

LETTER OF BUDGET TRANSMITTAL


Date: January 30, 2024

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

Attached are the 2024 budget and budget message for WILLOW BEND METROPOLITAN DISTRICT in Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2023. If there are any questions on the budget, please contact

Stephanie Odewumi, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710

I, Stephanie Odewumi, District Manager, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: 
Stephanie Odewumi, District

Manager

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Willow Bend Metropolitan District (the “**Board**”), City of Thornton, Adams County, Colorado (the “**District**”), held a regular meeting, via teleconference on Tuesday, November 7, 2023, at the hour of 2:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2024 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

NOTICE OF PUBLIC HEARING ON
THE AMENDED 2023 BUDGET
AND
NOTICE OF PUBLIC HEARING ON
THE PROPOSED 2024 BUDGET

Willow Bend Metro Dist **
c/o CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300
Greenwood Village CO 80111

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the WILLOW BEND METROPOLITAN DISTRICT (the "District"), will hold a meeting via teleconference on Tuesday, November 7, 2023 at 2:00 P.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2024 proposed budget (the "Proposed Budget") and, if necessary, the 2023 amended budget (the "Amended Budget"). The public hearing may be joined using the following teleconference information:

https://teams.microsoft.com/join/meetup-join/19%3ameeting_YTE0TkkMTA2TBIZS00QWVILWFINJMYTU4Zjg2ODMxZjEy%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%229bf4c29b-a9c8-46b4-a6c0-c1ed7c8a4824%22%7d

Conference ID: 689 798 648#,
Phone Number: 1-720-547-5281

**AFFIDAVIT OF
PUBLICATION**

State of Colorado }
County of Adams } ss

NOTICE IS FURTHER GIVEN that the Proposed Budget and the Amended Budget have been submitted to the District. A copy of the Proposed Budget and the Amended Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where the same are open for public inspection.

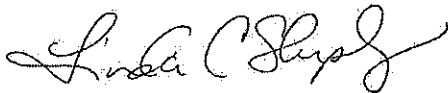
This Affidavit of Publication for the Northglenn-Thornton Sentinel, a weekly newspaper, printed and published for the County of Adams, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/26/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

Any interested elector of the District may file any objections to the Proposed Budget and the Amended Budget at any time prior to final adoption of the Proposed Budget and the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
WILLOW BEND METROPOLITAN DISTRICT

/s/ WHITE BEAR ANKELE TANAKA &
WALDRON
Attorneys at Law

Legal Notice No. NTS3070
First Publication: October 26, 2023
Last Publication: October 26, 2023
Publisher: Northglenn-Thornton Sentinel



For the Northglenn-Thornton Sentinel

State of Colorado }
County of Adams } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/26/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-100563

Carla Bethke
Notary Public
My commission ends April 11, 2026

CARLA BETHKE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20004025550
MY COMMISSION EXPIRES APRIL 11, 2026

**NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGET**

NOTICE IS HEREBY GIVEN that the Board of Directors (the “**Board**”) of the WILLOW BEND METROPOLITAN DISTRICT (the “**District**”), will hold a meeting via teleconference on Tuesday, November 7, 2023 at 2:00 P.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2024 proposed budget (the “**Proposed Budget**”) and, if necessary, the 2023 amended budget (the “**Amended Budget**”). The public hearing may be joined using the following teleconference information:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_YTE0OTkxMTAtZTBIZS00OWVILWFINjMtYTU4Zjg2ODMxZjEy%40t_hread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%229bf4c29b-a9c8-46b4-a6c0-c1ed7cba4824%22%7d

Conference ID: 689 798 648#, Phone Number: 1-720-547-5281

NOTICE IS FURTHER GIVEN that the Proposed Budget and the Amended Budget have been submitted to the District. A copy of the Proposed Budget and the Amended Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 300, Greenwood Village, Colorado 80111, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget and the Amended Budget at any time prior to final adoption of the Proposed Budget and the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
WILLOW BEND METROPOLITAN DISTRICT

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 6.314 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of 63.141 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Adams County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 7, 2023.

DISTRICT:

WILLOW BEND METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

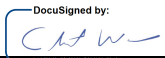
By:  _____
Officer of the District

Attest:

By:  _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

 _____
General Counsel to the District

STATE OF COLORADO
COUNTY OF ADAMS
WILLOW BEND METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Tuesday, November 7, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14 day of November, 2023.


 _____
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

WILLOW BEND METRO DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**WILLOW BEND METRO DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2 2024 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 1,877,326 | \$ 1,618,084 | \$ 1,547,002 |
| REVENUES | | | |
| Property taxes | 535,685 | 728,514 | 1,426,678 |
| Specific ownership taxes | 33,768 | 51,968 | 99,868 |
| Interest income | 32,662 | 72,500 | 70,000 |
| Developer advance | 35,881 | - | - |
| Total revenues | <u>637,996</u> | <u>852,982</u> | <u>1,596,546</u> |
| Total funds available | <u>2,515,322</u> | <u>2,471,066</u> | <u>3,143,548</u> |
| EXPENDITURES | | | |
| General Fund | 63,587 | 75,345 | 100,000 |
| Debt Service Fund | 833,651 | 848,719 | 987,000 |
| Total expenditures | <u>897,238</u> | <u>924,064</u> | <u>1,087,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>897,238</u> | <u>924,064</u> | <u>1,087,000</u> |
| ENDING FUND BALANCES | <u>\$ 1,618,084</u> | <u>\$ 1,547,002</u> | <u>\$ 2,056,548</u> |
| EMERGENCY RESERVE | \$ 1,500 | \$ 3,300 | \$ 4,300 |
| AVAILABLE FOR OPERATIONS | (3,896) | 26,474 | 66,249 |
| RESERVE FUND | 1,294,000 | 1,294,000 | 1,294,000 |
| SURPLUS FUND (Maximum \$1,645,500) | 326,480 | 223,228 | 691,999 |
| TOTAL RESERVE | <u>\$ 1,618,084</u> | <u>\$ 1,547,002</u> | <u>\$ 2,056,548</u> |

**WILLOW BEND METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

| ACTUAL | ESTIMATED | BUDGET 2 |
|--------|-----------|----------|
| 2022 | 2023 | 2024 |

ASSESSED VALUATION

| | | | |
|--------------------------|--------------|---------------|---------------|
| Residential | \$ 5,842,060 | \$ 8,162,500 | \$ 15,999,960 |
| Commercial | 23,610 | 20,100 | - |
| State assessed | 51,640 | 151,350 | 5,460 |
| Vacant land | 1,998,600 | 3,088,100 | 4,255,590 |
| Personal property | - | - | 280,030 |
| Oil & Gas | 15,860 | 17,460 | - |
| Certified Assessed Value | \$ 7,931,770 | \$ 11,439,510 | \$ 20,541,040 |

MILL LEVY

| | | | |
|-----------------|--------|--------|--------|
| General | 5.000 | 8.500 | 6.314 |
| Debt Service | 55.664 | 55.184 | 63.141 |
| Total mill levy | 60.664 | 63.684 | 69.455 |

PROPERTY TAXES

| | | | |
|--------------------------------|------------|------------|--------------|
| General | \$ 39,659 | \$ 97,236 | \$ 129,696 |
| Debt Service | 441,514 | 631,278 | 1,296,982 |
| Levied property taxes | 481,173 | 728,514 | 1,426,678 |
| Adjustments to actual/rounding | 54,512 | - | - |
| Budgeted property taxes | \$ 535,685 | \$ 728,514 | \$ 1,426,678 |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|------------|------------|--------------|
| General | \$ 44,152 | \$ 97,236 | \$ 129,696 |
| Debt Service | 491,533 | 631,278 | 1,296,982 |
| | \$ 535,685 | \$ 728,514 | \$ 1,426,678 |

**WILLOW BEND METRO DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2 2024 |
|---|-------------------|-------------------|------------------|
| BEGINNING FUND BALANCES | \$ (22,058) | \$ (2,396) | \$ 29,774 |
| REVENUES | | | |
| Property taxes | 44,152 | 97,236 | 129,696 |
| Specific ownership taxes | 2,783 | 7,779 | 9,079 |
| Interest income | 433 | 2,500 | 2,000 |
| Developer advance | 35,881 | - | - |
| Total revenues | <u>83,249</u> | <u>107,515</u> | <u>140,775</u> |
| Total funds available | <u>61,191</u> | <u>105,119</u> | <u>170,549</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 16,055 | 26,000 | 29,000 |
| Auditing | 4,700 | 4,700 | 5,000 |
| County Treasurer's fee | 665 | 1,459 | 1,945 |
| Dues and membership | 333 | - | 1,000 |
| Insurance | 2,779 | 2,911 | 3,500 |
| District management | 7,433 | 13,800 | 15,000 |
| Legal | 25,542 | 20,000 | 30,000 |
| Miscellaneous | 823 | 500 | 1,000 |
| Election | 5,257 | 5,975 | 10,000 |
| Contingency | - | - | 3,555 |
| Total expenditures | <u>63,587</u> | <u>75,345</u> | <u>100,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>63,587</u> | <u>75,345</u> | <u>100,000</u> |
| ENDING FUND BALANCES | <u>\$ (2,396)</u> | <u>\$ 29,774</u> | <u>\$ 70,549</u> |
| EMERGENCY RESERVE | \$ 1,500 | \$ 3,300 | \$ 4,300 |
| AVAILABLE FOR OPERATIONS | <u>(3,896)</u> | <u>26,474</u> | <u>66,249</u> |
| TOTAL RESERVE | <u>\$ (2,396)</u> | <u>\$ 29,774</u> | <u>\$ 70,549</u> |

No assurance provided. See summary of significant assumptions.

**WILLOW BEND METRO DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2 2024 |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES | \$ 1,899,384 | \$ 1,620,480 | \$ 1,517,228 |
| REVENUES | | | |
| Property taxes | 491,533 | 631,278 | 1,296,982 |
| Specific ownership taxes | 30,985 | 44,189 | 90,789 |
| Interest income | 32,229 | 70,000 | 68,000 |
| Total revenues | <u>554,747</u> | <u>745,467</u> | <u>1,455,771</u> |
| Total funds available | <u>2,454,131</u> | <u>2,365,947</u> | <u>2,972,999</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 7,401 | 9,469 | 19,455 |
| Paying agent fees | 3,500 | 16,500 | 9,500 |
| Contingency | - | - | 295 |
| Debt Service | | | |
| Bond interest | 822,750 | 822,750 | 822,750 |
| Bond principal | - | - | 135,000 |
| Total expenditures | <u>833,651</u> | <u>848,719</u> | <u>987,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>833,651</u> | <u>848,719</u> | <u>987,000</u> |
| ENDING FUND BALANCES | <u>\$ 1,620,480</u> | <u>\$ 1,517,228</u> | <u>\$ 1,985,999</u> |
| RESERVE FUND | \$ 1,294,000 | \$ 1,294,000 | \$ 1,294,000 |
| SURPLUS FUND (Maximum \$1,645,500) | 326,480 | 223,228 | 691,999 |
| TOTAL RESERVE | <u>\$ 1,620,480</u> | <u>\$ 1,517,228</u> | <u>\$ 1,985,999</u> |

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Willow Bend Metropolitan District organization was approved by eligible electors of the District at an election held on November 5, 2013. The District was organized by order of the District Court in and for Adams County on November 26, 2013. The formation of the District was approved by the City of Thornton, Colorado in conjunction with the approval by the City Council of a Service Plan for the District on August 27, 2013. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S.)

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, subject to the limitations on fire protection, television relay and transmission and telecommunication facilities.

On November 5, 2013, the District's voters authorized general obligation indebtedness of \$148,500,000 for District improvements, \$16,500,000 for the purpose of refunding debt, \$16,500,000 in intergovernmental agreements, and \$16,500,000 for operations and maintenance debt. The service plan has a limitation on the issuance of debt to \$22,000,000. The full amount has been issued.

Additionally, on November 5, 2013, the election also approved an annual increase in property taxes of \$500,000 without limitation of rate, to pay the District's operation and maintenance costs and \$16,500,000 for multiple fiscal year IGA mill levy.

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

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

Revenues

Property Taxes

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

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

| Category | Rate | | Category | Rate | | Actual Value Reduction | Amount |
|---------------------------|-------------|--|-----------------------|-------------|--|-------------------------------|---------------|
| Single-Family Residential | 6.70% | | Agricultural Land | 26.40% | | Single-Family Residential | \$55,000 |
| Multi-Family Residential | 6.70% | | Renewable Energy Land | 26.40% | | Multi-Family Residential | \$55,000 |
| Commercial | 27.90% | | Vacant Land | 27.90% | | Commercial | \$30,000 |
| Industrial | 27.90% | | Personal Property | 27.90% | | Industrial | \$30,000 |
| Lodging | 27.90% | | State Assessed | 27.90% | | Lodging | \$30,000 |
| | | | Oil & Gas Production | 87.50% | | | |

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be partially funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Expenditures

Administrative Expenditures

Administrative expenditures for the project have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, audit, accounting, insurance, management and other administrative expenses.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

County Treasurer’s Fees

County Treasurer’s fees have been computed at 1.5% of property tax collections.

Debt Service

The principal and interest payments are provided based on the debt amortization schedules from the General Obligation Bonds, Series 2019A (discussed under Debt and Leases).

Debt and Leases

On July 31, 2019, the District issued its Series 2019A Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds in the amount of \$16,455,000 and the Series 2019B Subordinate Limited Tax General Obligation Bonds in the amount of \$2,266,000. Proceeds from the sale of the Senior Bonds were used to: (a) finance public improvements; (b) pay capitalized interest on the Senior Bonds; (c) fund the Senior Reserve Fund; and (d) pay costs of issuance of the Bonds. Proceeds from the sale of the Subordinate Bonds will be used to finance additional public improvements related to the Development.

The district also authorized the issuance from time to time of its Taxable Junior Lien Limited Tax General Obligation Bonds, Series 201C in the amount up to \$3,279,000. One January 4, 2022, the district took a permitted draw of \$3,279,000 payable to the Developer for public improvements. The 2019C Taxable Junior Lien Bonds are payable from the same sources comprising the 2019A Pledged Revenues and the 2019B Pledged Revenues but no payments of either principal or interest may be made on the 2019C Taxable Junior Lien Bonds until the 2019 B Subordinate Bonds are paid in full.

The primary source of revenue or cash receipts will be ad valorem property taxes. Property taxes are levied by the Board of Directors of the District. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is expressed in terms of mills. A mill is equal to 1/10 of one cent per dollar of assessed valuation. 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 Series 2019A Bonds bear interest at a rate of 5.00%. The bond interest is payable semi-annually on June 1 and December 1, beginning on December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1 of each year beginning on December 1, 2024. The Series 2019A Bonds mature on December 1, 2049.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge of the Senior Bonds on December 1, 2059 (the “Senior Bonds Discharge Date”). To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law and the Election in repayment of the Senior Bonds. In the event any amounts due on the Senior Bonds remain unpaid after the application of all Senior Pledged Revenue available therefor on the Senior Bonds Discharge Date, such amounts shall be deemed discharged and shall no longer be due and outstanding.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The Subordinate Bonds will bear interest at the rate of 7.625% per annum and are payable annually on December 15, beginning December 15, 2019 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. The District shall not be obligated to pay more than the amount permitted by law and the Election in repayment of the Subordinate Bonds. All of the Subordinate Bonds and interest thereon are to be deemed to be paid, satisfied, and discharged after the application of all available Subordinate Pledged Revenue on December 15, 2059 (the "Subordinate Bonds Discharge Date"), regardless of the amount of principal and interest paid prior to the Subordinate Bonds Discharge Date.

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue, net of any costs of collection, which includes:

- (a) all Senior Property Tax Revenues;
- (b) all Senior Specific Ownership Tax Revenues;
- (c) all Capital Fees; and
- (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

"Senior Property Tax Revenues" means all moneys derived from imposition by the District of the Senior Required Mill Levy and excludes Senior Specific Ownership Tax Revenues. Senior Property Tax Revenues are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

"Senior Specific Ownership Tax Revenues" means the specific ownership taxes remitted to the District as a result of its imposition of the Senior Required Mill Levy.

"Capital Fees" means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) now or hereafter imposed by the District pledged to the payment of the Senior Bonds. The District does not currently impose Capital Fees and does not currently have plans to impose them.

The Senior Bonds are additionally secured by capitalized interest which will be funded from the proceeds of the Senior Bonds, by the Senior Reserve Fund which will be funded from the proceeds of the Senior Bonds, and by amounts, if any, in the Senior Surplus Fund. The Senior Surplus Fund will not be funded as of the date of issuance of the Senior Bonds.

The Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund. The Senior Reserve Fund was funded from proceeds of the Senior Bonds in the amount of \$1,294,000. If a withdrawal from the Senior Reserve Fund is made that reduces the balance in such fund below the Reserve Requirement for the Senior Bonds, the District shall include in the computation of its next mill levy certification the amount necessary to replenish the Senior Reserve Fund to the Reserve Requirement (subject to the limitations of the Senior Required Mill Levy).

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Senior Surplus Fund, up to the Maximum Surplus Amount of \$1,645,500. The Senior Surplus Fund shall be maintained until the Conversion Date, at which time the Senior Surplus Fund will be terminated and all amounts on deposit shall be released to the District for application to any lawful purpose.

Pursuant to the Subordinate Indenture, amounts released from the Senior Surplus Fund are pledged to the repayment of the Subordinate Bonds.

The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levies.

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue, net of any costs of collection, which includes:

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Specific Ownership Tax Revenues;
- (c) all Subordinate Capital Fees;
- (d) any amounts in the Senior Surplus Fund upon the termination of such fund pursuant to the Senior Indenture;
- (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

“Subordinate Property Tax Revenues” means all moneys derived from imposition by the District of the Subordinate Required Mill Levy and excludes Subordinate Specific Ownership Tax Revenues. Subordinate Property Tax Revenues are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

“Subordinate Specific Ownership Tax Revenues” means the specific ownership taxes remitted to the District as a result of its imposition of the Subordinate Required Mill Levy.

“Subordinate Capital Fee Revenue” means any revenue from Capital Fees remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of any Senior Obligations. The District does not currently impose Capital Fees and does not currently have plans to impose them.

The Investor understands that the Bonds and terms and conditions of the Bonds are as set forth in the Indenture of Trust (Junior Lien) dated as of August 1, 2019 (the “Indenture”), between the District and UMB Bank, n.a., as trustee. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as set forth in the Indenture.

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The Investor understands that the Bonds are payable solely from and only to the extent of revenues resulting from the imposition of the Junior Lien Required Mill Levy by the District and the other Junior Lien Pledged Revenue. The Investor further understands that such Junior Lien Pledged Revenue will not be available for the payment of the Bonds until the payment in full or defeasance of the District's Subordinate Limited Tax General Obligation Bonds, Series 2019B, issued in the aggregate principal amount of \$2,266,000 (and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinate Obligations issued by the District) and, thereafter, payments on the Bonds are to be made from available Junior Lien Pledged Revenue annually only after the funding of annual payments and fund accumulations required with respect to the Senior/Subordinate Obligations (including the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A, issued in the aggregate principal amount of \$16,455,000). Further, in no event may the Investor require the District to impose ad valorem property taxes for the payment of the Bonds in excess of 50 mills *less the Senior/Subordinate Required Mill Levy* (subject to adjustment as provided in the definition of Junior Lien Required Mill Levy).

The District has no operating or capital leases.

The District has outstanding developer advances and anticipated activity as follows:

| | Balance - | | | | Balance - |
|--------------------------------|----------------------|-------------------|--|----------------------------|----------------------|
| | December 31, | | | Retirements/ Reductions | December 31, |
| | 2022 | Additions | | | 2023 |
| Developer Advances - Operating | \$ 48,957 | \$ - | | \$ - | \$ 48,957 |
| Developer Advances - Capital | 10,566,410 | - | | - | 10,566,410 |
| 2019B Bond - Principal | 2,266,000 | - | | - | 2,266,000 |
| Accrued Interest - Operating | 3,558 | 3,475 | | - | 7,033 |
| Accrued Interest - Capital | 1,068,301 | 739,649 | | - | 1,807,950 |
| Accrued Interest - 2019B Bond | 644,693 | 221,940 | | - | 866,633 |
| Total | \$ 14,597,919 | \$ 965,064 | | \$ - | \$ 15,562,983 |
| | Balance - | | | | Balance - |
| | December 31, | | | Retirements/ Reductions | December 31, |
| | 2023 | Additions | | | 2024 |
| Developer Advances - Operating | \$ 48,957 | \$ - | | \$ - | \$ 48,957 |
| Developer Advances - Capital | 10,566,410 | - | | - | 10,566,410 |
| 2019B Bond - Principal | 2,266,000 | - | | - | 2,266,000 |
| Accrued Interest - Operating | 7,033 | 3,484 | | - | 10,517 |
| Accrued Interest - Capital | 1,807,950 | 739,649 | | - | 2,547,599 |
| Accrued Interest - 2019B Bond | 866,633 | 238,864 | | - | 1,105,497 |
| Total | \$ 15,562,983 | \$ 981,997 | | \$ - | \$ 15,439,483 |

**WILLOW BEND METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

**WILLOW BEND METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$16,455,000 Limited Tax (Convertible to Unlimited Tax)
General Obligation Bonds, Series 2019A**

Dated July 31, 2019

**Principal due December 1
Interest Rate 5.000% Payable**

| Year Ended December 31, | June 1 and December 1 | | |
|------------------------------------|------------------------------|----------------------|----------------------|
| | Principal | Interest | Total |
| 2024 | \$ 135,000 | \$ 822,750 | \$ 957,750 |
| 2025 | 205,000 | 816,000 | 1,021,000 |
| 2026 | 235,000 | 805,750 | 1,040,750 |
| 2027 | 250,000 | 794,000 | 1,044,000 |
| 2028 | 280,000 | 781,500 | 1,061,500 |
| 2029 | 295,000 | 767,500 | 1,062,500 |
| 2030 | 330,000 | 752,750 | 1,082,750 |
| 2031 | 350,000 | 736,250 | 1,086,250 |
| 2032 | 390,000 | 718,750 | 1,108,750 |
| 2033 | 405,000 | 699,250 | 1,104,250 |
| 2034 | 450,000 | 679,000 | 1,129,000 |
| 2035 | 470,000 | 656,500 | 1,126,500 |
| 2036 | 520,000 | 633,000 | 1,153,000 |
| 2037 | 545,000 | 607,000 | 1,152,000 |
| 2038 | 595,000 | 579,750 | 1,174,750 |
| 2039 | 625,000 | 550,000 | 1,175,000 |
| 2040 | 680,000 | 518,750 | 1,198,750 |
| 2041 | 710,000 | 484,750 | 1,194,750 |
| 2042 | 770,000 | 449,250 | 1,219,250 |
| 2043 | 810,000 | 410,750 | 1,220,750 |
| 2044 | 875,000 | 370,250 | 1,245,250 |
| 2045 | 920,000 | 326,500 | 1,246,500 |
| 2046 | 990,000 | 280,500 | 1,270,500 |
| 2047 | 1,040,000 | 231,000 | 1,271,000 |
| 2048 | 1,115,000 | 179,000 | 1,294,000 |
| 2049 | 2,465,000 | 123,250 | 2,588,250 |
| | <u>\$ 16,455,000</u> | <u>\$ 14,773,750</u> | <u>\$ 31,228,750</u> |

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ADAMS COUNTY, Colorado.

On behalf of the WILLOW BEND METROPOLITAN DISTRICT,

the BOARD OF DIRECTORS (taxing entity)^A

of the WILLOW BEND METROPOLITAN DISTRICT (governing body)^B


(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 20,541,040
(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 20,541,040
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/18/23 for budget/fiscal year 2024
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

| PURPOSE (see end notes for definitions and examples) | LEVY ² | REVENUE ² |
|--|---------------------------|-----------------------------|
| 1. General Operating Expenses ^H | <u>6.314</u> mills | \$ <u>129,696</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < <u> </u> > mills | \$ < <u> </u> > |
| SUBTOTAL FOR GENERAL OPERATING: | <u>6.314</u> mills | \$ <u>129,696</u> |
| 3. General Obligation Bonds and Interest ^J | <u>63.141</u> mills | \$ <u>1,296,982</u> |
| 4. Contractual Obligations ^K | <u> </u> mills | \$ <u> </u> |
| 5. Capital Expenditures ^L | <u> </u> mills | \$ <u> </u> |
| 6. Refunds/Abatements ^M | <u> </u> mills | \$ <u> </u> |
| 7. Other ^N (specify): <u> </u> | <u> </u> mills | \$ <u> </u> |
| | <u> </u> mills | \$ <u> </u> |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | <u>69.455</u> mills | \$ <u>1,426,678</u> |

Contact person: Jason Carroll Phone: (303)779-5710
 Signed:  Title: Accountant for District

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

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

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**BONDS^J:**

| | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | Financing for Public Improvements |
| | Series: | Series 2019A General Obligation Limited Tax Bonds |
| | Date of Issue: | 08/08/2019 |
| | Coupon Rate: | 5.000% |
| | Maturity Date: | 12/01/2049 |
| | Levy: | 63.141 |
| | Revenue: | \$ 1,296,982 |

| | | |
|----|-------------------|---|
| 2. | Purpose of Issue: | Financing for Public Improvements |
| | Series: | Subordinate Series 2019B General Obligation Limited Tax Bonds |
| | Date of Issue: | 08/08/2019 |
| | Coupon Rate: | 7.625% |
| | Maturity Date: | 12/15/2049 |
| | Levy: | 0.000 |
| | Revenue: | \$ 0 |

| | | |
|----|-------------------|--|
| 3. | Purpose of Issue: | Financing for Public Improvements |
| | Series: | Taxable Junior Lien Limited Tax General Obligation Bonds, Series 2019C |
| | Date of Issue: | 01/04/2022 |
| | Coupon Rate: | 7.000% |
| | Maturity Date: | 12/15/2049 |
| | Levy: | 0.000 |
| | Revenue: | \$ 0 |

CONTRACTS^K:

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

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