules and Regulations Resolution"). The Rules and Regulations Resolution sets forth the various rules and regulations concerning the clubhouse.

4. Easement Deed and Agreement (Cielo Flow Meter Easement – Tract C, Stone Creek Ranch Filing No. 1) between the District and Denver Southeast Suburban Water and Sanitation District d/b/a Pinery Water and Wastewater District ("Pinery"), dated April 21, 2021 ("Easement Deed and Agreement"). The Easement Deed and Agreement grants the Pinery, and its successors, a perpetual non-exclusive easement to the Easement Area for a flow meter and related facilities, pursuant to the terms of the Easement Deed and Agreement.

b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District:

1. Effective as of December 15, 2014, the District entered into a 2014-2015 Operation Funding Agreement, as amended at various times, most recently with the Seventh Amendment dated April 4, 2022 (the "OFA") with Choke Cherry Investors, LLC (the "Developer"). The OFA is the Agreement under which the District and the Developer set forth the respective rights, obligations and procedures under which the Developer will advance funds for operation and maintenance costs and the District will reimburse the Developer for advances made under the terms of the OFA.

2. Facilities Acquisition Agreement by and between the District and the Developer, dated August 4, 2016 (the "Original FAA"). The Original FAA is the agreement under which the District and the Developer set forth the respective rights, obligations and procedures under which the Developer will be reimbursed for Organization Expenses, the District will acquire certain Developer-constructed improvements and the District will reimburse the Developer for certain Construction Costs, as defined in the Original FAA. On April 4, 2022, the Original FAA was amended and restated in its entirety pursuant to the Amended and Restated Facilities Acquisition Agreement (the "Amended FAA") by and between the District and Developer. The Amended FAA sets forth the current rights, obligations and procedures with respect to the District's acquisition of the Developer-constructed Improvements and reimbursement of the Developer for the Outstanding FAA Certified Costs (as defined in the Amended FAA) and any subsequent Certified Costs, the Developer's waiver of outstanding FAA Interest and future accrual of interest on the Outstanding FAA Certified Costs and to the Developer's subordination of its right, with limited exception as provided in the Amended FAA, to payments of the Outstanding FAA Certified Costs to the Builders' (defined below) reimbursements pursuant to the Shortfall Funding Agreement (described in Section III(b)(7) of this Annual Report).

3. On March 6, 2018, the District, the Developer, Richmond American Homes of Colorado, Inc. ("Richmond"), Taylor Morrison of Colorado, Inc. ("Taylor Morrison"), KB Home Colorado, Inc. ("KB", and collectively with Richmond and Taylor Morrison, the "Builders") and First American Title Insurance Company ("Title Company") entered into an Offsite Improvements Agreement (Stone Creek Ranch Filing No. 1) ("Offsite Improvements Agreement"). Concurrently with the execution of the Offsite Improvements Agreement, Richmond, Taylor Morrison and KB, each respectively entered into separate Agreements for Sale and Purchase of Real Estate with the Developer to purchase certain lots ("Lots") within the District boundaries (collectively referred to as the "Sale Agreements"). For purposes of the Offsite Improvements Agreement, all tracts, public streets, private streets and other property or property rights required with respect to the Improvements necessary for the Builders to obtain building permits and certificates of occupancy for the Units constructed on the Lots are defined as the "Project". Developer, pursuant to the Sale Agreements, agreed to cause the construction

and completion of all improvements necessary for the issuance of building permits, and following construction of Units (as defined in the Offsite Improvements Agreement) on the Lots, certificates of occupancy, with each Builder paying specific costs towards same as such costs are set forth in the Offsite Improvements Agreement and with Developer being responsible for all additional costs and charges related thereto. The Builders and Developer agreed to engage the District to complete certain improvements at the Project that are deemed "public" improvements as approved by the third-party District engineer for qualified reimbursements (collectively, the "District Improvements") upon the terms set forth in the Offsite Improvements Agreement. The District agreed to engage the Developer to manage the construction of the District Improvements pursuant to a Construction Management Agreement dated February 14, 2018 (the "Construction Management Agreement"). The Builders agreed to engage the Developer to complete the remainder of the improvements at the Project that are not District Improvements (the "Developer Improvements") upon the terms and conditions set forth in the Offsite Improvements Agreement that are otherwise applicable to the completion of and payment for the District Improvements. On September 19, 2018, the parties entered into a First Amendment to Offsite Improvement Agreement to address the disbursement of certain funds and to clarify certain items set forth in the Offsite Improvement Agreement.

4. On March 6, 2018, the District, the Developer, Richmond, Taylor Morrison, KB and Title Company entered into a Developer Escrow Agreement ("Developer Escrow Agreement"). Pursuant to the Developer Escrow Agreement, as District Improvements are completed, the District shall requisition funds from the proceeds of the Bonds and use such funds to reimburse the Developer for any public improvements paid for by the Builders pursuant to the terms of the FAA. The Developer Escrow Agreement sets forth the parameters under which Title Company shall hold and administer the Escrowed Funds (as defined in the Developer Escrow Agreement) in an account in the Developer Escrow Agreement to pay for any Cost Overruns associated with the District Improvements, Developer Improvements or the Builder Improvements, as more particularly set forth in the Developer Escrow Agreement.

5. On March 6, 2018, the District, the Developer, Richmond, Taylor Morrison, KB and the Title Company entered into an Amenity Center Escrow Agreement ("ACEA"). The ACEA sets forth the terms under which a portion of the Bond Proceeds will fund certain escrows for the benefit of the property within the District boundaries and the Builders, including payment of the costs to build the Amenity Center. The Title Company shall hold and administer the Escrowed Funds (as defined in the ACEA) to pay the costs of constructing the Amenity Center, as more particularly set forth in the ACEA.

6. On November 19, 2019, the Board approved the Clubhouse Funding, Construction, and Operations Agreement by and among the District, Choke

Cherry Investors, LLC, Cielo Metropolitan District, and Forestar (USA) Real Estate Group Inc. ("Clubhouse Agreement"). The Clubhouse Agreement sets forth the rights, obligations, and procedures for the construction of a public clubhouse, swimming pool, and related public improvements, and the cost sharing agreement relative to the operation and maintenance of said improvements. <u>The Clubhouse Agreement was terminated on August 26, 2021, pursuant to a Termination of Clubhouse Agreement, and is of no further force or effect</u>.

7. On April 4, 2022, the District, Developer and Builders entered into a Shortfall Funding Agreement ("Shortfall Funding Agreement"). The Shortfall Funding Agreement sets forth the rights, obligations and procedures pursuant to which the Builders agree to advance funds for operations, maintenance and administrative expenses and for capital soft cost expenses, and for the District to reimburse the Builders for the advances made under the Shortfall Funding Agreement and in conjunction with the priority established under the Seventh Amendment to the OFA and the Amended and Restated FAA. The District is not obligated to pay interest on Builder advances. The Builder Reimbursement takes priority over payments to the Developer under the OFA and A/R FAA.

IV. Service Plan

a. List and description of services authorized in Service Plan:

(a) Water;
(b) Storm Sewer;
(c) Sanitation and Wastewater Treatment;
(d) Street Improvements;
(e) Safety Protection;
(f) Parks and Recreation;
(g) Mosquito Control;
(h) Covenant Enforcement and Design Review; and
(i) Security Services

b. List and description of facilities authorized in Service Plan:

<u>Water</u>: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and

appurtenant facilities, land and easements, together with extensions and improvements thereto. The District shall have the power and authority to contract with other private or governmental entities to provide any or all of the services the District is authorized or empowered to provide.

Storm Sewer: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Sanitation and Wastewater Treatment: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Street Improvements: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that following acceptance by the County, the County will own, operate and maintain the street improvements.

Safety Protection: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

<u>Parks and Recreation</u>: The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, sprinkler systems, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, picnic areas, common area landscaping, streetscaping, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. It is anticipated that the park and recreation improvements will be owned, operated, and maintained by the District.

<u>Mosquito Control</u>: The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for elimination and control of mosquitoes.

<u>Covenant Enforcement and Design Review</u>: The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended.

<u>Security Services</u>: The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the Douglas County Sheriff's Department) within the boundaries of the District.

c. List and description of any extraterritorial services, facilities, and agreements: **None.**

V. Development Progress

a. Indicate the estimated year of build-out, as set forth in the Service Plan: **The Service Plan projects that the development would attain build-out in the year 2020; however, the District understands that the Developer currently anticipates that build-out will occur in late 2023 or early 2024.**

b. List the services provided with the date service began compared to the date authorized by the Service Plan: **The District is currently providing operations and maintenance services, and covenant enforcement services.**

c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented: **Not Applicable.**

d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan: **No facilities as set forth in the service plan have been acquired or constructed or leased back to date.**

e. List facilities not completed. Indicate the reason for incompletion and provide a revised schedule, if any: **The project is largely built-out, with the majority of the streets, sidewalks, lights, and curbs completed, and 100% of the homes occupied by end users. Certain other improvements are under construction or approaching initial acceptance, including the clubhouse, pool and certain landscaping tracts. The District understands that the Developer currently anticipates that complete build-out will occur in late 2023 or early 2024.**

f. List facilities currently under construction with the percentage complete and an anticipated date of completion: **The pool and clubhouse facilities are approaching initial acceptance, and are anticipated to be acquired by the District in late 2023 or early 2024.**

g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years: **The District had a population of zero (0) up until 2019. During 2020, the number of residents increased to two hundred forty-four (244). The current estimated population is eight hundred eight (808) residents (based upon an estimate of 2.5 persons per residence). The estimated population for the next five years remains eight hundred eight (808) residents (based upon an estimate of 2.5 persons per residence). Below is the status of the villages at Stone Creek:**

Village A, KB Homes, 105 sold, 105 occupied

Village B, Richmond, 93 sold, 93 occupied

Village C, TM, 51 sold, 51 occupied

Village D, Richmond, 74 sold, 74 occupied

h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan: **The Service Plan anticipated zero (0) square feet of commercial space and a total of 679 residential units as follows: (1) an estimated 329 residential units in Phase I; and (2) an additional 350 residential units in Phase II, which was in the then-Future Inclusion Area. Subsequent to the approval of the Service Plan, the 350 residential units from the Future Inclusion Area became part of a new metropolitan district, the Cielo Metropolitan District. Thus, the District had an estimated total of only 329 residential units. The District currently includes three hundred twenty-three (323) residential units and zero (0) square feet of commercial space.**

i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each: **Not Applicable.**

VI. Financial Plan and Financial Activities

a. Provide a copy of the audit or exemption from the audit for the reporting year: **The 2022 Audit is attached hereto as Exhibit A.**

b. Provide a copy of the budget, showing the reporting and previous years: **The 2023 Budget is attached hereto as Exhibit B and incorporated herein by reference.**

c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation): **Information regarding the revenues and expenditures of the District can be found in the 2022 Audit (attached as Exhibit A), and 2023 Budget (attached as Exhibit B) to this Annual Report.**

d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired: **This information can be found in the 2022 Audit (Exhibit A). The Series 2018B bonds are cash flow bonds and do not have a debt service schedule but will be repaid as funds are available.**

e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued: **This information can be found in the 2022 Audit (attached as Exhibit A).**

f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan: **The District's total amount of General Obligation Debt outstanding is $9,470,000, which consists of $8,274,000 in outstanding Series 2018A Bonds and $1,195,000 in outstanding Series 2018B Bonds. No new debt was issued in 2022. The maximum authorized debt limit under the Service Plan is $18,000,000.**

g. Enterprises of the District

i. Include revenues of the enterprise, showing both direct support from the District and all other sources: **Not Applicable.**

ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations: **Not Applicable.**

h. Detail contractual obligations

i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments: **Not applicable.**
ii. Report any inability of the District to pay current obligations that are due within the current budget year: **None.**
iii. Describe any District financial obligations in default: **None.**

i. Actual and Assessed Valuation History

i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year: **A copy of the 2022 Certification of Valuation by the Douglas County Assessor is attached hereto as <u>Exhibit C</u>. The 2015-2021 Assessed Valuations of the District are attached to the 2016, 2017, 2018, 2019, 2020 and 2021 Annual Reports.**

ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value. **The District was organized in 2014; thus, the information provided below is from 2016 to the current year. The Service Plan estimate includes the total number of residential units for two phases: (1) an estimated 329 residential units in Phase I; and (2) an additional 350 residential units in Phase II, which was in the then-Future Inclusion Area, for an estimated total of 679 residential units (the "Service Plan AV Estimate").**

Subsequent to the approval of the Service Plan, the 350 residential units from the Future Inclusion Area became part of a new metropolitan district, the Cielo Metropolitan District. Thus, the District had an estimated total of only 329 residential units (which is 48.5% of the estimated 679 residential units originally contemplated in the Service Plan, the "Equalized AV Estimate"). Additionally, in connection with the District's issuance of its 2018 Bonds, the District's Accountant prepared a cash flow analysis (the "Bond AV Estimate"), which contains an estimate of assessed valuation for the 329 residential units.

Based on the foregoing, the below table sets forth: the Service Plan AV Estimate, the Equalized AV Estimate; the Bond AV Estimate; and the assessed valuation actually issued by the County (the "Actual AV"):

Year	Service Plan AV Estimate (based on 679 units)	Equalized AV Estimate (48.5%, or 329/679 units)	Bond AV Estimate (based on 329 units)	Actual AV (per County, based on 323 units)
2016	$857,820	$416,043	n/a (bonds issued in 2018)	$63,700
2017	$4,032,363	$1,955,696	$70,780	$70,780
2018	$9,293,743	$4,507,465	$157,818	$58,150
2019	$14,236,525	$6,904,715	$2,070,956	$5,215,040
2020	$17,328,021	$8,404,090	$6,670,032	$6,607,040
2021	$21,064,484	$10,216,275	$10,825,616	$8,540,970
2022	$24,401,016	$11,834,493	$12,719,377	$11,164,910

j. Mill Levy History

i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance): **In 2022, the District certified a mill levy of 11.385 mills for the General Fund and 56.926 mills for the Debt Service Fund for a total of 68.311 mills. In 2021, the District certified a mill levy of 11.132 mills for the General Fund and 55.664 mills for the Debt Service Fund for a total of 66.796 mills. In 2020, the District certified a mill levy of 11.132 mills for the General Fund and 55.664 mills for the Debt Service Fund for a total of 66.796 mills. In 2019, the District certified a mill levy of 11.132 mills for the General Fund and 55.664 mills for the Debt Service Fund for a total of 66.796 mills. In 2018, the District certified a mill levy of 11.055 mills for operations and maintenance and 55.277 mills for general obligation bonds and interest. In 2017, the District certified a mill levy of 10.000 mills for operations and maintenance and 55.277 mills for general obligation bonds and interest. In 2016, the District certified a mill levy of 10.000 mills for operations and maintenance and 50.000 mills for general obligation bonds and interest for collection year 2017. In 2015, the District certified a mill levy of 50.000 mills for operations and maintenance for tax collection year 2016.**

ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies: **The Service Plan authorizes a Maximum**

Total Mill Levy of 60.000 mills with a Maximum Debt Service Mill Levy of fifty (50.000) Mills and a Maximum Operations & Maintenance Mill Levy of ten (10.000 Mills, as adjusted). In 2022, the District certified a mill levy of 11.385 mills for the operations and maintenance and 56.926 mills for general obligation bonds and interest. In 2021, the District certified a mill levy of 11.132 mills for operations and maintenance and 55.664 mills for general obligation bonds and interest. In 2020, the District certified a mill levy of 11.132 mills for operations and maintenance and 55.664 mills for general obligation bonds and interest. In 2019, the District certified a mill levy of 11.132 mills for operations and maintenance and 55.664 mills for general obligation bonds and interest, as adjusted per Article X Section 3 of the Colorado Constitution. In 2018, the District certified a mill levy of 11.055 mills for operations and maintenance and 55.277 mills for general obligation bonds and interest. In 2017, the District certified a mill levy of 10.000 mills for operations and maintenance and 55.277 mills for general obligation bonds and interest. In 2016, the District assessed 10.000 mills for operations and maintenance and 50.000 mills for general obligation debt. In 2015, the District assessed 50.000 mills for operations and maintenance. The District did not certify a mill levy in the years 2014-2015, nor did the Service Plan anticipate the District doing so.

k. Miscellaneous Taxes History

i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other): **Not Applicable.**

ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes: **Not Applicable.**

l. Estimated Assessed Valuation of District at 100% Build-Out

i. Provide an updated estimate and compare this with the Service Plan estimate: **The Service Plan estimated an assessed valuation of $24,401,016 at full build out; however, this estimate was for the estimated 679 residential units originally contemplated in the Service Plan, and per the above, the District has 323 residential units (323/679 = 47.57%). Thus, the equalized estimate would be $ 11,607,563 (which is 47.57% of $24,401,016). The 2023 preliminary assessed valuation for the District is $16,678,350.**

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

   i. Provide an updated estimate based on current events. Do not include refunding bonds: **The District issued bonds in 2018. No new debt was issued in 2022.**

Additional Requirements pursuant to Section 32-1-207(3)(c), C.R.S.

IV. Access information to obtain a copy of the rules and regulations adopted: The District's rules and regulations may be accessed at the offices of Goodwin & Company, 14901 E Hampden Ave. #320, Aurora, CO 80014, or on the District's website: https://stonecreekmd.colorado.gov/.

V. Summary of litigation involving the District's public improvements: To our knowledge, the District is not involved in any litigation.

VI. Conveyances or dedications of facilities or improvements, constructed by the District, to Douglas County, Colorado: The District did not convey or dedicate any facilities or improvements to Douglas County, Colorado during the reporting year.

VII. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument: To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.

VIII. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period: To our knowledge, the District has been able to pay its obligations as they come due.

Exhibit A
(2022 Audit)

STONE CREEK METROPOLITAN DISTRICT
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

STONE CREEK METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2022

WIPFLI

14143 Denver W Parkway #450
Lakewood, CO 80401

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wipfli.com

Board of Directors
Stone Creek Metropolitan District
Douglas County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Stone Creek Metropolitan District (the "District"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Stone Creek Metropolitan District as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplemental Information

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

Supplementary Information

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

Other Information and Continuing Disclosure Information

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

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

Wipfli LLP

Wipfli LLP
Lakewood, Colorado

September 13, 2023

BASIC FINANCIAL STATEMENTS

STONE CREEK METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	$ 22,891
Cash and Investments - Restricted	1,163,091
Accounts Receivable	22,734
Receivable - County Treasurer	3,619
Property Taxes Receivable	762,686
Capital Assets, Not Being Depreciated:	
Construction in Progress	14,219,999
Capital Assets, Net	1,425,063
Total Assets	17,620,083
LIABILITIES	
Accounts Payable	63,023
Accrued Interest Payable	38,742
Noncurrent Liabilities:	
Due Within One Year	95,000
Due in More Than One Year	19,344,065
Total Liabilities	19,540,830
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	762,686
Total Deferred Inflows of Resources	762,686
NET POSITION	
Restricted for:	
Emergency Reserves	10,300
Capital Projects	9,310
Unrestricted	(2,703,043)
Total Net Position	$ (2,683,433)

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 480,348	$ 212,820	$ 26,070	$ -	$ (241,458)
Interest and Related Costs on Long-Term Debt	769,613	-	-	-	(769,613)
Total Governmental Activities	$ 1,249,961	$ 212,820	$ 26,070	$ -	(1,011,071)
GENERAL REVENUES					
Property Taxes					558,136
Specific Ownership Taxes					50,450
Interest Income					14,369
SPECIAL ITEMS					
Forgiveness and Cancellation of Accrued Interest on Developer Advance					2,488,174
Total General Revenues					3,111,129
CHANGE IN NET POSITION					2,100,058
Net Position - Beginning of Year, as Restated					(4,783,491)
NET POSITION - END OF YEAR					$ (2,683,433)

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General	Fee Revenue	Debt Service	Capital Projects	Total Governmental Funds
ASSETS					
Cash and Investments	$ 15,500	$ 7,391	$ -	$ -	$ 22,891
Cash and Investments - Restricted	3,100	7,200	1,142,086	10,705	1,163,091
Accounts Receivable - District Fees	-	10,006	-	-	10,006
Accounts Receivable - Cielo	-	12,728	-	-	12,728
Receivable - County Treasurer	603	-	3,016	-	3,619
Property Taxes Receivable	127,112	-	635,574	-	762,686
Total Assets	146,315	37,325	1,780,676	10,705	1,975,021
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	19,075	42,553	-	1,395	63,023
Total Liabilities	19,075	42,553	-	1,395	63,023
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	127,112	-	635,574	-	762,686
Total Deferred Inflows of Resources	127,112	-	635,574	-	762,686
FUND BALANCES					
Restricted:					
Emergency Reserves	3,100	7,200	-	-	10,300
Debt Service	-	-	1,145,102	-	1,145,102
Capital Projects	-	-	-	9,310	9,310
Unassigned	(2,972)	(12,428)	-	-	(15,400)
Total Fund Balances	128	(5,228)	1,145,102	9,310	1,149,312
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 146,315	$ 37,325	$ 1,780,676	$ 10,705	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets	15,645,062
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	(9,460,000)
Accrued Interest on Bonds Payable	(535,439)
Developer Advance Payable	(9,346,325)
Builders Advance Payable	(136,043)
Net Position of Governmental Activities	$ (2,683,433)

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Fee Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Property Taxes	$ 93,017	$ -	$ 465,119	$ -	$ 558,136
Specific Ownership Taxes	8,408	-	42,042	-	50,450
Interest Income	-	-	14,369	-	14,369
District Fees	-	201,650	-	-	201,650
Administrative Fees	-	11,170	-	-	11,170
Cielo Cost Share	-	26,070	-	-	26,070
Total Revenues	101,425	238,890	521,530	-	861,845
EXPENDITURES					
General, Administrative, Operations and Maintenance:					
Accounting	39,630	-	-	-	39,630
Audit	4,400	-	-	-	4,400
County Treasurer Fee	1,426	-	7,132	-	8,558
District Management	32,815	-	-	-	32,815
Dues	382	-	-	-	382
Election	2,490	-	-	-	2,490
Insurance	5,871	12,606	-	-	18,477
Irrigation Repairs	-	5,135	-	-	5,135
Legal	67,208	13,023	-	-	80,231
Miscellaneous	828	-	-	-	828
Billing and Collection	-	2,061	-	-	2,061
Community Management	-	34,458	-	-	34,458
Landscape Contract	-	55,700	-	-	55,700
Snow Removal	-	9,725	-	-	9,725
Trash Removal	-	63,415	-	-	63,415
Water	-	10,122	-	-	10,122
Capital-Related (Softcosts):					
Stormwater Improvements	-	-	-	10,275	10,275
Clubhouse Facility					
Cleaning Contract	-	3,975	-	-	3,975
Clubhouse Repairs	-	350	-	-	350
Fitness Equipment Lease	-	18,118	-	-	18,118
Gas/Electricity	-	4,679	-	-	4,679
Insurance	-	4,786	-	-	4,786
Phone/IT	-	2,462	-	-	2,462
Pool Maintenance	-	13,266	-	-	13,266
Trash Removal	-	1,016	-	-	1,016
Water and Sewer	-	2,465	-	-	2,465
Debt Service:					
Bond Interest	-	-	465,469	-	465,469
Bond Principal	-	-	10,000	-	10,000
Paying Agent Fee	-	-	6,000	-	6,000
Total Expenditures	155,050	257,362	488,601	10,275	911,288
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(53,625)	(18,472)	32,929	(10,275)	(49,443)
OTHER FINANCING SOURCES (USES)					
Builder Advance - 2021 Costs	34,392	-	-	21,651	56,043
Builder Advance - 2022 Costs	50,000	-	-	30,000	80,000
Transfers (To)/From Other Funds	-	10,414	-	(10,414)	-
Other Financing Sources (Uses)	84,392	10,414	-	41,237	136,043
NET CHANGE IN FUND BALANCES	30,767	(8,058)	32,929	30,962	86,600
Fund Balances - Beginning of Year, as restated	(30,639)	2,830	1,112,173	(21,652)	1,062,712
FUND BALANCES - END OF YEAR	$ 128	$ (5,228)	$ 1,145,102	$ 9,310	$ 1,149,312

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balances - Governmental Funds	$ 86,600
Amounts reported for governmental activities in the statement of activities are different because:	
The issuance of long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Current Year Bond Principal Payment	10,000
Builder Advances	(136,043)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Developer Advance - Change in Liability	(195,235)
Forgiveness of Accrued Interest on Developer Advance	2,488,174
Accrued Interest on Bonds - Change in Liability	(95,777)
Depreciation Expense	(57,661)
Change in Net Position of Governmental Activities	$ 2,100,058

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Budget Amounts Original	Budget Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	$ 95,078	$ 93,026	$ 93,017	$ (9)
Specific Ownership Taxes	7,606	9,221	8,408	(813)
Total Revenues	102,684	102,247	101,425	(822)
EXPENDITURES				
General and Administration:				
Accounting	37,000	39,000	39,630	(630)
Audit	4,500	4,400	4,400	-
County Treasurer Fee	1,426	1,426	1,426	-
District Management	23,000	33,500	32,815	685
Dues	610	382	382	-
Election	3,500	2,564	2,490	74
Insurance	6,000	5,871	5,871	-
Legal	52,500	67,500	67,208	292
Miscellaneous	1,000	1,357	828	529
Contingency	7,464	-	-	-
Total Expenditures	137,000	156,000	155,050	950
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(34,316)	(53,753)	(53,625)	128
OTHER FINANCING SOURCES (USES)				
Developer Advance	34,916	-	-	-
Builder Advances - 2021 Costs	-	34,392	34,392	-
Builder Advances - 2022 Costs	-	50,000	50,000	-
Total Other Financing Sources (Uses)	34,916	84,392	84,392	-
NET CHANGE IN FUND BALANCE	600	30,639	30,767	128
Fund Balance - Beginning of Year	2,500	(30,639)	(30,639)	-
FUND BALANCE - END OF YEAR	$ 3,100	$ -	$ 128	$ 128

See accompanying Notes to Basic Financial Statements.

STONE CREEK METROPOLITAN DISTRICT
FEE REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DECEMBER 31, 2022

	Budget Amounts Original	Budget Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
District Fees	$ 236,950	$ 199,499	$ 201,650	$ 2,151
Administrative Fees	10,200	8,500	11,170	2,670
Other Revenue	-	65,426	-	(65,426)
Cielo Cost Share	53,365	39,331	26,070	(13,261)
Total Revenues	300,515	312,756	238,890	(73,866)
EXPENDITURES				
Operations and Maintenance:				
Billing and Collection	3,000	3,000	2,061	939
Community Management	32,000	55,000	34,458	20,542
Contingency	3,591	774	-	774
Fence Maintenance	2,500	-	-	-
Gas/Electricity	1,000	-	-	-
Irrigation Repairs	2,500	6,500	5,135	1,365
Insurance	-	12,606	12,606	-
Landscape Contract	75,000	60,000	55,700	4,300
Legal	12,000	12,000	13,023	(1,023)
Lighting	1,000	-	-	-
Monuments		-	-	-
Native Area Maintenance	5,000	6,500	-	6,500
Prairie Dog Mitigation	2,500	-	-	-
Shared Amenity Fee	22,133	-	-	-
Snow Removal	5,000	15,000	9,725	5,275
Social Activities	6,000	-	-	-
Trash Removal	24,000	62,500	63,415	(915)
Water	20,000	15,000	10,122	4,878
Clubhouse Facility:				-
Cleaning Contract	5,000	3,200	3,975	(775)
Cleaning Supplies	2,500	3,000	-	3,000
Clubhouse Repairs	2,500	-	350	(350)
Fitness Equipment Lease	18,120	18,120	18,118	2
Gas/Electricity	4,000	5,500	4,679	821
Grounds Improvements	2,500	-	-	-
Insurance	5,000	5,000	4,786	214
Legal	1,000	-	-	-
Lighting Maintenance	750	-	-	-
Management	5,000	-	-	-
Phone/IT	2,250	1,800	2,462	(662)
Pool Chemicals	-	4,000	-	4,000
Pool Lighting	1,000	-	-	-
Pool Maintenance	22,500	13,000	13,266	(266)
Snow Removal	5,000	2,000	-	2,000
Trash Removal	1,000	1,500	1,016	484
Water and Sewer	20,000	20,000	2,465	17,535
Reserves	6,518	-	-	-
Total Expenditures	321,862	326,000	257,362	68,638
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(21,347)	(13,244)	(18,472)	5,228
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	10,414	10,414	-
Total Other Financing Sources (Uses)	-	10,414	10,414	-
NET CHANGE IN FUND BALANCE	(21,347)	(2,830)	(8,058)	5,228
Fund Balance - Beginning of Year, as restated	21,347	2,830	2,830	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ (5,228)	$ 5,228

See accompanying Notes to Basic Financial Statements

NOTE 1 DEFINITION OF REPORTING ENTITY

Stone Creek Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court for Douglas County, Colorado granted on November 25, 2014, and recorded on December 15, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, financing and ongoing operations of essential public-purpose facilities such as water, sanitation, streets, safety protection, parks and recreation, mosquito control, covenant enforcement and design review and security. The District will serve the public improvement needs of Stone Creek Ranch which is generally located at Scott Road and State Highway 83 (Parker Road) in Douglas County, Colorado. Under the Service Plan, the District will provide essential public improvements and services for a new residential community located entirely within Douglas County. The property in the District is anticipated to be developed consistent with the terms, requirements, and provisions of a Development Agreement.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

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

The Fee Revenue Fund is used to account for the fees to be collected from residents of the District and outside users to be used for operations and maintenance and clubhouse facility expenses.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District has amended its annual budget for the year ended December 31, 2022.

Property Taxes

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

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

Capital Assets

Capital assets, which include plant, equipment, and infrastructure assets (e.g., storm drainage, park and recreational facilities, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

Parks and Recreation	5 to 50 Years

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

Equity

Net Position

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

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.

Restatement of Beginning Fund Balance and Beginning Net Position

The District had restated the beginning fund balance of the Fee Revenue Fund to reflect a reversal of accrued expenditures. The nature and impact of the adjustments are as follows:

Fund Balance - December 31, 2021 as originally stated	$	(16,020)
Reversed 2021 Accrued Expenditures		18,850
Fund Balance - December 31, 2021 as restated	$	2,830

The District had also restated the beginning net position (government-wide) in the statement of activities as follows:

Net Position - December 31, 2021 as originally stated	$	(4,802,341)
Reversed 2021 Accrued Expenditures		18,850
Net Postion - December 31, 2021 as restated	$	(4,783,491)

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the board of directors. The constraint may be removed or changed only through formal action of the board of directors.

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

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

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

Deficits

The Fee Revenue Fund reported a deficit in the fund financial statements as of December 31, 2022. The deficit was eliminated in 2023 with the receipt of collection of District Fees.

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:		
Cash and Investments	$	22,891
Cash and Investments - Restricted		1,163,091
Total Cash and Investments	$	1,185,982

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

Deposits with Financial Institutions	$	50,788
Investments		1,135,194
Total Cash and Investments	$	1,185,982

Deposits with Financial Institutions

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

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

At December 31, 2022, the District's cash deposits had a bank and a carrying balance of $50,788.

Investments

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

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

. Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

As of December 31, 2022, the District had the following investments:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	$ 1,135,194

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, offer daily liquidity. Each share is equal in value to $1.00. 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.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

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 is rated AAAm by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

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

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 15,702,723	$ -	$ 1,482,724	$ 14,219,999
Total Capital Assets, Not Being Depreciated	$ 15,702,723	$ -	$ 1,482,724	$ 14,219,999
Capital Assets, Being Depreciated:				
Parks and Recreation	-	1,482,724	-	1,482,724
Total Capital Assets, Not Being Depreciated	-	1,482,724	-	1,482,724
Less Accumulated Depreciation for:				
Parks and Recreation	-	(57,661)	-	(57,661)
Total Accumulated Depreciation	-	(57,661)	-	(57,661)
Total Capital Assets, Being Depreciated, Net	-	1,425,063	-	1,425,063
Governmental Activities Capital Assets, Net	$ 15,702,723	$ 1,425,063	$ 1,482,724	$ 15,645,062

Depreciation expense of $57,661 for the year ended December 31, 2022, was charged to general government activities.

Certain capital assets (public improvements) will be conveyed by the District to other local governments; and after conveyance, the District will not be responsible for the maintenance of those assets. Further, upon acceptance of public improvements by other local governments, the District will remove the capital assets balances from its books.

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
Bonds Payable:					
Limited Tax General Obligation					
Series 2018A - Principal	$ 8,275,000	$ -	$ 10,000	$ 8,265,000	$ 95,000
Subordinate Limited Tax General Obligation					
Series 2018B - Principal	1,195,000	-	-	1,195,000	-
Series 2018B - Interest	400,873	95,824	-	496,697	-
Other Debts:					
Builders Advances:					
Principal	-	136,043	-	136,043	-
Developer Advances:					
Principal	9,346,325	-	-	9,346,325	-
Accrued Interest	2,292,939	195,235	2,488,174	-	-
Total Debt	$ 21,510,137	$ 427,102	$ 2,498,174	$ 19,439,065	$ 95,000

The details of the District's general obligation bonds outstanding are as follows:

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds)

Bond Details

The District issued the Bonds on March 6, 2018, in the amounts of $8,275,000 for the 2018A Senior Bonds and $1,195,000 for the 2018B Subordinate Bonds. Proceeds from the sale of the Bonds were applied to fund and reimburse a portion of the costs of acquiring, constructing and installing certain public improvements and to pay other costs in connection with the Bonds. A portion of the proceeds from the sale of the 2018A Senior Bonds were applied to fund: (a) the Senior Reserve Fund; (b) capitalized interest on the 2018A Senior Bonds; and (c) an initial deposit to the Senior Surplus Fund.

The 2018A Senior Bonds bear interest at 5.625%, payable semiannually on June 1 and December 1 of each year, commencing June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2022. The 2018A Senior Bonds mature on December 1, 2047. To the extent the principal of any 2018A Senior Bond is not paid when due, such principal will remain outstanding and continue to bear interest at the rate borne by the 2018A Bonds. To the extent interest is not paid when due, such interest shall compound semiannually on each June 1 and December 1. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the 2018A Senior Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds) (Continued)

Bond Details (Continued)

The 2018B Subordinate Bonds bear interest at 7.875% and mature on December 15, 2047. The 2018B Subordinate Bonds are structured as cash flow bonds meaning that no regularly scheduled principal payments are due prior to the maturity date and interest payments not paid when due will accrue and compound until sufficient Subordinate Pledged Revenue is available for payment. Principal and interest payments are due on the 2018B Subordinate Bonds on each December 15 only to the extent Subordinate Pledged Revenue is available. To the extent principal of any 2018B Subordinate Bonds is not paid when due, such principal shall remain outstanding until the Termination Date of December 16, 2057 and shall continue to bear interest at the rate borne by the 2018B Subordinate Bonds. To the extent interest is not paid when due, such interest shall compound annually on December 15. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the 2018B Subordinate Bonds. The 2018B Subordinate Bonds and interest thereon are to be deemed to be paid and discharged on the Termination Date regardless of the amount of principal and interest paid prior to the Termination Date.

Optional Redemption

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium
December 15, 2023, to December 14, 2024	3.00%
December 15, 2024, to December 14, 2025	2.00
December 15, 2025, to December 14, 2026	1.00
December 15, 2026, and thereafter	0.00

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds) (Continued)

Pledged Revenue

The 2018A Senior Bonds are payable solely from and to the extent of Senior Pledged Revenue defined in the 2018A Senior Indenture as moneys derived from the following sources, net of any costs of collection: (i) the Senior Required Mill Levy; (ii) all Capital Fees, if any; (iii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Trustee for application as Senior Pledged Revenue. The 2018A Senior Bonds are additionally secured by amounts on deposit in the Senior Reserve Fund, by amounts on deposit in the Senior Surplus Fund which was partially funded with proceeds of the 2018A Senior Bonds, and by capitalized interest which was funded with proceeds of the 2018A Senior Bonds.

The 2018B Subordinate Bonds are payable solely from and to the extent of Subordinate Pledged Revenue defined in the 2018B Subordinate Indenture as moneys derived from the following sources, net of any costs of collection: (i) the Subordinate Required Mill Levy; (ii) the Subordinate Capital Fee Revenue, if any; (iii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

Senior Required Mill Levy

Pursuant to the Senior Indenture, the District has covenanted to impose a Senior Required Mill Levy each year in an amount sufficient to fund the Senior Bond Fund and pay the 2018A Senior Bonds as they come due, and if necessary, an amount sufficient to replenish the Senior Reserve Fund to the amount of the Required Reserve, but (i) not in excess of 50 mills (subject to adjustment described below), and (ii) for so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50 mills (subject to adjustment), or such lesser mill levy which will fund the Senior Bond Fund and pay the 2018A Senior Bonds as they come due, will replenish the Senior Reserve Fund to the amount of the Required Reserve, and will fund the Senior Surplus Fund up to the Maximum Surplus Amount.

In the event the method of calculating assessed valuation is changed after September 23, 2014, the minimum and maximum mill levies shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation. As of December 31, 2022, the maximum and minimum mill levies have adjusted upward to 55.664 mills.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds) (Continued)

Senior Required Mill Levy (Continued)

Pursuant to the Subordinate Indenture, the District has covenanted to impose a Subordinate Required Mill Levy in the amount of (i) 50 mills (subject to adjustment) less the Senior Bond Mill Levy, or (ii) such lesser mill levy which, after deduction of the Senior Bond Mill Levy, will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the 2018B Subordinate Bonds in full. The Subordinate Required Mill Levy will equal zero at any time that: (i) the payment of the 2018A Senior Bonds (and any other Senior Parity Bonds) requires the imposition of at least 50 mills, as adjusted; and (ii) at any time that there is on deposit in the Senior Surplus Fund less than the Maximum Surplus Amount.

Senior Reserve Fund

Moneys in the Senior Reserve Fund shall be used by the Trustee, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the 2018A Senior Bonds. Moneys in the Senior Surplus Fund shall be used for payment of the 2018A Senior Bonds prior to any use of moneys in the Senior Reserve Fund. If at any time the Senior Reserve Fund is drawn upon or valued so that the amount of the Senior Reserve Fund is less than the amount of the Required Reserve of $350,000, the Trustee shall apply Senior Pledged Revenue to the Senior Reserve Fund to replenish the balance in the Senior Reserve Fund to the amount of the Required Reserve.

Senior Surplus Fund

The Senior Surplus Fund was partially funded in the amount of $350,000 from proceeds of the 2018A Senior Bonds. In addition, Senior Pledged Revenue that is not needed to pay debt service on the 2018A Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of $1,241,250. The Senior Surplus Fund is to be maintained as long as any 2018A Senior Bonds remain outstanding. When no 2018A Senior Bonds are outstanding, any moneys in the Senior Surplus Fund are required to be remitted to the District for application to any lawful purpose of the District. The balance in the Senior Surplus Fund as of December 31, 2022, was $780,374.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds) (Continued)

Events of Default

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under the Bonds Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section:

(a) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by this Indenture; or

(b) The District defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the District under the Bonds Indenture or the Bond Resolution, other than as described in Section 8.01(a), and fails to remedy the same after notice thereof pursuant to Section 8.12 of the Bonds Indenture; or

(b) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

It is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default hereunder.

Other

The Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

The Bonds are not subject to early termination. The Bonds are not subject to acceleration.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Bonds, Series 2018A (the 2018A Senior Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2018B (the 2018B Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds) (Continued)

2018A Senior Bonds Debt Service

The outstanding principal and interest of the 2018A Senior Bonds are due as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 95,000	$ 464,906	$ 559,906
2024	110,000	459,563	569,563
2025	115,000	453,375	568,375
2026	135,000	446,906	581,906
2027	140,000	439,313	579,313
2028-2032	955,000	2,059,032	3,014,032
2033-2037	1,420,000	1,740,939	3,160,939
2038-2042	2,060,000	1,273,501	3,333,501
2043-2047	3,235,000	607,219	3,842,219
Total	$ 8,265,000	$ 7,944,754	$ 16,209,754

The annual debt service requirements on the 2018B Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

Authorized Debt

On November 4, 2014, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $234,000,000. The District's Service Plan limits the amount of debt issuance to $18,000,000. At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 4, 2014	Authorization Used for 2018A Bonds	Authorization Used for 2018B Bonds	Authorized But Unissued
Water	$ 18,000,000	$ (14,853)	$ (2,145)	$ 17,983,002
Sanitation/Stormwater	18,000,000	(5,058,944)	(730,567)	12,210,489
Streets	18,000,000	(2,033,663)	(293,683)	15,672,654
Parks and Recreation	18,000,000	(530,468)	(76,605)	17,392,927
Public Transportation	18,000,000	-	-	18,000,000
Fire Protection	18,000,000	-	-	18,000,000
Mosquito Control	18,000,000	-	-	18,000,000
Safety Protection	18,000,000	(637,072)	(92,000)	17,270,928
Security	18,000,000	-	-	18,000,000
TV Relay and Translation	18,000,000	-	-	18,000,000
Operation and Maintenance	18,000,000	-	-	18,000,000
Debt Refunding	18,000,000	-	-	18,000,000
Intergovernmental Agreements	18,000,000	-	-	18,000,000
Total	$ 234,000,000	$ (8,275,000)	$ (1,195,000)	$ 224,530,000

NOTE 6 NET POSITION

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

The restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	$ 10,300
Capital Projects	9,310
Total Restricted Net Position	$ 19,610

The District has a deficit in unrestricted net position. This deficit amount is primarily a result of the District being responsible for the repayment of the Bonds and accrued interest due to operating expenses paid by advances from the Developer and Builders, and interest paid to date on the Bonds.

NOTE 7 AGREEMENTS

Operation Funding Agreement

Effective as of December 15, 2014, and amended most recently on November 18, 2020, the District entered into a 2014-2015 Operation Funding Agreement, as amended (the OFA), with Choke Cherry Investors, LLC (the Developer) whereby the Developer agreed to advance funds to the District for the payment of operation and maintenance expenses, up to a stated "Shortfall Amount" of $380,000, on a periodic basis as needed for the fiscal years 2014-2021 (Operations Advances).

The OFA states that it is the District's intent to repay Operations Advances to the Developer, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation. Simple interest accrues on Operations Advances at the rate of the current Bond Buyer 20-Bond GO Index plus 4% per annum, however, in no event is such interest to exceed 8.0% per annum. The District's obligation to reimburse Operations Advances does not constitute a multiple fiscal year financial obligation, and the making of any reimbursement thereof is subject to annual appropriation by the District in its absolute discretion.

District payments to the Developer are to occur on December 2 of each year and be (a) applied first to accrued and unpaid interest; and then (b) to the principal amount due. The term of the OFA expires on December 31, 2021, unless terminated earlier by the mutual agreement of the District and the Developer. Any obligation of Developer to advance funds will expire upon advance to the District of amounts sufficient to pay expenses incurred in 2014 through 2021, not to exceed the Shortfall Amount.

NOTE 7 AGREEMENTS (CONTINUED)

Operation Funding Agreement (Continued)

Any obligation of District to reimburse the Developer expires on December 31, 2051. In the event the District has not reimbursed the Developer for any Operations Advances on or before December 31, 2051, any amount of principal and accrued interest outstanding on such date is deemed to be forever discharged and satisfied in full.

On April 4, 2022, the District and Developer entered into the Seventh Amendment to the OFA. In consideration of the Shortfall Funding Agreement (explained below), the Developer agreed to waive all accrued interest and future accrual of interest on outstanding Developer advances; waive any interest on all Developer advances under the OFA; and to subordinate its right to repayment of the Developer advances under the OFA to the repayment of the Builder Advances under the Shortfall Funding Agreement.

As of April 4, 2022, outstanding amounts under the OFA consisted of $350,797 of principal and $87,602 of accrued interest, and pursuant to the Seventh Amendment, the Developer waived this accrued interest.

As of December 31, 2022, outstanding amounts under the OFA consisted of $350,797 of principal and $-0- of accrued interest.

Facilities Acquisition Agreement

The District and the Developer entered into a Facilities Acquisition Agreement (the Original FAA), with an effective date of August 4, 2016, setting forth the rights, obligations and procedures with respect to the District's acquisition of Developer – Constructed Improvements and reimbursement of the Developer as provided.

The District acknowledges in the Original FAA that the Developer has incurred expenses for the organization of the District (Organization Expenses) and the District is authorized to reimburse the Developer for the Organization Expenses. Upon verification of the Organization Expenses and subject to receipt of funding pursuant to Section 7 of the Original FAA, the District shall reimburse the Developer the amount of the Organization Expenses that have been verified by the District's accountant and approved by the District's Board of Directors, plus amounts, if any, advanced to the District by the Developer to pay the costs incurred for such review, verification, and approval.

Subject to receipt of funding as set forth in Section 7 of the Original FAA, the District agrees to reimburse the Developer for Certified Construction Costs and Organization Expenses up to a maximum amount of $16,000,000, together with accrued interest thereon. Organization Costs and Certified Construction Costs incurred prior to the District's date of organization on December 15, 2014 (Organization Date) accrue interest from the Organization Date, and Certified Construction Costs incurred after the Organization Date accrue interest from the date such costs are incurred by the Developer. Simple interest accrues on Organization Costs and Certified Construction Costs at the rate of the current Bond Buyer 20-Bond GO Index plus 4% per annum, however, in no event is such interest to exceed 8.0% per annum.

NOTE 7 AGREEMENTS (CONTINUED)

Facilities Acquisition Agreement (Continued)

The Original FAA does not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor does it constitute a multiple fiscal year financial obligation, and the making of any reimbursement thereunder will be at all times subject to annual appropriation by the District.

On August 4, 2016, the Developer, as Assignor and TREZ Capital (2015) Corporation or its Nominee, as Assignee (Trez), entered into a Collateral Assignment of Right to Reimbursement under the Original FAA (the Assignment), under which the Developer agreed to repay a Loan by Trez through an assignment of the reimbursements from the District under the Original FAA. A claim for exemption from registration for municipal securities relative to the Assignment was filed with, and accepted by, the Colorado Division of Securities. The Assignment terminated on November 29, 2018, and the Developer's rights to reimbursement under the Original FAA were reinstated.

On April 4, 2022, the District entered into an Amended and Restated Facilities Acquisition Agreement (the A/R FAA) with the Developer, which amended and restated the Original FAA in its entirety. In consideration of the Shortfall Funding Agreement (as explained below), the Developer agreed to waive all accrued interest and future accrual of interest on outstanding Developer advances under the Original FAA; and to subordinate its right to repayment of the Developer Advances under the A/R FAA to repayment of the Builder Advances under the Shortfall Funding Agreement. The Developer did not waive accrual of interest on capital Developer advances that may be made under the A/R FAA in the future.

As of April 4, 2022, outstanding amounts under the Original FAA consisted of $8,995,528 of principal and $2,400,572 of accrued interest, and pursuant to the A/R FAA, the Developer waived this accrued interest, as well as future accrual of interest on the existing principal.

As of December 31, 2022, outstanding amounts under the FAA consisted of $8,995,528 of principal and $-0- of accrued interest.

Shortfall Funding Agreement

Concurrent with the A/R FAA and the Seventh Amendment to the OFA, on April 4, 2022, the District entered into a Shortfall Funding Agreement with the Developer and the Builders to provide funding to the District (the Shortfall Funding Agreement).

Under the Shortfall Funding Agreement, the Builders agreed to advance funds necessary to fund the District's Total Operations Shortfall and the Total Capital Soft Costs Shortfall, which amounts were based upon the Builders' respective percentage of platted lots (collectively, the Builder Advances). The Builder Advances were a one-time advance, and the Builders were not obligated to fund additional costs outside of the Builder Advances contemplated in the Shortfall Funding Agreement. The District agreed to return any unused portion of the Anticipated Operations Shortfall Advance to the Builders no later than March 31, 2023, and to return any unused portion of the Anticipated Capital Soft Costs Advance to the Builders no later than March 31, 2024.

NOTE 7 AGREEMENTS (CONTINUED)

Shortfall Funding Agreement (Continued)

If the Developer does not repay the Builder Advances, the District agreed to repay to the Builders any remaining Builder Advances made under the Shortfall Funding Agreement, to the extent the District has available revenue, subject to annual budget and appropriation (the Builder Reimbursement). The District is not obligated to pay interest on Builder Advances. The Builder Reimbursement takes priority over payments to the Developer under the OFA and A/R FAA.

Clubhouse Funding, Construction, and Operations Agreement

On November 19, 2019, the District entered into a Clubhouse Funding, Construction and Operations Agreement with the Developer, Cielo Metropolitan District (Cielo) and Forestar (USA) Real Estate Group Inc. (the Original Clubhouse FCOA). The Original Clubhouse FCOA set forth the rights, obligations, and procedures for the construction of a public clubhouse, swimming pool, and related public improvements (Clubhouse Improvements), and the cost sharing agreement related to operation and maintenance of the Clubhouse Improvements.

On August 25, 2021, the Board of the District approved various agreements to replace the Original Clubhouse FCOA, and therefore, also authorized the termination of the Original Clubhouse FCOA. The other agreements which the Board of the District approved on August 25, 2021, to replace the Original Clubhouse FCOA, were: (1) the Clubhouse Construction Agreement by and among the District, Choke Cherry Investors, LLC, Cielo Metropolitan District and Toll Southwest LLC (the Clubhouse Construction Agreement); and (2) the Clubhouse Joint Use and Operations Cost Sharing Agreement by and between the District and Cielo Metropolitan District (the Clubhouse Operations Agreement).

Clubhouse Construction Agreement

Under the Clubhouse Construction Agreement, the parties acknowledge that Choke Cherry Investors, LLC (the Stone Creek Developer) will construct public clubhouse, fitness facility, swimming pool, furnishings, fitness equipment lease, and related public improvements (the Clubhouse Improvements), and that Toll Southwest LLC (the Cielo Developer) advanced sums to the Stone Creek Developer to contribute to the construction costs associated with the Clubhouse Improvements. The parties agree that Cielo Metropolitan District (Cielo MD) may reimburse the Cielo Developer for the Cielo Developer’s contribution pursuant to a separate Cielo MD infrastructure acquisition and reimbursement agreement, and that the District may reimburse the Stone Creek Developer pursuant to the FAA or A/R FAA.

Clubhouse Operations Agreement

Under the Clubhouse Operations Agreement, the District and Cielo MD will share in the management of the Clubhouse Improvements and pay their respective proportionate share of annual budgeted and approved operations and maintenance costs, inclusive of all legal costs, management costs, accountant costs, and other consulting fees (the Clubhouse O&M Costs). The District and Cielo MD agree to cooperate and confer on their annual respective budgets for the Clubhouse O&M Costs, and Cielo MD agrees to pay 25% of its annual allocation of the Clubhouse O&M Costs by March 1 of each year, and to pay the remaining allocation in monthly installments, which accrue interest if they are overdue.

NOTE 7 AGREEMENTS (CONTINUED)

Clubhouse Funding, Construction, and Operations Agreement (Continued)

Clubhouse Operations Agreement (Continued)

The District and Cielo MD agree that amendments to The Barn at Cherry Creek Pool & Clubhouse Amenities Rules and Regulations, approved by the District's Board of Directors on February 26, 2020, and subsequently adopted by a Joint Resolution of the District's Board of Directors on August 25, 2021 and the Cielo MD's Board of Directors on August 26, 2021 (the Clubhouse/Pool Rules and Regulations), shall be jointly approved by the District's Board of Directors and the Cielo MD's Board of Directors.

The District and Cielo MD also agree that residents, property owners, and taxpayers within the Cielo MD shall not be subject to the Annual Outside Membership Fee.

Outside User Resolution

On August 25, 2021, the District's Board of Directors adopted Resolution No. 2021-02-02 Concerning the Use of District Recreational Facilities by Outside Users – 2021 Season (the Outside User Resolution). The Outside User Resolution limits the number of memberships from users outside the District's and Cielo MD's respective boundaries to 25 households and sets the annual fee for outside users for the 2021 season at $950 per household. The Board did not adopt a new resolution for the 2022 season, the annual fee for outside users remained the same in 2022 as that in 2021.

District Fee Resolution

The District adopted Resolution No. 2017-11-05; Resolution Regarding the Imposition of District Fees, as amended and restated by Resolution No. 2019-02-01 Amended and Restated Resolution Regarding the Imposition of District Fees (Fee Resolution). Pursuant to the Fee Resolution, the District imposed an Operations and Maintenance Fee (O&M Fee) and an Administrative Fee on each lot and/or single-family residential dwelling unit within the District boundaries. The O&M Fee is imposed upon sale of a vacant lot to a homebuilder, as follows: a) from the date of sale of a vacant lot and through February 27, 2019, in the amount of $20 per month per vacant lot, payable quarterly ($60 per quarter; $240 per year); b) upon substantial completion of two neighborhood parks, as determined by the District Engineer, $40 per month per lot, payable quarterly ($120 per quarter; $480 per year); and c) upon substantial completion of two neighborhood parks, the clubhouse, the fitness center, and the swimming pool, as determined by the District Engineer, $60 per month per lot, payable quarterly ($180 per quarter; $720 per year). The O&M Fee is imposed upon the sale of a lot to an owner other than a homebuilder constructing the initial Residential Unit in the amount of $70 per month per lot, payable quarterly ($210 per quarter; $840 per year).

NOTE 7 AGREEMENTS (CONTINUED)

District Fee Resolution (Continued)

The Administrative Fee shall be paid by each buyer of a Residential Unit (other than the builder constructing the initial Residential Unit) upon the conveyance or refinance of such Residential Unit as follows: a) the Administrative Fee shall be $100 per initial sale of a Residential Unit from a homebuilder to an owner; b) the Administrative Fee shall be $100 per sale of a Residential Unit from one owner to another owner; c) the Administrative Fee shall be due and payable at the time of any sale, transfer, or re-sale of any Residential Unit constructed on a lot with a certificate of occupancy. The District reserves the right to amend the Fee Resolution in the future to increase or decrease the amount of the O&M Fee and/or the Administrative Fee (collectively referred to as the “Fees”). The Fees shall not be imposed on real property actually conveyed or dedicated to nonprofit owners’ associations, governmental entities or utility providers.

Subdivision Improvement Agreement

On March 11, 2015, the Developer and the Board of County Commissioners of Douglas County (BOCC) entered into a Subdivision Improvement Agreement (SIA) to provide for the terms and conditions under which the Developer agreed to construct and complete, at the Developer’s expense, the Subdivision Improvements (as defined in the SIA) in accordance with the Plans (as defined in the SIA). On September 22, 2017, pursuant to an Assignment of SIA and Development Rights, the Developer assigned all of its rights and obligations under the SIA to the District.

Offsite Improvements Agreement (Stone Creek Ranch Filing No. 1)

On March 6, 2018, the District, the Developer, Richmond American Homes of Colorado, Inc. (Richmond), Taylor Morrison of Colorado, Inc. (Taylor Morrison), KB Home Colorado, Inc. (KB, and collectively with Richmond and Taylor Morrison, the Builders) and First American Title Insurance Company (Title Company) entered into an Offsite Improvements Agreement (Stone Creek Ranch Filing No. 1) (Offsite Improvements Agreement). Concurrently with the execution of the Offsite Improvements Agreement, Richmond, Taylor Morrison and KB, each respectively entered into separate Agreements for Sale and Purchase of Real Estate with the Developer to purchase certain lots (Lots) within the District boundaries (collectively referred to as the “Sale Agreements”). For purposes of the Offsite Improvements Agreement, all tracts, public streets, private streets and other property or property rights required with respect to the Improvements necessary for the Builders to obtain building permits and certificates of occupancy for the Units constructed on the Lots are defined as the “Project”. Developer, pursuant to the Sale Agreements, agreed to cause the construction and completion of all improvements necessary for the issuance of building permits, and following construction of Units (as defined in the Offsite Improvements Agreement) on the Lots, certificates of occupancy, with each Builder paying specific costs towards same as such costs are set forth in the Offsite Improvements Agreement and with Developer being responsible for all additional costs and charges related thereto. The Builders and Developer agreed to engage the District to complete certain improvements at the Project that are deemed “public” improvements as approved by the third-party District engineer for qualified reimbursements (collectively, the District Improvements) upon the terms set forth in the Offsite Improvements Agreement. The District agreed to engage the Developer to manage the construction of the District Improvements pursuant to a Construction Management Agreement dated February 14, 2018 (the Construction Management Agreement).

NOTE 7 AGREEMENTS (CONTINUED)

Offsite Improvements Agreement (Stone Creek Ranch Filing No. 1) (Continued)

The Builders agreed to engage the Developer to complete the remainder of the improvements at the Project that are not District Improvements (the Developer Improvements) upon the terms and conditions set forth in the Offsite Improvements Agreement that are otherwise applicable to the completion of and payment for the District Improvements. On September 19, 2018, the parties entered into a First Amendment to Offsite Improvement Agreement to address the disbursement of certain funds and to clarify certain items set forth in the Offsite Improvement Agreement.

Developer Escrow Agreement

On March 6, 2018, the District, the Developer, Richmond, Taylor Morrison, KB and Title Company entered into a Developer Escrow Agreement (Developer Escrow Agreement). Pursuant to the Developer Escrow Agreement, as District Improvements are completed, the District shall requisition funds from the proceeds of the Bonds and use such funds to reimburse the Developer for any public improvements paid for by the Builders pursuant to the terms of the FAA. The Developer Escrow Agreement sets forth the parameters under which Title Company shall hold and administer the Escrowed Funds (as defined in the Developer Escrow Agreement) in an account set forth in the Developer Escrow Agreement to pay for any Cost Overruns associated with the District Improvements, Developer Improvements or the Builder Improvements, as more particularly set forth in the Developer Escrow Agreement.

Amenity Center Escrow Agreement

On March 6, 2018, the District, the Developer, Richmond, Taylor Morrison, KB and the Title Company entered into an Amenity Center Escrow Agreement (ACEA). The ACEA sets forth the terms under which a portion of the Bond Proceeds will fund certain escrows for the benefit of the property within the District boundaries and the Builders, including payment of the costs to build the Amenity Center. The Title Company shall hold and administer the Escrowed Funds (as defined in the ACEA) to pay the costs of constructing the Amenity Center, as more particularly set forth in the ACEA.

Stipulated Sum Price Agreement (Stone Creek Ranch)

On March 6, 2018, the District, Hudick Excavating, Inc. dba: HEI Civil (the Contractor), the Developer and Atwell, LLC (the Engineer) entered into a Stipulated Sum Price Agreement to set forth the terms under which Contractor will perform and be compensated for completion of the Work (as defined in the Stipulated Sum Price Agreement).

NOTE 7 AGREEMENTS (CONTINUED)

Conditional Non-Exclusive Assignment of Plans and Contracts

On March 6, 2018, the Developer, the District, KB, Taylor Morrison and Richmond entered into a Conditional Non-Exclusive Assignment of Plans and Contracts (Conditional Assignment) under which the Developer and the District agreed to conditionally assign, on a nonexclusive basis, and to the extent allowable by law, all of their respective rights, title and interest under the Stipulated Sum Price Agreement. The Developer further agreed to conditionally assign, on a nonexclusive basis, and to the extent allowable by law, all of its respective rights, title and interest under the Engineer Contract (as defined in the Conditional Assignment), the ACEA, the Landscaping Contract (as defined in the Conditional Assignment) and the Fencing Contract (as defined in the Conditional Assignment). Such assignments shall not be effective unless and until an Assignment Event (as defined in the Conditional Assignment) has occurred.

NOTE 8 RELATED PARTIES

The Homebuilders of the property within the District boundaries are Richmond, KB, and Taylor Morrison. During 2022, members of the Board of Directors are officers or employees of or related to the Homebuilders and may have conflicts of interest in dealing with the District.

NOTE 9 RISK MANAGEMENT

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

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

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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.

At December 31, 2022, the District determined its required emergency reserve to be approximately $10,300.

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

STONE CREEK METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 475,425	$ 465,119	$ (10,306)
Specific Ownership Taxes	38,034	42,042	4,008
Interest Income	100	14,369	14,269
Total Revenues	513,559	521,530	7,971
EXPENDITURES			
County Treasurer's Fee	7,131	7,132	(1)
Paying Agent Fee	6,000	6,000	-
Bond Principal	10,000	10,000	-
Bond Interest	465,469	465,469	-
Contingency	1,400	-	1,400
Total Expenditures	490,000	488,601	1,399
NET CHANGE IN FUND BALANCE	23,559	32,929	9,370
Fund Balance - Beginning of Year	1,117,374	1,112,173	(5,201)
FUND BALANCE - END OF YEAR	$ 1,140,933	$ 1,145,102	$ 4,169

STONE CREEK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Capital-Related (Softcosts):			
Stormwater Improvements	30,000	10,275	19,725
Total Expenditures	30,000	10,275	19,725
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,000)	(10,275)	19,725
OTHER FINANCING SOURCES (USES)			
Transfers to Other Funds	-	(10,414)	(10,414)
Developer Advance	30,000	-	(30,000)
Builder Advances - 2021 Costs	-	21,651	21,651
Builder Advances - 2022 Costs	-	30,000	30,000
Total Other Financing Sources (Uses)	30,000	41,237	11,237
NET CHANGE IN FUND BALANCE	-	30,962	30,962
Fund Balance - Beginning of Year	-	(21,652)	(21,652)
FUND BALANCE - END OF YEAR	$ -	$ 9,310	$ 9,310

OTHER INFORMATION

STONE CREEK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
YEAR ENDED DECEMBER 31, 2022

Year Ending December 31,	$8,275,000 General Obligation Bonds, Limited Tax Series 2018A Interest Rate 5.625% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2023	$ 95,000	$ 464,906	$ 559,906
2024	110,000	459,563	569,563
2025	115,000	453,375	568,375
2026	135,000	446,906	581,906
2027	140,000	439,313	579,313
2028	160,000	431,438	591,438
2029	170,000	422,438	592,438
2030	195,000	412,875	607,875
2031	205,000	401,906	606,906
2032	225,000	390,375	615,375
2033	240,000	377,719	617,719
2034	265,000	364,219	629,219
2035	280,000	349,313	629,313
2036	310,000	333,563	643,563
2037	325,000	316,125	641,125
2038	360,000	297,844	657,844
2039	380,000	277,594	657,594
2040	410,000	256,219	666,219
2041	435,000	233,156	668,156
2042	475,000	208,688	683,688
2043	500,000	181,969	681,969
2044	540,000	153,844	693,844
2045	570,000	123,469	693,469
2046	620,000	91,406	711,406
2047	1,005,000	56,531	1,061,531
Total	$ 8,265,000	$ 7,944,754	$ 16,209,754

STONE CREEK METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022

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	
2018	$ 70,780	10.000	55.277	$ 4,621	$ 4,620	99.98 %
2019	58,150	11.055	55.277	3,857	3,857	100.00
2020	5,215,040	11.132	55.664	348,344	339,627	97.50
2021	6,607,040	11.132	55.664	441,324	436,282	98.86
2022	8,540,970	11.132	55.664	570,503	558,136	97.83
Estimated for Year Ending December 31, 2023	$ 11,164,910	11.385	56.926	$ 762,686		

Note:

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

CONTINUING DISCLOSURE (2018 BONDS)
ANNUAL FINANCIAL INFORMATION

STONE CREEK METROPOLITAN DISTRICT
CONTINUING DISCLOSURE (2018 BONDS) –
ANNUAL FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2022

History of Assessed Valuations and Mill Levies for the District

Levy / Collection Year	Assessed Valuation Amount	Assessed Valuation Percent Change	Mill Levy General Fund	Mill Levy Debt Service	Mill Levy Total
2015/2016	$ 63,700	- %	50.000	-	50.000
2016/2017	63,700	-	10.000	50.000	60.000
2017/2018	70,780	11.11	10.000	55.277	65.277
2018/2019	58,150	(17.84)	11.055	55.277	66.332
2019/2020	5,215,040	8868.25	11.132	55.664	66.796
2020/2021	6,607,040	26.69	11.132	55.664	66.796
2021/2022	8,540,970	29.27	11.132	55.664	66.796
2022/2023	11,164,910	30.72	11.385	56.926	68.311

Property Tax Collections in the District

Levy / Collection Year	Taxes Levied	Tax Collections	Collection Rate
2015/2016	$ 3,185	$ 3,185	100.00 %
2016/2017	3,822	3,822	100.00
2017/2018	4,621	4,620	99.98
2018/2019	3,857	3,857	100.00
2019/2020	348,344	339,627	97.50
2020/2021	441,324	436,282	98.86
2021/2022	570,503	558,136	97.83
2022/2023	762,686		

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

Top Ten Taxpayers in the District

Taxpayer Name	2022 Assessed Valuation	Percentage of Total Assessed Valuation [1]
Richmond American Homes of Colorado INC	$ 68,500	0.61%
Home Owner	45,560	0.41%
Home Owner	45,260	0.41%
Home Owner	44,780	0.40%
Home Owner	44,660	0.40%
Home Owner	44,600	0.40%
Home Owner	44,580	0.40%
Home Owner	44,500	0.40%
Home Owner	44,370	0.40%
Home Owner	44,250	0.40%
Total	$ 471,060	4.23%

[1] Based on a 2022 total assessed valuation of $11,164,910

2022 Assessed and "Actual" Valuation of Classes of Property in the District

Class	Total Assessed Valuation	Percentage of Total Assessed Valuation	Total "Actual" Valuation	Percentage of Total Assessed Valuation
Residential	$ 10,642,240	95.33 %	$ 147,396,908	95.33 %
Vacant	437,070	3.91 %	6,046,180	3.91 %
Personal Property	85,270	0.76 %	1,175,216	0.76 %
Natural Resources	330	0.00 %	15,464	0.00 %
Total	$ 11,164,910	100.00 %	$ 154,633,768	100.00 %

Exhibit B
(2023 Budget)

RESOLUTION NO. 2022–12- 06
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE STONE CREEK METROPOLITAN DISTRICT
TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Stone Creek Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 8, 2022**,** and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Stone Creek Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Stone Creek Metropolitan District for the 2023 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 8th day of December, 2022.

Shannon Torgerson

Secretary

STONE CREEK METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	1,173,342	$ 1,062,712 *	$ 1,156,643
REVENUES			
Property taxes	436,282	558,190	762,686
Specific ownership taxes	42,561	50,400	68,642
Interest income	200	16,822	37,000
Developer advance	75,736	-	-
Builder advances - 2021 costs	-	56,043	-
Builder advances - 2022 costs	-	80,000	
Other revenue	870	64,652	62,153
O&M fee	104,570	199,499	276,360
Administrative fee	17,400	8,500	5,000
Cielo cost share	5,560	39,331	68,487
Total revenues	683,179	1,073,437	1,280,328
TRANSFERS IN	-	10,414	-
Total funds available	1,856,521	2,146,563	2,436,971
EXPENDITURES			
General and administrative	127,186	155,179	134,352
Operations and maintenance	179,101	248,106	277,712
Clubhouse facility	10,902	77,120	134,288
Debt service	477,408	488,601	580,000
Capital outlay	18,062	10,500	9,085
Total expenditures	812,659	979,506	1,135,436
TRANSFERS OUT	-	10,414	-
Total expenditures and transfers out requiring appropriation	812,659	989,920	1,135,436
ENDING FUND BALANCES	$ 1,043,862	$ 1,156,643	$ 1,301,534
EMERGENCY RESERVE	$ 2,400	$ 5,600	$ 4,200
DEBT SERVICE RESERVE FUND	350,016	350,000	350,000
SURPLUS FUND	762,157	780,737	930,513
TOTAL RESERVE	$ 1,114,573	$ 1,153,158	$ 1,301,534

* As adjusted

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Residential - Single-Family	$ 261,190	$ 4,842,610	$ 10,642,240
Commercial	51,620	-	-
Vacant land	6,293,900	3,582,570	437,070
Personal property	-	115,460	85,270
Natural Resources	330	330	330
Certified Assessed Value	$ 6,607,040	$ 8,540,970	$ 11,164,910
MILL LEVY			
General	11.132	11.132	11.385
Debt Service	55.664	55.664	56.926
Total mill levy	66.796	66.796	68.311
PROPERTY TAXES			
General	$ 73,550	$ 95,078	$ 127,112
Debt Service	367,774	475,425	635,574
Levied property taxes	441,324	570,503	762,686
Adjustments to actual/rounding	2,252	-	-
Refunds and abatements	(7,294)	(12,313)	-
Budgeted property taxes	$ 436,282	$ 558,190	$ 762,686
BUDGETED PROPERTY TAXES			
General	**$ 72,710**	**$ 93,026**	**$ 127,112**
Debt Service	**363,572**	**465,164**	**635,574**
	$ 436,283	**$ 558,190**	**$ 762,686**

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	$ (29,677)	$ (30,639)	$ -
REVENUES			
Property taxes	72,710	93,026	127,112
Specific ownership taxes	7,093	8,400	11,440
Interest income	15	-	-
Developer advance	46,406	-	-
Builder advances - 2021 costs	-	34,392	-
Builder advances - 2022 costs	-	50,000	-
Total revenues	126,224	185,818	138,552
Total funds available	96,547	155,179	138,552
EXPENDITURES			
General and administrative			
Accounting	33,290	39,000	39,000
Audit	4,250	4,400	5,500
County Treasurer's fee	1,091	1,426	1,907
Dues	581	382	400
Insurance	8,509	5,871	6,165
District management	22,975	33,500	30,000
Legal	55,693	67,500	45,000
Miscellaneous	797	536	1,000
Election	-	2,564	2,615
Contingency	-	-	2,765
Total expenditures	127,186	155,179	134,352
Total expenditures and transfers out requiring appropriation	127,186	155,179	134,352
ENDING FUND BALANCE	$ (30,639)	$ -	$ 4,200
EMERGENCY RESERVE	$ 2,400	$ 5,600	$ 4,200
TOTAL RESERVE	$ 2,400	$ 5,600	$ 4,200

No assurance provided. See summary of significant assumptions.

STONE CREEK METROPOLITAN DISTRICT
FEE REVENUE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	$ 45,583	$ 2,830 *	$ -
REVENUES			
O&M Fee	104,570	199,499	276,360
Administrative fee	17,400	8,500	5,000
Cielo cost share	5,560	39,331	68,487
Other revenue	870	64,652	62,153
Total revenues	128,400	311,982	412,000
TRANSFERS IN			
Transfers from other funds	-	10,414	-
Total funds available	173,983	325,226	412,000
EXPENDITURES			
Operations and Maintenance			
Billing & Collection	1,196	3,000	-
Community management	33,386	55,000	37,000
Fence Maintenance	-	-	2,500
Gas/electicity	-	-	2,000
Insurance	-	12,606	22,728
Irrigation repairs	-	6,500	2,500
Landscape contract	96,918	60,000	75,000
Legal	9,185	12,000	12,000
Lighting	-	-	1,000
Native area maintenance	-	6,500	5,000
Prairie dog mitigation	-	-	2,500
Snow removal	1,796	15,000	15,000
Social Activities	-	-	3,000
Trash removal	27,930	62,500	65,000
Water	8,690	15,000	25,000
Contingency	-	-	7,484
Clubhouse Facility			
Clubhouse repairs	-	-	2,500
Cleaning supplies	-	3,000	3,000
Cleaning contract	-	3,200	8,000
Fitness equipment lease	10,569	18,120	18,120
Gas/ Electric	-	5,500	18,000
Grounds improvements	-	-	2,500
Insurance	333	5,000	5,000
Legal	-	-	1,000
Lighting maintenance	-	-	750
Management	-	-	5,000
Phone/IT	-	1,800	2,400
Pool chemicals	-	4,000	5,000
Pool maintenance	-	13,000	20,000
Pool lighting	-	-	1,000
Pool repairs	-	-	2,500
Pool supplies	-	-	5,000
Trash removal	-	1,500	3,000
Snow removal	-	2,000	5,000
Water and sewer	-	20,000	20,000
Reserves	-	-	6,518
Total expenditures	190,003	325,226	412,000
Total expenditures and transfers out requiring appropriation	190,003	325,226	412,000
ENDING FUND BALANCE	$ (16,020)	$ -	$ -

* As adjusted

No assurance provided. See summary of significant assumptions.

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	$ 1,190,356	$ 1,112,173	$ 1,147,558
REVENUES			
Property taxes	363,572	465,164	635,574
Specific ownership taxes	35,468	42,000	57,202
Interest income	185	16,822	37,000
Total revenues	399,225	523,986	729,776
Total funds available	1,589,581	1,636,159	1,877,334
EXPENDITURES			
Debt Service			
Bond interest	465,469	465,469	464,906
Bond principal	-	10,000	95,000
County Treasurer's fee	5,455	7,132	9,534
Paying agent fees	6,000	6,000	6,000
Miscellaneous	484	-	-
Contingency	-	-	4,560
Total expenditures	477,408	488,601	580,000
Total expenditures and transfers out requiring appropriation	477,408	488,601	580,000
ENDING FUND BALANCE	$ 1,112,173	$ 1,147,558	$ 1,297,334
Debt Service Reserve Fund (Required: $350,000)	$ 350,016	$ 350,000	$ 350,000
Surplus Fund (Maximum: $1,241,250)	762,157	780,737	930,513
TOTAL RESERVE	$ 1,112,173	$ 1,147,558	$ 1,297,334

No assurance provided. See summary of significant assumptions.

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

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	$ (32,920)	$ (21,652)	$ 9,085
REVENUES			
Builder Advances - 2021 Costs	-	21,651	-
Builder Advances - 2022 Costs	-	30,000	-
Developer advance	29,330	-	-
Total revenues	29,330	51,651	-
Total funds available	(3,590)	29,999	9,085
EXPENDITURES			
Capital Outlay			
Construction Oversight / Administration	18,062	10,500	9,085
Total expenditures	18,062	10,500	9,085
TRANSFERS OUT			
Transfers to other funds	-	10,414	-
Total expenditures and transfers out requiring appropriation	18,062	20,914	9,085
ENDING FUND BALANCE	$ (21,652)	$ 9,085	$ -

STONE CREEK METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized on December 15, 2014 to provide financing for the design, acquisition, construction, installation, relocation, operation and maintenance of essential public-purpose facilities such as water, sanitation, streets, safety protection, park and recreation, transportation, mosquito control, and covenant control. The District will serve the public improvement needs of Stone Creek Ranch which is generally located at Scott Road and State Highway 83 (Parker Road) in Douglas County, Colorado.

Under the Service Plan, the District will provide essential public improvements and services for a new residential community located entirely within Douglas County. The District may, with agreement by the County, engage in other activities. The property in the District is anticipated to be developed consistent with the terms, requirements, and provisions of a Development Agreement.

On November 4, 2014, the District's electorate authorized general obligation debt in the total amount of $234,000,000. The District's Service Plan limits the amount of debt issuance to $18,000,000. A maximum total mill levy of 60 mills as adjusted is authorized to support debt service and operations and maintenance. A maximum debt mill levy of 50 mills as adjusted is authorized to support debt service, subject to the limitation of the maximum total mill levy. The maximum operations and maintenance mill levy of 10 mills as adjusted is anticipated to initially support the District's operating costs.

The District anticipates to receive Developer advances to fund initial operating and administrative expenditures until other revenues are available to the District. Construction of certain public improvements within the boundaries of the District is expected to be financed by Developer advances until bonded debt is issued.

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

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

STONE CREEK METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

Property Taxes

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

Under the Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills, 10 mills for operations and maintenance and 50 mills for debt services; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On September 23, 2014, the date the Service Plan was approved, the ratio of actual valuation to assessed valuation for residential property was 7.96%, and currently the ratio is at 6.95%. Due to this ratio change, the District's debt service mill levy was increased to 56.926 mills and the general mill levy was increased to 11.385 mills.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 an average interest rate of approximately 4.00%.

Revenues – (continued)

District Fees

To pay for costs associated with operating and maintaining District improvements, and to meet the costs of providing essential services, the District has determined that it is necessary to impose District Fees in the form of an Operation and Maintenance Fee (O&M Fee) and Administrative Fee on each lot and/or single family residential dwelling unit. The amount of District Fee is anticipated to be (i) based upon the completion of two neighborhood parks and the clubhouse facility, (ii) charged monthly, and (iii) payable quarterly.

Cielo Cost Share

Pursuant to Clubhouse Joint Use and Operations Cost Sharing Agreement, between the District and Cielo Metropolitan District's ("Cielo"), and to compensate for Cielo's use of the clubhouse, Cielo will pay for 51% of the annual operations and maintenance costs of the clubhouse.

Builder advances – 2021 and 2022 costs

Under the Shortfall Funding Agreement, the Builders agreed to advance funds necessary to fund the District's Total Operations Shortfall and the Total Capital Soft Costs Shortfall, which amounts were based upon the Builders' respective percentage of platted lots (collectively, the Builder Advances). The Builder Advances were a one-time advance, and the Builders were not obligated to fund additional costs outside of the Builder Advances contemplated in the Shortfall Funding Agreement. The District agreed to return any unused portion of the Anticipated Operations Shortfall Advance to the Builders no later than March 31, 2023, and to return any unused portion of the Anticipated Capital Soft Costs Advance to the Builders no later than March 31, 2024.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

General, Administrative, Operations and Maintenance

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses. The Fee Revenue Fund budget also include budgeted expenditures for the operations and maintenance of the grounds within the District (e.g. utilities, snow removal, repairs, trash, etc.)

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

STONE CREEK METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

The District issued the General Obligation Limited Tax Bonds Series 2018A ("Senior Bonds") and the Subordinate General Obligation Limited Tax Bonds Series 2018B ("Subordinate Bonds") (collectively, the "Bonds") on March 6, 2018, in the amounts of $8,275,000 and $1,195,000, respectively. Proceeds from the sale of the Bonds were used to: (i) fund and reimburse a portion of the costs of acquiring, constructing, and installing certain public improvements and paying other costs in connection with the Bonds, and (ii) with respect to proceeds of the Senior Bonds only: (a) fund the Senior Reserve Fund; (b) fund capitalized interest on the Senior Bonds; and, (c) make a deposit to the Surplus Fund.

The Senior Bonds bear interest at 5.625% and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2022. The Senior Bonds mature on December 1, 2047.

The Subordinate Bonds were issued at the rate of 7.875% per annum and are payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. All of the Subordinate Bonds and interest thereon are to be deemed to be paid, satisfied, and discharged on December 16, 2057 (the "Termination Date"), regardless of the amount of principal and interest paid prior to the Termination Date.

The Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund and in the Surplus Fund. The Senior Reserve Fund was funded from Senior Bond proceeds in the amount of $350,000. The Surplus Fund was funded from an initial deposit of $350,000 from Senior Bonds proceeds and from available Senior Pledged Revenue, if any, in accordance with the Senior Indenture up to the Maximum Surplus Amount of $1,241,250.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

STONE CREEK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31,	$8,275,000 General Obligation Bonds Limited Tax Series 2018A Interest Rate of 5.625% Payable December 1 Principal Due December 1		
	Principal	Interest	Total
2023	$ 95,000	$ 464,906	$ 559,906
2024	110,000	459,563	569,563
2025	115,000	453,375	568,375
2026	135,000	446,906	581,906
2027	140,000	439,313	579,313
2028	160,000	431,438	591,438
2029	170,000	422,438	592,438
2030	195,000	412,875	607,875
2031	205,000	401,906	606,906
2032	225,000	390,375	615,375
2033	240,000	377,719	617,719
2034	265,000	364,219	629,219
2035	280,000	349,313	629,313
2036	310,000	333,563	643,563
2037	325,000	316,125	641,125
2038	360,000	297,844	657,844
2039	380,000	277,594	657,594
2040	410,000	256,219	666,219
2041	435,000	233,156	668,156
2042	475,000	208,688	683,688
2043	500,000	181,969	681,969
2044	540,000	153,844	693,844
2045	570,000	123,469	693,469
2046	620,000	91,406	711,406
2047	1,005,000	56,531	1,061,531
	$ 8,265,000	$ 7,944,754	$ 16,209,754

I, Shannon Torgerson, hereby certify that I am the duly appointed Secretary of the Stone Creek Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Stone Creek Metropolitan District held on December 8, 2022.

By: Shannon Torgerson
Secretary

RESOLUTION NO. 2023-03-01

RESOLUTION TO AMEND BUDGET

RESOLUTION OF THE STONE CREEK METROPOLITAN DISTRICT TO AMEND THE 2023 BUDGET

Pursuant to Section 29-1-109, C.R.S., the Board of Stone Creek Metropolitan District (the "**District**"), hereby certifies that a special meeting of the Board of Directors of the District, was held on December 8, 2022, via Zoom video / telephonic means.

A. At such meeting, the Board of Directors of the District adopted that certain Resolution No. 2022-12-06 to Adopt Budget appropriating funds for the fiscal year 2023 as follows:

General Fund	$134,352
Fee Revenue Fund	$412,000
Debt Service Fund	$580,000
Capital Projects Fund	$ 9,805

B. It was subsequently determined that Fee Revenue Fund appropriations requiring the expenditure of funds less than those originally appropriated for the fiscal year 2023 are anticipated.

C. The source and amount of revenues for such expenditures, the purposes for which such revenues are being appropriated, and the fund(s) which shall make such expenditures are described on **Exhibit A**, attached hereto and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Stone Creek Metropolitan District shall and hereby does amend the budget for the fiscal year 2023 as follows:

Fee Revenue Fund	$396,839

BE IT FURTHER RESOLVED, that such sum is hereby appropriated from revenues available to the District to the Fee Revenue Fund for the purpose stated.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION OF THE STONE CREEK METROPOLITAN DISTRICT TO AMEND THE 2023 BUDGET]

RESOLUTION APPROVED AND ADOPTED ON MARCH 15, 2023.

STONE CREEK METROPOLITAN DISTRICT

By: Ashley E Racich
President

Attest:

By: Shannon Jorgerson
Secretary

EXHIBIT A

Original and Amended Budget Appropriations

STONE CREEK METROPOLITAN DISTRICT
FEE REVENUE FUND
2023 AMENDED BUDGET

	BUDGET 2023	AMENDED 2023
BEGINNING FUND BALANCE	$ -	$ -
REVENUES		
O&M Fee	276,360	473,760
Administrative fee	5,000	5,000
Cielo cost share	68,487	57,679
Other revenue	62,153	-
Total revenues	412,000	536,439
TRANSFERS IN		
Transfers from other funds	-	-
Total funds available	412,000	536,439
EXPENDITURES		
Operations and Maintenance		
Community management	37,000	37,000
Fence maintenance	2,500	1,000
Gas/Electric	2,000	18,000
Grounds improvements	-	2,500
Insurance	22,728	17,242
Irrigation repairs	2,500	6,500
Landscape contract	75,000	80,000
Legal - general	12,000	13,000
Legal - billing/collections	-	3,000
Lighting	1,000	5,000
Native area maintenance	5,000	-
Prairie dog mitigation	2,500	-
Snow removal	15,000	20,000
Social activities	3,000	3,000
Trash removal	65,000	50,000
Water and sewer	25,000	20,000
Contingency	7,484	7,500
Clubhouse Facility		
Clubhouse repairs	2,500	2,500
Cleaning supplies	3,000	1,500
Cleaning contract	8,000	5,000
Fitness equipment lease	18,120	18,120
Gas/Electric	18,000	2,000
Grounds improvements	2,500	-
Insurance	5,000	10,486
Legal	1,000	-
Lighting	750	1,500
Management	5,000	-
Phone/IT	2,400	2,400
Pool chemicals	5,000	7,500
Pool lighting	1,000	-
Pool maintenance	20,000	20,000
Pool repairs	2,500	3,500
Pool supplies	5,000	2,000
Snow removal	5,000	5,000
Trash removal	3,000	8,000
Water and sewer	20,000	3,591
Reserves	6,518	20,000
Total expenditures	412,000	396,839
Total expenditures and transfers out requiring appropriation	412,000	396,839
ENDING FUND BALANCE	$ -	$ 139,600

Exhibit C
(Certification of 2022 Assessed Valuation)

CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4565 - Stone Creek Metro District

IN DOUGLAS COUNTY ON 11/18/2022 New Entity: No

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

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTALVALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY. COLORADO

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	$8,540,970
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	$11,164,910
3.	LESS TIF DISTRICT INCREMENT, IF ANY:	$0
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	$11,164,910
5.	NEW CONSTRUCTION: **	$4,707,040
6.	INCREASED PRODUCTION OF PRODUCING MINES: #	$0
7.	ANNEXATIONS/INCLUSIONS:	$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	$0
10.	TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	$0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	$17,543.64

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

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

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

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

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2022

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	$154,633,768
	ADDITIONS TO TAXABLE REAL PROPERTY:	
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	$67,726,818
3.	ANNEXATIONS/INCLUSIONS:	$0
4.	INCREASED MINING PRODUCTION: %	$0
5.	PREVIOUSLY EXEMPT PROPERTY:	$0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	$0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	$0
	(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
	DELETIONS FROM TAXABLE REAL PROPERTY:	
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	$0
9.	DISCONNECTIONS/EXCLUSION:	$0
10.	PREVIOUSLY TAXABLE PROPERTY:	$0

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

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

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

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:-------------------> $0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $0

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.

Data Date: 11/17/2022