

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
Weld County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**


**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors  
Water Valley Metropolitan District No. 1

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Water Valley Metropolitan District No. 1 as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Water Valley Metropolitan District No. 1'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 Water Valley Metropolitan District No. 1, as of December 31, 2023, the respective changes in financial position, and the budgetary comparison for the General Funds thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Water Valley Metropolitan District No. 1, 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, 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 Water Valley Metropolitan District No. 1'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Water Valley Metropolitan District No. 1'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 Water Valley Metropolitan District No. 1'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**

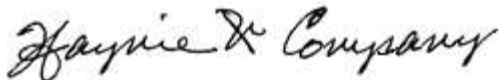
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

#### **Other Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Water Valley Metropolitan District No. 1's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Continuing Disclosure Annual Financial Information section 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.



Littleton, Colorado

June 11, 2024

## **BASIC FINANCIAL STATEMENTS**

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 102,822
Cash and Investments - Restricted	270,858
Receivable - County Treasurer	4,665
Property Taxes Receivable	<u>1,652,620</u>
Total Assets	<u>2,030,965</u>
<b>LIABILITIES</b>	
Accrued Interest Payable - Bonds	21,496
Noncurrent Liabilities:	
Due Within One Year	240,000
Due in More than One Year	<u>5,652,401</u>
Total Liabilities	<u>5,913,897</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	<u>1,652,620</u>
Total Deferred Inflows of Resources	<u>1,652,620</u>
<b>NET POSITION</b>	
Restricted For:	
Debt Service	758
Unrestricted	<u>(5,536,310)</u>
Total Net Position	<u><u>\$ (5,535,552)</u></u>

See accompanying Notes to Basic Financial Statements.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
<b>FUNCTIONS/PROGRAMS</b>					
Primary Government:					
Governmental Activities:					
General Government	\$ 11,947	\$ -	\$ -	\$ -	\$ (11,947)
Intergovernmental - Transfers to PTMD - for Operations and Capital Costs	820,422	-	-	-	(820,422)
Intergovernmental - Transfers to PTMD - for Debt Service	286,231	-	-	-	(286,231)
Interest and Related Costs on Long-Term Debt	261,360	-	-	-	(261,360)
Total Governmental Activities	\$ 1,379,960	\$ -	\$ -	\$ -	(1,379,960)
 <b>GENERAL REVENUES</b>					
Property Taxes					1,533,779
Specific Ownership Taxes					65,076
Interest Income					20,027
Total General Revenues					1,618,882
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					(5,774,474)
 <b>NET POSITION - END OF YEAR</b>					
					\$ (5,535,552)

See accompanying Notes to Basic Financial Statements.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 102,822	\$ -	\$ 102,822
Cash and Investments - Restricted	-	270,858	270,858
Receivable - County Treasurer	2,413	2,252	4,665
Property Taxes Receivable	897,578	755,042	1,652,620
Total Assets	\$ 1,002,813	\$ 1,028,152	\$ 2,030,965
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Tax Revenue	897,578	755,042	1,652,620
Total Deferred Inflows of Resources	897,578	755,042	1,652,620
<b>FUND BALANCES</b>			
Restricted:			
Debt Service	-	273,110	273,110
Committed:			
Operations (PTMD)	105,235	-	105,235
Total Fund Balances	105,235	273,110	378,345
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,002,813	\$ 1,028,152	

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 as liabilities in the funds.

Bonds Payable	(5,715,000)
Bond Premium	(177,401)
Accrued Interest Payable - Bonds	(21,496)

Net Position of Governmental Activities	\$ (5,535,552)
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See accompanying Notes to Basic Financial Statements.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 793,386	\$ 740,393	\$ 1,533,779
Specific Ownership Taxes	33,662	31,414	65,076
Interest Income	3,037	16,990	20,027
Total Revenues	830,085	788,797	1,618,882
<b>EXPENDITURES</b>			
County Treasurer's Fees	11,897	11,102	22,999
2016 G.O. Bonds - Interest	-	265,294	265,294
2016 G.O. Bonds - Principal	-	235,000	235,000
Paying Agent Fees	-	2,500	2,500
Miscellaneous	50	74	124
Transfers to PTMD - Operations and Capital Costs	820,422	-	820,422
Transfers to PTMD - Series 2020 Bonds	-	286,231	286,231
Total Expenditures	832,369	800,201	1,632,570
<b>NET CHANGE IN FUND BALANCES</b>	(2,284)	(11,404)	(13,688)
Fund Balances - Beginning of Year	107,519	284,514	392,033
<b>FUND BALANCES - END OF YEAR</b>	\$ 105,235	\$ 273,110	\$ 378,345

See accompanying Notes to Basic Financial Statements.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balance - Governmental Fund \$ (13,688)

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

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

2016 G.O. Bond - Principal Payment	235,000
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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 Bonds - Change in Liability	612
Amortization of Bond Premium	16,998
	16,998

Change in Net Position of Governmental Activities	\$ 238,922
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**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 791,549	\$ 793,386	\$ 1,837
Specific Ownership Taxes	47,493	33,662	(13,831)
Interest Income	1,500	3,037	1,537
Total Revenues	<u>840,542</u>	<u>830,085</u>	<u>(10,457)</u>
<b>EXPENDITURES</b>			
County Treasurer's Fees	11,873	11,897	(24)
Miscellaneous	200	50	150
Transfers to PTMD - Operations and Capital Costs	<u>828,469</u>	<u>820,422</u>	<u>8,047</u>
Total Expenditures	<u>840,542</u>	<u>832,369</u>	<u>8,173</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(2,284)	(2,284)
Fund Balance - Beginning of Year	<u>100,000</u>	<u>107,519</u>	<u>7,519</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 100,000</u>	<u>\$ 105,235</u>	<u>\$ 5,235</u>

See accompanying Notes to Basic Financial Statements.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Water Valley Metropolitan District No. 1 (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 the Town of Windsor, Weld County, Colorado, in 1994, 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 water and wastewater services, street construction, installation of safety control devices and construction and maintenance of parks and recreation facilities. The District is a Financing District organized in conjunction with two other related Districts – Poudre Tech Metropolitan District and Water Valley Metropolitan District No. 2. Poudre Tech Metropolitan District serves as the Operating District which is responsible for managing the construction and operation of facilities and improvements needed for Water Valley Metropolitan District Nos. 1 and 2 (Financing Districts) which are responsible for providing the tax base needed to support the financing of capital improvements.

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 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.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of 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 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest, and other related costs of debts issued by the District and Poudre Tech Metropolitan District (Operating District).

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

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

**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 always 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 unearned property tax revenue is recorded as revenue in the year they are available or collected.

**Amortization**

**Original Issue Premium**

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

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

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net 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.

**Fund Balance**

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

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

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

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

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

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

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

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

**NOTE 3 CASH AND INVESTMENTS**

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

Statement of Net Position:

Cash and Investments	\$ 102,822
Cash and Investments - Restricted	270,858
Total Cash and Investments	\$ 373,680

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

Deposits with Financial Institutions	\$ 116,477
Investments	257,203
Total Cash and Investments	\$ 373,680

**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.

At December 31, 2023, the District’s cash deposits had a bank and carrying balance of \$116,477.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments**

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

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

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

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

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

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government	Weighted-Average	
Liquid Asset Trust (COLOTRUST PLUS+)	Under 60 Days	<u>\$ 257,203</u>

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**COLOTRUST**

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

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

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

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

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District’s long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Payments/ Reductions	Balance at December 31, 2023	Due Within One Year
General Obligation Refunding Bonds, Series 2016	\$ 5,950,000	\$ -	\$ 235,000	\$ 5,715,000	\$ 240,000
Total	5,950,000	-	235,000	5,715,000	<u>\$ 240,000</u>
Series 2016 Bond Premium	194,399	-	16,998	177,401	
Total	<u>\$ 6,144,399</u>	<u>\$ -</u>	<u>\$ 251,998</u>	<u>\$ 5,892,401</u>	

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

The details of the District's long-term obligations are as follows:

On January 31, 2014, the District entered into a Loan Agreement with First Western Trust Bank to obtain a loan in the aggregate original principal amount of up to \$7,210,000 (Loan). The maturity date of the Loan is January 31, 2021, with an interest rate of 4.04%, paid semi-annually on June 1 and December 1. The proceeds of the initial draw from the Loan were used to (i) advance refund the District's Series 2004 and Series 2007 Bonds in order to reduce annual interest costs and effect other economies, (ii) to finance additional costs of public improvements, and (iii) pay for the costs of issuing the Loan.

On July 8, 2016, the District issued \$7,100,000 in General Obligation Refunding Bonds, Series 2016 (2016 Bonds) to prepay the Loan described above. The 2016 Bonds are general obligations of the District secured and payable from Pledged Revenue which include Property Tax Revenue, net of costs of collection, and any other legally available amounts. The 2016 Bonds are due December 1, 2040, with an interest rate of 2.00%-5.25%, paid semiannually on June 1 and December 1. The 2016 Bonds maturing on and after December 1, 2035, are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity, and in whole or partial maturities (and if in part in such order of maturities as the District is to determine and by lot within maturities), on December 1, 2026, and on any date thereafter, upon payment of par, and accrued interest thereon, without redemption premium. The 2016 Bonds maturing on December 1, 2033, are subject to mandatory sinking fund redemption, prior to maturity, in part, by lot in such manner as the Trustee is to determine, on December 1 of each year at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest.

Unused lines of credit

The 2016 Bonds do not have any unused lines of credit.

Collateral

No assets have been pledged as collateral on the 2016 Bonds.

Events of default

Events of default occur if the Districts: (a) fails to pay the principal of, premium if any, or interest on the Bonds when due (b) defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution, and fails to remedy the same after notice thereof pursuant to the Indenture or (c) files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

Termination Events

The 2016 Bonds do not have a termination provision.

Acceleration

The 2016 Bonds are not subject to acceleration.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

The 2016 Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 240,000	\$ 257,950	\$ 497,950
2025	250,000	250,150	500,150
2026	260,000	241,712	501,712
2027	265,000	232,612	497,612
2028	275,000	222,012	497,012
2029-2033	1,560,000	934,862	2,494,862
2034-2038	1,940,000	555,877	2,495,877
2039-2040	925,000	73,501	998,501
Total	<u>\$ 5,715,000</u>	<u>\$ 2,768,676</u>	<u>\$ 8,483,676</u>

Further, the District entered into a Capital Pledge Agreement in October 2010, as amended on January 31, 2014, and again on April 21, 2015, pursuant to which the District is obligated to impose an ad valorem property tax levy without limitation as to the rate to pay a portion of principal and accrued interest on Poudre Tech Metropolitan District's Property Tax Supported Revenue Refunding and Improvement Bonds, Series 2010 A, B, and C in the aggregate principal amount of \$25,675,000 issued pursuant to a 2010 Indenture of Trust with UMB Bank. The Third Amendment, dated September 1, 2020, made changes to provide for payment for the 2020 Operating District Bonds. During 2023, the District transferred \$286,231 to Poudre Tech Metropolitan District in compliance of its obligation under the Capital Pledge Agreement.

**NOTE 5 AUTHORIZED DEBT**

On November 8, 1994, the District's voters authorized the issuance of indebtedness in an amount not to exceed \$21,565,000. At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 8, 1994	Authorization Used for 2004 Bonds	Authorization Used for 2007 Bonds	Authorization Used for Pledge Agreement with Operating District 2010 Bonds	Authorization Used for Portion of 2014 Refunding	Authorization Used for 2014 Loan	Authorized but Unissued
Water	\$ 3,175,000	\$ (507,000)	\$ (367,500)	\$ (1,778,334)	\$ (522,166)	\$ -	\$ -
Sanitation	3,415,000	(1,267,500)	(918,750)	-	(1,228,750)	-	-
Streets	6,590,000	(507,000)	(367,500)	-	(655,300)	-	5,060,200
Parks and Recreation	6,615,000	(253,500)	(892,500)	-	(1,257,675)	(2,934,325)	1,277,000
Traffic/Safety Protection	450,000	-	(78,750)	-	-	-	371,250
Fire Protection	795,000	-	-	-	-	-	795,000
TV Relay/ Translation	525,000	-	-	-	-	-	525,000
Total	<u>\$ 21,565,000</u>	<u>\$ (2,535,000)</u>	<u>\$ (2,625,000)</u>	<u>\$ (1,778,334)</u>	<u>\$ (3,663,891)</u>	<u>\$ (2,934,325)</u>	<u>\$ 8,028,450</u>

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 5 AUTHORIZED DEBT (CONTINUED)**

Pursuant to the Service Plan, the maximum general obligation bonded indebtedness for Financing Districts is not expected to exceed \$21,000,000 exclusive of costs of issuance, organization costs, inflation, contingencies, and other similar costs.

The 2016 Bonds constitutes a financing of District indebtedness at a lower interest rate and the principal amount of the Bonds is not in excess of the original principal amount of the Loan; therefore, the issuance of the 2016 Bonds did not require electoral authorization.

In the future, the District may issue a portion or all of the remaining authorized but unissued debt for purposes of providing public improvements to support development as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any future debt issuances are not determinable.

**NOTE 6 NET POSITION**

The District has a deficit unrestricted net position. This negative net position is a result of the District being responsible for the repayment of long-term debts and accrued interest issued to finance public improvements (i) constructed and/or acquired by the District, and (ii) constructed and/or acquired by Poudre Tech Metropolitan District, Operating District, for the benefit of the District, which public improvements are either owned and maintained by Poudre Tech Metropolitan District or conveyed to other governmental entities.

**NOTE 7 RELATED PARTIES**

The developer of the property which constitutes the District is Trollco Inc., a Colorado corporation (Developer). Certain members of the Board of Directors of the District are officers or employees of or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 8 AGREEMENTS**

**District Operating Agreement**

Poudre Tech Metropolitan District (Operating District) and District Nos. 1 and 2 (collectively, the Taxing Districts) have entered into a District Operating Agreement dated January 30, 2014. The purpose of the District Operating Agreement is to set forth the rights and obligations of the Taxing Districts to fully fund and of the Operating District to provide operations on behalf of all the Districts. Based on the integrated nature of the public improvements, it is most efficient and cost effective to combine the operations, maintenance, and administration and to have the Operating District provide those services for the benefit of all the Districts. The agreement shall be interpreted consistent with the Service Plan.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Capital Pledge Agreement**

The District entered into a Capital Pledge Agreement in October 2010, as amended on January 31, 2014, and again on April 21, 2015, pursuant to which the District is obligated to impose an ad valorem property tax levy without limitation as to the rate to pay for a portion of principal and accrued interest payable on PTMD's Property Tax Supported Revenue Refunding and Improvement Bonds, Series 2010 A, B, and C in the aggregate principal amount of \$25,675,000 issued pursuant to a 2010 Indenture of Trust with UMB Bank (2010 Bonds).

The First Amendment, dated January 31, 2014, made changes to the allocation between District Nos. 1 and 2's required debt service on the 2010 Bonds. The Districts later determined that the changes were not necessary, and therefore, the Capital Pledge Agreement, was amended for a second time on April 21, 2015, to reinstate the original definitions and allocations.

The Third Amendment, dated September 1, 2020, made changes to provide for the payment of the 2020 Operating District Bonds, to remove UMB as a party to the agreement and add US Bank as a party to the agreement.

**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.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

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

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. As of December 31, 2023, the District has not provided for an emergency reserve equal to at least 3% of Fiscal Year Spending, as defined under TABOR, because net tax revenue is transferred to Poudre Tech Metropolitan District, the Operating District. However, the District has committed to maintain a reasonable level of unrestricted fund balance in the General Fund to mitigate temporary revenue shortfalls or unplanned one-time expenditures that may occur in the future.

The District's management has taken steps it believes are necessary to comply 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**

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 738,678	\$ 740,393	\$ 1,715
Specific Ownership Taxes	44,321	31,414	(12,907)
Interest Income	3,500	16,990	13,490
Total Revenues	<u>786,499</u>	<u>788,797</u>	<u>2,298</u>
<b>EXPENDITURES</b>			
County Treasurer's Fees	11,080	11,102	(22)
2016 G.O. Bonds - Interest	265,294	265,294	-
2016 G.O. Bonds - Principal	235,000	235,000	-
Paying Agent Fees	2,500	2,500	-
Miscellaneous	4,895	74	4,821
Transfers to PTMD - Series 2020 Bonds	286,231	286,231	-
Total Expenditures	<u>805,000</u>	<u>800,201</u>	<u>4,799</u>
<b>NET CHANGE IN FUND BALANCE</b>	(18,501)	(11,404)	7,097
Fund Balance - Beginning of Year	<u>274,952</u>	<u>284,514</u>	<u>9,562</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 256,451</u>	<u>\$ 273,110</u>	<u>\$ 16,659</u>

**WATER VALLEY METROPOLITAN DISTRICT NO. 1**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**DECEMBER 31, 2023**

\$7,100,000 General Obligation Refunding Bonds, Series 2016  
Dated July 8, 2016  
Principal Due December 1, Interest Rate 2.00%-5.25%  
Payable June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 240,000	\$ 257,950	\$ 497,950
2025	250,000	250,150	500,150
2026	260,000	241,712	501,712
2027	265,000	232,612	497,612
2028	275,000	222,012	497,012
2029	290,000	211,012	501,012
2030	300,000	199,412	499,412
2031	310,000	187,412	497,412
2032	325,000	175,013	500,013
2033	335,000	162,013	497,013
2034	350,000	148,613	498,613
2035	370,000	131,113	501,113
2036	385,000	112,613	497,613
2037	405,000	92,400	497,400
2038	430,000	71,138	501,138
2039	450,000	48,563	498,563
2040	475,000	24,938	499,938
Total	<u>\$ 5,715,000</u>	<u>\$ 2,768,676</u>	<u>\$ 8,483,676</u>

**CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS  
REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS,  
SERIES 2016**

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016  
TABLE II  
HISTORY OF DISTRICT'S ASSESSED VALUATION AND MILL LEVIES  
YEAR ENDED DECEMBER 31, 2023**

Levy/Collection Year	Assessed Valuation	Percent Increase	Mill Levies		
			General Fund	Debt Service Fund	Total Mill Levy
2010/2011	\$ 26,688,250	- %	10.000	10.000	20.000
2011/2012	23,459,270	(12.10)	10.000	16.000	26.000
2012/2013	23,145,380	(1.34)	6.000	33.000	39.000
2013/2014	22,683,319	(2.00)	7.000	32.000	39.000
2014/2015	22,201,960	(2.12)	13.250	25.750	39.000
2015/2016	42,796,050	92.76	13.300	25.700	39.000
2016/2017	47,810,900	11.72	30.430	8.570	39.000
2017/2018	43,490,270	(9.04)	20.070	18.930	39.000
2018/2019	34,982,840	(19.56)	17.644	23.495	41.139
2019/2020	34,942,180	(0.12)	17.813	24.130	41.943
2020/2021	34,496,110	(1.28)	17.618	24.325	41.943
2021/2022	34,197,090	(0.87)	21.773	20.170	41.943
2022/2023	35,771,360	4.60	22.128	20.650	42.778
2023/2024	44,128,720	23.36	20.340	17.110	37.450

Sources: Weld County Assessor's Office and the District.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016**

**TABLE III  
2023 ASSESSED AND ACTUAL VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT  
YEAR ENDED DECEMBER 31, 2023**

Class	Assessed Valuation	Percent of Assessed Valuation	Actual Valuation	Percent of 'Actual' Valuation
Oil and Gas	\$ 5,771,490	13.07 %	\$ 8,636,327	1.80 %
Residential	29,396,690	66.63	438,753,876	91.50
Vacant Land	195,760	0.44	701,624	0.15
Commercial	7,528,930	17.06	26,985,449	5.63
State Assessed	6,520	0.01	23,365	0.00
Personal Property	676,750	1.53	2,425,635	0.51
Industrial	549,420	1.25	1,969,236	0.41
Agricultural	3,160	0.01	11,975	0.00
Total	<u>\$ 44,128,720</u>	<u>100.00 %</u>	<u>\$ 479,507,487</u>	<u>100.00 %</u>

Source: Weld County Assessor's Office

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016  
TABLE IV  
HISTORY OF DISTRICT'S PROPERTY TAX COLLECTIONS  
YEAR ENDED DECEMBER 31, 2023**

Levy/Collection Year	Taxes Levied	Property Tax Collections	Tax Collections as Percent of Tax Levied
2010/2011	\$ 533,765	\$ 523,386	98.06 %
2011/2012	609,941	609,133	99.87
2012/2013	902,670	896,487	99.32
2013/2014	884,649	874,174	98.82
2014/2015	865,876	850,566	98.23
2015/2016	1,669,045	1,668,329	99.96
2016/2017	1,864,625	1,863,857	99.96
2017/2018	1,696,121	1,696,162	100.00
2018/2019	1,439,159	1,438,325	99.94
2019/2020	1,465,580	1,459,313	99.57
2020/2021	1,446,870	1,446,870	100.00
2021/2022	1,434,329	1,461,992	101.93
2022/2023	1,530,227	1,533,779	100.23

Source: Through 2014/2015 - from the Official Statement for the General Obligation Refunding Bonds, Series 2016. From 2015/2016 - from the District.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016**

**TABLE VII  
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2023**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>REVENUES</b>					
Property Taxes	\$ 616,879	\$ 619,763	\$ 607,752	\$ 758,933	\$ 793,386
Specific Ownership Taxes	41,393	29,544	30,494	40,824	33,662
Interest Income	3,922	5,189	388	1,280	3,037
Total Revenues	<u>662,194</u>	<u>654,496</u>	<u>638,634</u>	<u>801,037</u>	<u>830,085</u>
<b>EXPENDITURES</b>					
County Treasurer's Fees	9,257	9,370	9,122	11,367	11,897
Miscellaneous	81	220	75	49	50
Transfer to Poudre Tech - Other <sup>1</sup>	636,348	519,924	767,904	787,013	820,422
Total Expenditures	<u>645,686</u>	<u>529,514</u>	<u>777,101</u>	<u>798,429</u>	<u>832,369</u>
<b>NET CHANGE IN FUND BALANCES</b>	16,508	124,982	(138,467)	2,608	(2,284)
Fund Balances - Beginning of Year	<u>101,888</u>	<u>118,396</u>	<u>243,378</u>	<u>104,911</u>	<u>107,519</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 118,396</u>	<u>\$ 243,378</u>	<u>\$ 104,911</u>	<u>\$ 107,519</u>	<u>\$ 105,235</u>

<sup>1</sup>Transfer to Poudre Tech for operations and capital costs.

Source: District's audited financial statements for the years ended December 31, 2019-2023.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016**

**TABLE VIII**

**DEBT SERVICE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2023**

	2019	2020	2021	2022	2023
<b>REVENUES</b>					
Property Taxes	\$ 821,446	\$ 839,550	\$ 839,118	\$ 703,059	\$ 740,393
Specific Ownership Taxes	55,119	40,021	42,102	37,818	31,414
Interest Income	8,870	8,418	631	5,624	16,990
Total Revenues	<u>885,435</u>	<u>887,989</u>	<u>881,851</u>	<u>746,501</u>	<u>788,797</u>
<b>EXPENDITURES</b>					
County Treasurer's Fees	12,327	12,693	12,594	10,530	11,102
Transfer to Poudre Tech - Other <sup>1</sup>	5,599	-	-	-	-
Miscellaneous	175	101	74	75	74
Prior Year Abatement	-	-	-	-	-
Debt Service:					
Trustee Fees/Paying Agent Fees	2,500	2,500	2,500	2,500	2,500
Transfer to Poudre Tech - 2010 PTMD Bonds	377,869	379,620	-	-	-
Transfer to Poudre Tech - 2020 PTMD Bonds	-	-	279,876	285,220	286,231
Bond Interest	288,988	283,738	278,094	272,044	265,294
Bond Principal	210,000	215,000	220,000	225,000	235,000
Total Expenditures	<u>897,458</u>	<u>893,652</u>	<u>793,138</u>	<u>795,369</u>	<u>800,201</u>
<b>NET CHANGE IN FUND BALANCES</b>	(12,023)	(5,663)	88,713	(48,868)	(11,404)
Fund Balances - Beginning of Year	<u>262,355</u>	<u>250,332</u>	<u>244,669</u>	<u>333,382</u>	<u>284,514</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 250,332</u>	<u>\$ 244,669</u>	<u>\$ 333,382</u>	<u>\$ 284,514</u>	<u>\$ 273,110</u>

<sup>1</sup> Transfer to Poudre Tech for capital costs.

Source: District's audited financial statements for the years ended December 31, 2019-2023.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016  
TABLE IX  
GENERAL FUND BUDGET SUMMARY AND COMPARISON  
YEAR ENDED DECEMBER 31, 2023**

	2022 Budget (As Amended)	2023 Budget	2023 Year-to-Date Actual
<b>BEGINNING FUND BALANCE</b>	\$ 104,911	\$ 100,000	\$ 107,519
<b>REVENUES</b>			
Property Taxes	751,258	791,549	793,386
Specific Ownership Taxes	44,231	47,493	33,662
Interest Income	600	1,500	3,037
Other Revenue	1,000	-	-
Total Revenues	<u>797,089</u>	<u>840,542</u>	<u>830,085</u>
Total Funds Available	902,000	940,542	937,604
<b>EXPENDITURES</b>			
County Treasurer's Fees	11,269	11,873	11,897
Miscellaneous	300	200	50
Contingency	1,000	-	-
Transfer to Poudre Tech	789,431	828,469	820,422
Total Expenditures	<u>802,000</u>	<u>840,542</u>	<u>832,369</u>
<b>TOTAL EXPENDITURES REQUIRING APPROPRIATION</b>	<u>802,000</u>	<u>840,542</u>	<u>832,369</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 105,235</u>

Sources: District's adopted 2023 budget and the District's audited financial statements for the year ended December 31, 2023.

**WATER VALLEY METROPOLITAN DISTRICT NO. 1  
CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION  
AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016  
TABLE X  
DEBT SERVICE FUND BUDGET SUMMARY AND COMPARISON  
YEAR ENDED DECEMBER 31, 2023**

	<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2023 Year-to-Date Actual</u>
<b>BEGINNING FUND BALANCE</b>	\$ 330,813	\$ 274,952	\$ 284,514
<b>REVENUES</b>			
Property Taxes	689,756	738,678	740,393
Specific Ownership Taxes	34,488	44,321	31,414
Interest Income	300	3,500	16,990
Total Revenues	<u>724,544</u>	<u>786,499</u>	<u>788,797</u>
 Total Funds Available	 1,055,357	 1,061,451	 1,073,311
<b>EXPENDITURES</b>			
County Treasurer's Fees	10,346	11,080	11,102
Miscellaneous	3,890	4,895	74
Bond Interest	272,044	265,294	265,294
Bond Principal	225,000	235,000	235,000
Paying Agent Fees	2,500	2,500	2,500
Transfer to Poudre Tech - 2020 PTMD Bonds	285,220	286,231	286,231
Total Expenditures	<u>799,000</u>	<u>805,000</u>	<u>800,201</u>
<b>TOTAL EXPENDITURES REQUIRING APPROPRIATION</b>	 <u>799,000</u>	 <u>805,000</u>	 <u>800,201</u>
<b>ENDING FUND BALANCE</b>	 <u>\$ 256,357</u>	 <u>\$ 256,451</u>	 <u>\$ 273,110</u>

Sources: District's adopted 2023 budget and the District's audited financial statements for the year ended December 31, 2023.