

**MEADOWS METROPOLITAN DISTRICT NO. 1
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

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Independent Auditor's Report

Board of Directors
Meadows Metropolitan District No. 1
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Meadows Metropolitan District No. 1 (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Meadows Metropolitan District No. 1, 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.

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
June 21, 2023

BASIC FINANCIAL STATEMENTS

MEADOWS METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 1,025,867
Cash and Investments - Restricted	488,527
Due from District No. 4	20,811
Receivable - County Treasurer	12,851
Property Taxes Receivable	1,968,420
Capital Assets, Net	<u>78,068</u>
Total Assets	3,594,544
LIABILITIES	
Accounts Payable	4,179
Due to District No. 4	16,611
Noncurrent Liabilities	
Due in More Than One Year	<u>180,623,022</u>
Total Liabilities	180,643,812
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	<u>1,968,420</u>
Total Deferred Inflows of Resources	<u>1,968,420</u>
NET POSITION	
Net Investment in Capital Assets	78,068
Restricted for:	
Emergency Reserve	4,400
Debt Service	75,346
Capital Projects	429,592
Unrestricted	<u>(179,605,094)</u>
Total Net Position	<u>\$ (179,017,688)</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenue (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Government Activities:					
General Government	\$ 2,185,878	\$ -	\$ -	\$ -	\$ (2,185,878)
Culture and Recreation	39,976	-	35,952	-	(4,024)
Interest on Long-Term Debt	13,644,448	-	5,109,232	-	(8,535,216)
	<u>\$ 15,870,302</u>	<u>\$ -</u>	<u>\$ 5,145,184</u>	<u>\$ -</u>	(10,725,118)
GENERAL REVENUES					
Property Taxes					2,025,819
Specific Ownership Taxes					179,144
Interest Income					30,941
Other Revenue					100
Total General Revenues					<u>2,236,004</u>
CHANGE IN NET POSITION					(8,489,114)
Net Position - Beginning of Year					<u>(170,528,574)</u>
NET POSITION - END OF YEAR					<u>\$ (179,017,688)</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 1
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Conservation Trust	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 1,025,867	\$ -	\$ -	\$ 1,025,867
Cash and Investments - Restricted	4,400	54,535	429,592	488,527
Due from District No. 4	-	20,811	-	20,811
Receivable - County Treasurer	12,851	-	-	12,851
Property Taxes Receivable	1,968,420	-	-	1,968,420
Total Assets	\$ 3,011,538	\$ 75,346	\$ 429,592	\$ 3,516,476
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 4,179	\$ -	\$ -	\$ 4,179
Due to District No. 4	16,611	-	-	16,611
Total Liabilities	20,790	-	-	20,790
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	1,968,420	-	-	1,968,420
Total Deferred Inflows of Resources	1,968,420	-	-	1,968,420
FUND BALANCES				
Restricted For:				
Emergency Reserve	4,400	-	-	4,400
Debt Service	-	75,346	-	75,346
Capital Projects	-	-	429,592	429,592
Assigned to:				
Capital Improvements	494,340	-	-	494,340
Subsequent Year's Expenditures	511,258	-	-	511,258
Unassigned:	12,330	-	-	12,330
Total Fund Balances	1,022,328	75,346	429,592	1,527,266
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,011,538	\$ 75,346	\$ 429,592	

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

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	(30,730,000)
Accrued Interest Payable - Bonds	(149,893,022)

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

78,068

Net Position of Governmental Activities

\$ (179,017,688)

See accompanying Notes to Basic Financial Statements.

MEADOWS METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Debt Service	Conservation Trust	Total Governmental Funds
REVENUES				
Property Taxes	\$ 2,025,819	\$ -	\$ -	\$ 2,025,819
Specific Ownership Taxes	179,144	-	-	179,144
Intergovernmental Revenue - District No. 4	-	5,109,232	-	5,109,232
Conservation Trust Entitlement	-	-	35,952	35,952
Interest Income	19,342	4,499	7,100	30,941
Other Revenue	100	-	-	100
Total Revenues	2,224,405	5,113,731	43,052	7,381,188
EXPENDITURES				
Current:				
Accounting	25,769	-	-	25,769
Intergovernmental Expenditure - District No. 4	2,078,903	-	-	2,078,903
Audit	3,900	-	-	3,900
County Treasurer's Fees	30,402	-	-	30,402
Community Support	20,000	-	-	20,000
Directors' Fees	1,500	-	-	1,500
Dues and Membership	1,238	-	-	1,238
Election	1,468	-	-	1,468
Insurance	2,098	-	-	2,098
Legal	14,239	-	-	14,239
Payroll Taxes	115	-	-	115
Debt Service:				
Bond Interest	-	5,137,071	-	5,137,071
Capital Outlay				
Parks and Recreation	-	-	39,976	39,976
Total Expenditures	2,179,632	5,137,071	39,976	7,356,679
NET CHANGE IN FUND BALANCES	44,773	(23,340)	3,076	24,509
Fund Balances - Beginning of Year	977,555	98,686	426,516	1,502,757
FUND BALANCES - END OF YEAR	\$ 1,022,328	\$ 75,346	\$ 429,592	\$ 1,527,266

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENTS 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	\$	24,509
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the costs of any depreciable asset over the estimated useful life of the asset.</p>		
Depreciation		(6,246)
<p>Certain expenses, including accrued interest on bonds, reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Accrued Interest on Bonds - Change in Liability		<u>(8,507,377)</u>
Change in Net Position of Governmental Activities	\$	<u><u>(8,489,114)</u></u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 1
GENERAL FUND –
STATEMENT 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	\$ 2,025,816	\$ 2,025,819	\$ 3
Specific Ownership Taxes	182,323	179,144	(3,179)
Interest Income	2,000	19,342	17,342
Other Revenue	100	100	-
Total Revenues	<u>2,210,239</u>	<u>2,224,405</u>	<u>14,166</u>
EXPENDITURES			
Current:			
Accounting	38,000	25,769	12,231
Audit	4,000	3,900	100
Community Support	20,000	20,000	-
Contingency	4,000	-	4,000
County Treasurer's Fee	30,387	30,402	(15)
Directors' Fees	2,000	1,500	500
Dues and Memberships	1,300	1,238	62
Election	1,000	1,468	(468)
Insurance and Bonds	2,300	2,098	202
Legal Services	12,000	14,239	(2,239)
Miscellaneous	200	-	200
Payroll Taxes	153	115	38
Intergovernmental Expense - District No. 4	2,064,752	2,078,903	(14,151)
Unallocated Priority Expenses	31,200	-	31,200
Capital Improvements	970,910	-	970,910
Total Expenditures	<u>3,182,202</u>	<u>2,179,632</u>	<u>1,002,570</u>
NET CHANGE IN FUND BALANCES	(971,963)	44,773	1,016,736
Fund Balance - Beginning of Year	<u>976,363</u>	<u>977,555</u>	<u>1,192</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,400</u>	<u>\$ 1,022,328</u>	<u>\$ 1,017,928</u>

See accompanying Notes to Basic Financial Statements.

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 ORGANIZATION AND REPORTING ENTITY

Organization

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

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

Meadows Metropolitan District No. 4 (the District No. 4) is the Master District, which is responsible for the construction of the entire Project improvements and the allocation to each of the related districts of its proportional share of the costs incurred. The District has entered into a Regional Facilities Cost Sharing Agreement (see Note 8), whereby District No. 4 annually sets assessments to the other districts and collects all operating revenues except for property taxes and certain restricted revenues of the related districts.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Budgets

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

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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

Capital Assets

Capital assets, which include equipment, are reported in the 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.

MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

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

Equipment (Mobile Stage)	20 Years
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Deferred Inflows of Resources

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

Equity

Net Position

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

In the government-wide financial statement, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets; restricted; and unrestricted.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

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

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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	\$ 1,025,867
Cash and Investments - Restricted	488,527
Total Cash and Investments	\$ 1,514,394

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

Deposits with Financial Institutions	\$ 5,045
Investments	1,509,349
Total Cash and Investments	\$ 1,514,394

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.

MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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 \$5,045.

Investments

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

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

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

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

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government	Weighted-Average	
Liquid Asset Trust (COLOTRUST PLUS+)	Under 60 Days	\$ 1,025,222
Morgan Stanley Institutional Liquidity Fund -	Weighted-Average	
Treasury Securities Portfolio	Under 90 Days	54,535
Colorado Surplus Asset	Weighted-Average	
Fund Trust (CSAFE)	Under 60 Days	429,592
Total		<u>\$ 1,509,349</u>

COLOTRUST

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

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

COLOTRUST EDGE, a variable net asset value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Morgan Stanley Institutional Liquidity Funds

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

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

CSAFE

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

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

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

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 CAPITAL ASSETS

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

	Balance at January 1, 2022	Increases	Decreases	Balance at December 31, 2022
<u>Governmental Activities</u>				
Capital Assets, Being				
Depreciated:				
Equipment (Mobile Stage)	\$ 124,913	\$ -	\$ -	\$ 124,913
Total Capital Assets, Being Depreciated	124,913	-	-	124,913
Less: Accumulated Depreciation For:				
Equipment (Mobile Stage)	(40,599)	(6,246)	-	(46,845)
Total Accumulated Depreciation	(40,599)	(6,246)	-	(46,845)
Capital Assets, Net	<u>\$ 84,314</u>	<u>\$ (6,246)</u>	<u>\$ -</u>	<u>\$ 78,068</u>

Depreciation expense of \$6,246 was charged to the general government activities of the District for the year ended December 31, 2022.

NOTE 5 LONG-TERM OBLIGATIONS

The District's transactions relating to long-term debt during 2022 were as follows:

	Balance January 1, 2022	Additions	Payments	Balance December 31, 2022	Due Within One Year
General Obligation					
Bonds Series 1989A	\$ 30,730,000	\$ -	\$ -	\$ 30,730,000	\$ -
Accrued interest	141,385,645	13,644,448	5,137,071	149,893,022	-
Total	<u>\$ 172,115,645</u>	<u>\$ 13,644,448</u>	<u>\$ 5,137,071</u>	<u>\$ 180,623,022</u>	<u>\$ -</u>

MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

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

General Obligation Bonds, Series 1989A

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

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

1. Priority expenses (see Note 7)
2. Current interest
3. Accrued interest from and after March 5, 1993
4. Accrued interest from September 1, 1989, through March 4, 1993, amounting to \$15,659,228
5. Principal
6. Capital improvements

During 2022, under the terms of Regional Facilities Cost Sharing Agreement (see Note 8), District No. 4 computed District No. 1's net revenues available for debt service to be \$5,109,232.

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

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Regional Facilities Cost Sharing Agreement (see Note 8)

The District is liable for a portion of the total general obligation debt incurred by the other related districts constituting the Project. At December 31, 2022, the total outstanding bond debt (for District Nos. 1, 2 and 7) was \$70,000,000 plus accrued and compounding interest of \$342,416,014. The ultimate amount payable by the District is not determinable because the amounts to be paid in future years for both principal and interest are determined annually based on revenues and relative changes in assessed valuations among the seven districts.

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

Debt Authorization

As of December 31, 2022, the District has no authorized but unissued debt.

NOTE 6 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2022, the District had net investment in capital assets totaling \$78,068.

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 restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves (See Note 12)	\$ 4,400
Debt Service (See Note 5)	75,346
Conservation Trust Fund	429,592
Total Restricted Net Position	\$ 509,338

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued and compounding accrued interest for the construction of public improvements conveyed to other government entities.

NOTE 7 FUND BALANCES

At December 31, 2022, the District reported the following classifications of fund equity.

Restricted Fund Balance

The restricted fund balance in the amount of \$4,400 in the General Fund is comprised of the Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the state of Colorado (see Note 12).

The restricted fund balance in the Debt Service Fund in the amount of \$75,346 is to be used exclusively for debt service requirements (see Note 5).

The restricted fund balance in the Conservation trust Fund in the amount of \$429,592 is unspent funding from the state of Colorado – Conservation Trust Fund and is to be used for allowable capital projects.

Assigned Fund Balance

The assigned fund balance of \$494,340 in the General Fund is to be used for improvements of its streets, right of way and irrigation facilities.

The assigned fund balance in the General Fund in the amount of \$511,258 is comprised of amounts assigned by the Board of Directors by a resolution to eliminate the projected budgetary deficit in the subsequent year's budget.

Unassigned Fund Balance

The unassigned fund balance in the General Fund in the amount of \$12,330 is for all spendable amounts not contained in the other classifications.

NOTE 8 REGIONAL FACILITIES COST SHARING AGREEMENT

In September 1988, the District and the other six related districts entered into a Regional Facilities Cost Sharing Agreement. In 1993, the restated Fifth Amendment to this agreement was executed, and in 1994, the Sixth Amendment to this agreement became operational. The intent of these agreements is to have an equal mill levy throughout the Project and to participate fairly and equitably in the joint funding of operations and maintenance of the Project, the associated debt service costs of the Project, and the financing of Project facilities as defined in the intergovernmental agreement with the Town (see Note 9).

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 REGIONAL FACILITIES COST SHARING AGREEMENT (CONTINUED)

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

Priority expenses of the Project include the following: costs of revenue collection, operations, and maintenance expenses in an amount not to exceed \$200,000 per year, water service fees, and the cost of the landscape maintenance contract. Of the \$200,000 for operations and maintenance, \$50,000 (\$115,000 in 2022 as adjusted for inflation) is designated to be spent by District No. 1 for District No. 1's administration. The remainder (\$313,000 in 2022 as adjusted for inflation) is to be spent by District No. 4 as Master District for the Project.

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

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

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

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

NOTE 9 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK

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

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

MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 9 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK (CONTINUED)

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

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

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

The Project had an obligation to provide financial support in the amount of \$500,000 for the East Plum Creek Trail. The Town had directly deposited, into an escrow held by a trustee for District No. 4, system development fees totaling \$500,000 in satisfaction of the East Plum Creek Trail obligation. Interest income generated from the escrow is allocated to District Nos. 1, 2 and 7 to be used for debt service. In 2009, the Project (through District No. 4, the Operating District) remitted \$435,284 to the Town in connection with the East Plum Creek Trail and \$1,000 to the Trustee for fees related to managing the account. As of December 31, 2022, the remaining balance in the East Plum Creek Trail escrow account, net of Trustee fees, was \$53,600.

On June 16, 2015, the Agreement was amended (Third Amendment to Master Intergovernmental Agreement). Among other items, the third amendment to the Agreement provides that, after July 1, 2015, a portion of the system development fee that is being retained by the Town (capital reserve fee) will be imposed as a District Fee and collected by the Town and remitted to the Districts. The capital reserve fee may be increased by the Districts at the rate of not more than 5% per annum, compounded on each January 1 through the term of the Agreement. For 2022, the District increased its capital reserve fee by 5%. Additionally, the third amendment to the Agreement amended the allocation of the system development fee as follows: (i) the Town will retain the treatment component of the water system development fee when the demand for municipal water within the Project exceeds 7,548 SFEs, and (ii) beginning on July 1, 2015, the Town will retain 90% of the wastewater system development fee; provided that if the treatment component is less than 90%, the Town's retained portion shall reduce to reflect such actual treatment component percentage; however, if the treatment component is higher than 90%, the Town shall never retain more than 90% of the wastewater system development fee. On May 31, 2022, the Project had exceeded 7,548 SFEs used. As of December 31, 2022, the District had a total count of 7,630 SFEs used.

**MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9 INTERGOVERNMENTAL AGREEMENT – TOWN OF CASTLE ROCK (CONTINUED)

For building permits issued within the boundaries of the District only, builders pay an additional system development fee in the amount of \$1,200. The District uses this additional revenue for the improvement of its streets right of way and irrigation facilities, which are District's obligation under the Agreement. It is the intention of the District to utilize the revenue generated from the \$1,200 system development fee in defraying costs related to improving streets and irrigation facilities so that tax revenues are used for other operational costs and, primarily, to satisfy its obligation to pay the principal and accrued interest on the 1989 Bonds (see Note 5). The cumulative revenues generated from the \$1,200 system development fees, net of eligible expenditures, are reflected as a Fund Balance Assigned for Capital Improvements in the amount of \$494,340.

NOTE 10 RELATED PARTIES

Prior to January 1, 2019, Castle Rock Bonds L.L.C. was the owner of a portion of the bonds issued by District Nos. 1, 2, and 7. Castle Rock Development Company is the owner of a majority of the undeveloped real property in District Nos. 2 through 7. Castle Rock Bonds L.L.C. and Castle Rock Development Company are related companies. During 2019, Castle Rock Bonds, LLC sold their portion of the bonds to a third party.

NOTE 11 RISK MANAGEMENT

Districts Nos. 1 through 7 are exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; 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 Districts pay annual premiums to the Pool for liability and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

MEADOWS METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

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

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

NOTE 13 COMMITMENTS AND CONTINGENCIES

Butterfield Park Project Commitment

As of December 31, 2022, the District had committed to funding \$500,000 to the Town of Castle Rock for the Butterfield Park Project. Subsequently, the District committed an additional \$100,000 to funding the Butterfield Park Project, totaling payments of \$600,000 in 2023.

SUPPLEMENTARY INFORMATION

**MEADOWS METROPOLITAN DISTRICT NO. 1
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			
Intergovernmental Revenues -			
District No. 4	\$ 5,084,047	\$ 5,109,232	\$ 25,185
Interest Income	200	4,499	4,299
Other Income	115,753	-	(115,753)
Total Revenues	<u>5,200,000</u>	<u>5,113,731</u>	<u>(86,269)</u>
EXPENDITURES			
Debt Service:			
Bond Interest	5,084,247	5,137,071	(52,824)
Contingency	115,753	-	115,753
Total Expenditures	<u>5,200,000</u>	<u>5,137,071</u>	<u>62,929</u>
NET CHANGE IN FUND BALANCE	-	(23,340)	(23,340)
Fund Balance - Beginning of Year	<u>-</u>	<u>98,686</u>	<u>98,686</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 75,346</u>	<u>\$ 75,346</u>

**MEADOWS METROPOLITAN DISTRICT NO. 1
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			
Conservation Trust Fund	\$ 51,000	\$ 35,952	\$ (15,048)
Interest Income	500	7,100	6,600
Total Revenues	<u>51,500</u>	<u>43,052</u>	<u>(8,448)</u>
EXPENDITURES			
Parks and Recreation	421,766	39,976	381,790
Trail Amenities	50,000	-	50,000
Total Expenditures	<u>471,766</u>	<u>39,976</u>	<u>431,790</u>
NET CHANGE IN FUND BALANCE	(420,266)	3,076	423,342
Fund Balance - Beginning of Year	<u>420,266</u>	<u>426,516</u>	<u>6,250</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 429,592</u></u>	<u><u>\$ 429,592</u></u>

OTHER INFORMATION

MEADOWS METROPOLITAN DISTRICT NO. 1
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 (A)		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2018	\$ 49,014,960	6.381	28.619	\$ 1,715,527	\$ 1,715,527	100.00%
2019	48,989,850	6.381	28.619	1,714,645	1,714,556	99.99
2020	54,638,300	6.036	28.964	1,912,341	1,910,151	99.89
2021	54,729,360	6.364	28.636	1,915,528	1,916,950	100.07
2022	57,880,460	6.351	28.649	2,025,816	2,025,819	100.00
Estimated for the Year Ending December 31, 2023	\$ 56,240,560	6.895	28.105	\$ 1,968,420		

NOTE:

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

(A) The District levied 35 mills in total as required by the General Obligation Bonds, Series 1989A.