

CACHE METROPOLITAN DISTRICT NO. 1

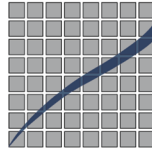
Weld County, Colorado

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023

**CACHE METROPOLITAN DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2023**

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BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Cache Metropolitan District No. 1
Weld County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Cache Metropolitan District No. 1 ("District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2023, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, we:

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

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

Other Matters

Required Supplementary Information

Management has omitted 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 which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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

basic 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 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, as identified in the table of contents. The other information 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 provide any 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.

BiggsKofford, P.C.

Colorado Springs, Colorado
September 9, 2024

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
ASSETS	
Cash and Investments	\$ 372,855
Cash and Investments - Restricted	43,400
Prepaid Insurance	25,168
Receivable from County Treasurer	4,217
Property Tax Receivable	1,561,393
Capital Assets:	
Capital Assets Not Being Depreciated	943,557
Total Assets	2,950,590
LIABILITIES	
Accounts Payable	9,412
Noncurrent Liabilities:	
Due in More Than One Year	189,650
Total Liabilities	199,062
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,561,393
Total Deferred Inflows of Resources	1,561,393
NET POSITION	
Restricted for:	
Emergency Reserve	43,400
Unrestricted	1,146,735
Total Net Position	\$ 1,190,135

See accompanying Notes to Basic Financial Statements.

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

	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
General Government	\$ 130,594	\$ -	\$ -	\$ (130,594)
Total Governmental Activities	\$ 130,594	\$ -	\$ -	\$ (130,594)
GENERAL REVENUES				
Property Taxes				1,383,254
Specific Ownership Taxes				58,825
Interest Income				3,649
Total General Revenues and Transfers				1,445,728
CHANGES IN NET POSITION				
Net Position - Beginning of Year				1,315,134
				(124,999)
NET POSITION - END OF YEAR				\$ 1,190,135

See accompanying Notes to Basic Financial Statements.

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

ASSETS	General	Capital Projects	Total Governmental Funds
Cash and Investments	\$ 370,886	\$ 1,969	\$ 372,855
Cash and Investments - Restricted	43,400	-	43,400
Receivable from County Treasurer	4,217	-	4,217
Prepaid Insurance	25,168	-	25,168
Property Tax Receivable	1,561,393	-	1,561,393
Total Assets	\$ 2,005,064	\$ 1,969	\$ 2,007,033
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 7,443	\$ 1,969	\$ 9,412
Total Liabilities	7,443	1,969	9,412
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	1,561,393	-	1,561,393
Total Deferred Inflows of Resources	1,561,393	-	1,561,393
FUND BALANCES			
Nonspendable:			
Prepaid Expense	25,168	-	25,168
Restricted for:			
Emergency Reserves	43,400	-	43,400
Unassigned	367,660	-	367,660
Total Fund Balances	436,228	-	436,228
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,005,064	\$ 1,969	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 943,557

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.
Developer Advance Payable (189,650)

Net Position of Governmental Activities \$ 1,190,135

See accompanying Notes to Basic Financial Statements.

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

	General	Capital Projects	Total Governmental Funds
REVENUES			
Property Taxes	\$ 1,383,254	\$ -	\$ 1,383,254
Specific Ownership Taxes	58,825	-	58,825
Interest Income	3,649	-	3,649
Total Revenues	1,445,728	-	1,445,728
EXPENDITURES			
Current:			
Accounting	19,665	1,391	21,056
County Treasurer's Fee	20,752	-	20,752
Dues And Membership	2,562	-	2,562
Election	10,519	-	10,519
Engineering	-	3,630	3,630
Insurance	24,352	-	24,352
Legal	30,906	-	30,906
Miscellaneous	1,350	-	1,350
Capital Projects:			
Capital Outlay	-	943,557	943,557
Total Expenditures	110,106	948,578	1,058,684
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,335,622	(948,578)	387,044
OTHER FINANCING SOURCES (USES)			
Developer Advance	66,040	946,609	1,012,649
Repay Developer Advance	-	(943,557)	(943,557)
Transfers In (Out)	(945,526)	945,526	-
Total Other Financing Sources (Uses)	(879,486)	948,578	69,092
NET CHANGE IN FUND BALANCES	456,136	-	456,136
Fund Balances - Beginning of Year	(19,908)	-	(19,908)
FUND BALANCES - END OF YEAR	\$ 436,228	\$ -	\$ 436,228

See accompanying Notes to Basic Financial Statements.

**CACHE 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 Balances - Total Governmental Funds	\$ 456,136
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays 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 cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay	943,557
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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 government funds. Neither transaction, however, has any effect on net position.

Developer Advance	(1,012,649)
Repay Developer Advance	943,557

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 Payable Developer Advance - Change in Liability	<u>(15,467)</u>
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Changes in Net Position of Governmental Activities	<u>\$ 1,315,134</u>
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**CACHE 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)
REVENUES			
Property Taxes	\$ 1,383,254	\$ 1,383,254	\$ -
Specific Ownership Taxes	-	58,825	58,825
Interest Income	-	3,649	3,649
Total Revenues	<u>1,383,254</u>	<u>1,445,728</u>	<u>62,474</u>
EXPENDITURES			
Accounting	25,000	19,665	5,335
Contingency	7,251	-	7,251
County Treasurer's Fee	20,749	20,752	(3)
Dues And Membership	2,000	2,562	(562)
Election	5,000	10,519	(5,519)
Insurance	20,000	24,352	(4,352)
Legal	25,000	30,906	(5,906)
Miscellaneous	-	1,350	(1,350)
Total Expenditures	<u>105,000</u>	<u>110,106</u>	<u>(5,106)</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,278,254	1,335,622	57,368
OTHER FINANCING SOURCES (USES)			
Developer Advance	-	66,040	66,040
Transfers To Other Fund	(1,000,000)	(945,526)	54,474
Total Other Financing Sources (Uses)	<u>(1,000,000)</u>	<u>(879,486)</u>	<u>120,514</u>
NET CHANGE IN FUND BALANCE	278,254	456,136	177,882
Fund Balance - Beginning of Year	<u>4,799</u>	<u>(19,908)</u>	<u>(24,707)</u>
FUND BALANCE - END OF YEAR	<u>\$ 283,053</u>	<u>\$ 436,228</u>	<u>\$ 153,175</u>

See accompanying Notes to Basic Financial Statements.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 DEFINITION OF REPORTING ENTITY

Cache Metropolitan District No. 1, a quasi-municipal corporation and a political subdivision of the State of Colorado (the District), was organized by order and decree of the District Court in and for Weld County on November 16, 2020, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

Under a Consolidated Service Plan, dated August 13, 2020, the District was organized in conjunction with seven other related districts, Cache Metropolitan District No. 2 (District No. 2), Cache Metropolitan District No. 3 (District No. 3), Cache Metropolitan District No. 4 (District No. 4), Cache Metropolitan District No. 5 (District No. 5), Cache Metropolitan District No. 6 (District No. 6), Cache Metropolitan District No. 7 (District No. 7), and Cache Metropolitan District No. 8 (District No. 8, and together with the District, District No. 2, District No. 3, District No. 4, District No. 5, District No. 6, District No. 7, the Districts). The District serves as the Operating District for District Nos. 2-8. The Districts' service area is located entirely within the City of Greeley (the City), Weld County, Colorado. The District was established to provide financing for the design, acquisition, installation, construction, and completion of public improvements and services, including water, sanitation, street, safety protection, parks and recreation, transportation, television relay and translation, and mosquito control improvements and services.

The District is a quasi-municipal governmental entity governed by an elected Board of Directors with the power to impose property taxes and other fees and charges for services within the District's service area and is an independent unit of local government, separate and distinct from the City.

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

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 to any other organization, nor is the District a component unit of any other primary governmental entity, including the City and Cache Metropolitan District Nos. 2-8.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

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

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

Budgets

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

Property Taxes

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

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

Deferred Inflow of Resources

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

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

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

Fund Balance

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

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

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

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 372,855
Cash and Investments - Restricted	43,400
Total Cash and Investments	<u>\$ 416,255</u>

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

Deposits with Financial Institutions	\$ 5,000
Investments	411,255
Total Cash and Investments	<u>\$ 416,255</u>

Deposits with Financial Institutions

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

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

As of December 31, 2023, the District had a bank and carrying balance of \$5,000.

Investments

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

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

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

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

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

As of December 31, 2023, the District had investments as follows:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 411,255
		<u>\$ 411,255</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 Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST 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.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2023 follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Capital Assets Not Being Depreciated	\$ -	\$ 943,557	\$ -	\$ 943,557
Total Capital Assets, Not Being Depreciated	<u>\$ -</u>	<u>\$ 943,557</u>	<u>\$ -</u>	<u>\$ 943,557</u>

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Other Debts:					
Developer Advance - Operating	\$ 97,387	\$ 66,040	\$ -	\$ 163,427	\$ -
Developer Advance - Capital	-	946,609	943,557	3,052	-
Accrued Interest on:					
Developer Advance - Operating	7,704	12,135	-	19,839	-
Developer Advance - Capital	-	3,332	-	3,332	-
Subtotal Other Debts	<u>105,091</u>	<u>1,028,116</u>	<u>943,557</u>	<u>189,650</u>	<u>-</u>
 Total Long-Term Obligations	 <u>\$ 105,091</u>	 <u>\$ 1,028,116</u>	 <u>\$ 943,557</u>	 <u>\$ 189,650</u>	 <u>\$ -</u>

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 3, 2020, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$3,200,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2023, the District has authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 3, 2020	Authorized But Unused
Water	\$ 200,000,000	\$ 200,000,000
Sanitation	200,000,000	200,000,000
Streets	200,000,000	200,000,000
Safety Protection	200,000,000	200,000,000
Parks and Recreation	200,000,000	200,000,000
Transportation	200,000,000	200,000,000
Television Relay and Translation	200,000,000	200,000,000
Mosquito Control	200,000,000	200,000,000
Fire Protection and Emergency Medical	200,000,000	200,000,000
Operations and Maintenance Debt	200,000,000	200,000,000
Oil and Gas Debt	200,000,000	200,000,000
Refunding Debt	400,000,000	400,000,000
Intergovernmental Agreement Debt	200,000,000	200,000,000
Reimbursement Agreements	200,000,000	200,000,000
Construction Management Agreement	200,000,000	200,000,000
Total	<u>\$ 3,200,000,000</u>	<u>\$ 3,200,000,000</u>

Pursuant to the Service Plan, the District and Cache Metropolitan District Nos. 2-8 combined is permitted to issue bond indebtedness of \$200,000,000.

NOTE 6 AGREEMENTS

Advance and Reimbursement Agreement (Operations and Maintenance Expenses)

On January 21, 2021, the District entered into an Advance and Reimbursement Agreement (Operations and Maintenance Expenses) with The Cache LLC (the Developer), as amended by that First Amendment to Advance and Reimbursement Agreement (Operations and Maintenance Expenses), dated January 1, 2022, and that Second Amendment to Advance and Reimbursement Agreement (Operations and Maintenance Expenses), dated January 1, 2023, (collectively, the Operations Agreement). The Developer agreed to advance funds to the District for Operations Costs, as defined within the Operations Agreement. The District agreed to reimburse the Developer, subject to annual appropriations, for the advances plus accrued interest at the rate of 8% per annum, of which shall begin to accrue on the date such advance was made to the District, provided that no interest shall begin to accrue prior to November 20, 2020. The District agreed to reimburse the Developer which had been, or were to be, made on behalf of the District in a principal amount not to exceed \$165,000. As of December 31, 2023, outstanding advances under the Operations Agreement, totaled \$183,266, including \$19,839 of accrued interest.

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

NOTE 6 AGREEMENTS (CONTINUED)

Advance and Reimbursement and Facilities Acquisition Agreement (Capital Expenses)

On January 21, 2021, the District entered into an Advance and Reimbursement and Facilities Acquisition Agreement (Capital Expenses) with the Developer, as amended by that Amendment to the Advance and Reimbursement and Facilities Acquisition Agreement, dated November 8, 2022 (collectively, the Capital Agreement), to reimburse advances made by the Developer for Advances and Certified District Eligible Costs, as each is defined within the Capital Agreement. The District agreed to repay the Developer, subject to annual appropriations, for such capital advances plus accrued interest at the rate of 8% per annum from the date such costs are incurred by the Developer, provided, however, that no interest shall begin to accrue on any advance made to the District prior to November 20, 2020, and the interest shall stop accruing under the Capital Agreement on the date of payment of such amount in full. The Developer agreed to advance funds or expend funds on behalf of the District in an amount not to exceed \$15,000,000. As of December 31, 2023, outstanding advances under the Capital Agreement totaled \$6,384, including \$3,332 of accrued interest.

Intergovernmental Agreement By and Between the City of Greeley, Colorado

The Districts and the City entered into an intergovernmental agreement, dated January 21, 2021, regarding compliance with Consolidated Service Plan of the Districts.

Operating Agreement

The District anticipates to enter into an Operating Agreement with The Cache Metropolitan District Nos. 2-8.

NOTE 7 NET POSITION

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

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 43,400
Total Restricted Net Position	\$ 43,400

NOTE 8 RELATED PARTIES

All of the Board of Directors are employees, owners, or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

CACHE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 INTERFUND TRANSFERS

The transfer from the General Fund to the Capital Projects Fund was related to covering the capital expenditures incurred.

NOTE 10 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 natural disasters.

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

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

NOTE 11 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. On November 3, 2020, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

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 and qualification as an Enterprise will require judicial interpretation.

SUPPLEMENTARY INFORMATION

**CACHE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Accounting	-	1,391	(1,391)
Engineering	-	3,630	(3,630)
Capital Outlay	16,000,000	943,557	15,056,443
Total Expenditures	16,000,000	948,578	15,051,422
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(16,000,000)	(948,578)	15,051,422
OTHER FINANCING SOURCES (USES)			
Developer Advance	15,000,000	946,609	(14,053,391)
Repay Developer Advance	-	(943,557)	(943,557)
Transfers From Other Funds	1,000,000	945,526	(54,474)
Total Other Financing Sources (Uses)	16,000,000	948,578	(15,051,422)
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -

OTHER INFORMATION

CACHE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
			General Operations	Total	Levied	Collected	
2021/2022	\$ 10	0.0%	70.000	70.000	\$ 1	\$ 1	100.00 %
2022/2023	19,760,770	197607600.0%	70.000	70.000	1,383,254	1,383,254	100.00 %
Estimated for Year Ending December 31, 2024	\$ 22,305,620	12.9%	70.000				

Note:

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

Source: Weld County Assessor and Treasurer.