

Ward TOD Metropolitan District No. 1

2022 Annual Report

WARD TOD METROPOLITAN DISTRICT NO. 1

2022 ANNUAL REPORT TO THE CITY OF WHEAT RIDGE, COLORADO

Pursuant to §32-1-207(3)(c) and the Amended and Restated Service Plan (the “**Service Plan**”) for Ward TOD Metropolitan District No. 1 (the “**District**”), the District is required to provide an annual report to the City of Wheat Ridge, Colorado (the “**City**”). The report is to include information concerning matters which occurred during the prior fiscal year.

For the year ending December 31, 2022 (the “Report Year”), the District makes the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

There were no boundary changes made or proposed to the District’s boundaries in 2022.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

The District did not enter into or propose any Intergovernmental Agreements in 2022.

3. Access information to obtain a copy of rules and regulations adopted by the board.

As of December 31, 2022, the District had not adopted any rules and regulations.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Jefferson County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2022.

5. The status of the construction of public improvements by the District.

As of December 31, 2022, the District had not constructed any Public Improvements.

6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

The District did not construct any facilities or improvements dedicated to or accepted by the City in 2022.

7. The final assessed valuation of the District as of December 31st of the reporting year.

The District's assessed valuation is attached hereto as **Exhibit A**.

8. A copy of the current year's budget.

A copy of the 2023 Budget is attached hereto as **Exhibit B**.

9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The 2021 Audit is attached as **Exhibit C**. The 2022 Audit is not yet completed and will be provided as a supplement to this report once complete.

10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligation, which continued beyond a ninety (90) day period.

Service Plan Requirements

1. A narrative summary of the progress of the District in implementing their service plan for the Report Year:

The District continues to implement the development schedule as contemplated in the Service Plan.

2. Except when an exemption from audit has been granted for the Report Year under the Local Government Audit Law, the audited financial statements of the District for the Report Year including a statement of financial condition (i.e. balance sheet) as of December 31 of the Report Year and the statement of operations (i.e. revenues and expenditures) for the Report Year:

The 2021 Audit is attached as **Exhibit C**. 2022 Audit has not been completed and will be provided as a supplement to this report upon completion.

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the Report Year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the Report Year:

During 2022, no capital expenditures were incurred by the District in development of public facilities. All capital improvements for the development are being constructed by Toll Southwest LLC (“**Toll**”).

During 2022, the District reimbursed Toll for \$0 in capital expenditures for water, sanitation/storm, streets, park and recreation, and safety improvements.

According to Toll, construction of the public improvements to serve Phase 1 of the development commenced in August 2019 and were completed and initially accepted by the City of Wheat Ridge in August 2020. Construction of the public improvements for Phase II of the development was completed in spring of 2021. Phase III and IV were completed and initially accepted by the City in March of 2022.

In the 5 years following the Report Year, it is expected that the District will finance the construction and acquisition of all or a part of the public improvements within their respective boundaries.

A copy of the 2022 Budget is attached hereto as **Exhibit D**.

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the Report Year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the Report Year, the amount of payment or retirement of existing indebtedness or long-term obligations issued in the Report Year, the total assessed valuation of all taxable properties within the District as of January 1 of the Report Year, and the current mill levy of the District pledged to debt retirement in the Report Year:

A summary of the financial obligations of the District at the end of 2022 are as follows:

- **Operation Funding Agreements.** On July 3, 2012 the District entered into an Operation Funding Agreement with IBC Denver II, LLC (“**IBC**”) and Ward TOD Metropolitan District Nos. 2 & 3 (“**District Nos. 2 & 3**”). On August 27, 2019, the District, District Nos. 2 & 3, Toll, and IBC entered into an Agreement Regarding Termination of Operating Funding Agreements whereby any amounts due and owing to IBC under Operation Funding Agreements are now due and owing to Toll under the Funding and Reimbursement Agreement (Operations and Maintenance).
- **Funding and Reimbursement Agreement (Operations and Maintenance).** The District and Toll entered into a Funding and Reimbursement dated August 27, 2019.

The Funding and Reimbursement Agreement states that the Developer will make certain advances to the District for costs relating to the District’s general operation, administration, and maintenance expenses. As of December 31, 2022, \$194,193 in principal is outstanding under the Funding and Reimbursement Agreement.

- **Infrastructure Acquisition and Reimbursement Agreement.** The District and Toll entered into an Infrastructure Acquisition and Reimbursement Agreement on August 27, 2019. As set forth in the Infrastructure Acquisition and Reimbursement Agreement, the District and Toll have determined the terms and conditions under which the District may coordinate the: (i) reimbursement of Toll for “Certified District Eligible Costs” (meaning any and all costs of any kind related to the provision of public improvements that may be lawfully funded by the District under the Special District Act and the Service Plan with respect to which the District has issued an Acceptance Resolution) incurred by Toll for public improvements that is being dedicated to other governmental entities, and (ii) acquisition of certain public improvements that is to be owned by the District, and to pay the Certified District Eligible Costs thereof. As of December 31, 2022, \$1,325,970 in principal is outstanding under the Infrastructure Acquisition and Reimbursement Agreement.

The amount of outstanding indebtedness is disclosed in the 2022 Audit which will be provided as a supplement to this report upon completion.

A summary of the assessed valuation and debt service mill levy for 2022 is as follows:

	Assessed Valuation	Debt Service Mill Levy
District No. 1	\$2,671,547	61.680

5. The District’s budget for the calendar year in which the annual report is submitted:

A copy of the 2023 budget is attached hereto as **Exhibit B**.

6. A summary of residential and commercial development that has occurred within the District for the Report Year:

No commercial development occurred within the District during 2022.

For a summary of residential development occurring during 2022, please see the response to Question 3, above.

7. A summary of all fees, charges and assessments imposed by the District as of January 1 of the Report Year:

There are no fees, charges or assessments imposed by the District as of January 1, 2022.

8. The names, business addresses and phone numbers of all members of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the board:

Timothy Westbrook, Treasurer
Toll Brothers Real Estate, Inc.
10 Inverness Drive East, Suite 125
Englewood, CO 80112
Email: board@wardmetrodistrict.org
Phone: 303-708-0730

Christopher Ferguson, Secretary
Toll Brothers Real Estate, Inc.
10 Inverness Drive East, Suite 125
Englewood, CO 80112
Email: board@wardmetrodistrict.org
Phone: 303-708-0730

Matthew Foran, Assistant Secretary
Toll Brothers Real Estate, Inc.
10 Inverness Drive East, Suite 125
Englewood, CO 80112
Email: board@wardmetrodistrict.org
Phone: 303-708-0730

Kyle Ninness, Assistant Secretary
Toll Brothers Real Estate, Inc.
10 Inverness Drive East, Suite 125
Englewood, CO 80112
Email: board@wardmetrodistrict.org
Phone: 303-708-0730

Ben Both, President
Toll Brothers Real Estate, Inc.
10 Inverness Drive East, Suite 125
Englewood, CO 80112
Email: board@wardmetrodistrict.org
Phone: 303-708-0730

General Counsel:

Clint C. Waldron, Esq.
Megan J. Murphy, Esq.
White Bear Ankele Tanaka and Waldron, Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122

Telephone: (303) 858-1800

Regular Meetings:

Date: Third Thursday of January, April, July and October

Place: via teleconference.

Time: 11:00am

EXHIBIT A

Assessed Valuation



SCOT KERSGAARD

Assessor

December 5, 2022

WARD TOD METRO NO 1
WHITE BEAR ANKELE TANAKA AND
WALDRON
2154 E COMMONS AVE 2000
CENTENNIAL CO 80122

OFFICE OF THE ASSESSOR
100 Jefferson County Parkway
Golden, CO 80419-2500
Phone: 303-271-8600
Fax: 303-271-8616
Website: <http://assessor.jeffco.us>
E-mail Address: assessor@jeffco.us

Code # 4897

CERTIFICATION OF VALUATION

The Jefferson County Assessor reports a taxable assessed valuation for your taxing entity for 2022 of:

\$2,671,547

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

SCOT KERSGAARD
Jefferson County Assessor

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CERTIFICATION OF VALUATION BY JEFFERSON COUNTY ASSESSOR

New Tax Entity

☐ YES ☒ NO

Date: December 5, 2022

NAME OF TAX ENTITY: WARD TOD METRO NO 1

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

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

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	2,114,767
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	2,671,547
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	246,970
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	2,424,577
5. NEW CONSTRUCTION: *	5.	\$	1,143,105
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

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

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

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	30,210,661
ADDITIONS TO TAXABLE REAL PROPERTY			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	16,447,503
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	\$	0
9. DISCONNECTIONS/EXCLUSIONS:	9.	\$	0
10. PREVIOUSLY TAXABLE PROPERTY:	10.	\$	1,400

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

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

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

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	30,457,861
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IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	\$	13,178
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** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B

2023 Budget

WARD TOD METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2023

WARD TOD METROPOLITAN DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/23/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,006,873	\$ 817,823	\$ 709,362
REVENUES			
Property taxes	118,463	146,710	185,917
Specific ownership tax	9,476	10,970	14,340
Interest income	554	12,700	20,000
Developer advance	2,399,043	92,320	2,077,000
Other revenue	-	-	10,000
Water Reimbursement	102	4,450	4,800
TIF Reimbursement	5,325	10,389	18,654
Total revenues	2,532,963	277,539	2,330,711
Total funds available	4,539,836	1,095,362	3,040,073
EXPENDITURES			
General Fund	75,871	111,995	124,000
Debt Service Fund	268,174	268,505	278,993
Capital Projects Fund	3,377,968	5,500	2,000,000
Total expenditures	3,722,013	386,000	2,402,993
Total expenditures and transfers out requiring appropriation	3,722,013	386,000	2,402,993
ENDING FUND BALANCES	\$ 817,823	\$ 709,362	\$ 637,080
EMERGENCY RESERVE	\$ 800	\$ 1,200	\$ 1,500
CAPITALIZED INTEREST/FEES FUND	260,108	-	-
SENIOR SURPLUS FUND	556,915	708,162	635,580
TOTAL RESERVE	\$ 817,823	\$ 709,362	\$ 637,080

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/23/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Residential	\$ -	\$ 371,937	\$ -
Residential - Single Family	-	-	1,938,253
State assessed	-	38	400
Vacant land	1,642,150	1,735,892	673,038
Personal property	-	6,900	59,856
	1,642,150	2,114,767	2,671,547
Adjustments	(71,352)	(135,892)	(246,970)
Certified Assessed Value	<u>\$ 1,570,798</u>	<u>\$ 1,978,875</u>	<u>\$ 2,424,577</u>

MILL LEVY

General	15.000	15.000	15.000
Debt Service	60.419	60.419	61.680
Total mill levy	<u>75.419</u>	<u>75.419</u>	<u>76.680</u>

PROPERTY TAXES

General	\$ 23,562	\$ 29,683	\$ 36,369
Debt Service	94,906	119,562	149,548
Levied property taxes	118,468	149,245	185,917
Adjustments to actual/rounding	(5)	(1,355)	-
Refunds and abatements	-	(1,809)	-
Budgeted property taxes	<u>\$ 118,463</u>	<u>\$ 146,081</u>	<u>\$ 185,917</u>

BUDGETED PROPERTY TAXES

General	\$ 23,561	\$ 29,054	\$ 36,369
Debt Service	94,902	117,027	149,548
	<u>\$ 118,463</u>	<u>\$ 146,081</u>	<u>\$ 185,917</u>

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/23/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (10,972)	\$ (7,204)	\$ 1,200
REVENUES			
Property taxes	23,561	29,683	36,369
Specific ownership tax	1,885	2,200	2,805
Developer advance	53,032	82,000	77,000
Water reimbursement	102	4,450	4,800
TIF Reimbursement	1,059	2,066	3,649
Total revenues	79,639	120,399	124,623
Total funds available	68,667	113,195	125,823
EXPENDITURES			
General and administrative			
Accounting	23,987	25,000	30,000
Auditing	4,900	5,400	6,000
County Treasurer's fee	353	436	546
Dues and licenses	320	350	500
Insurance and bonds	4,046	4,800	5,300
Legal services	15,294	16,000	20,000
Miscellaneous	1,400	1,694	1,500
Election expense	-	2,300	2,500
Contingency	-	-	10,654
Operations and maintenance			
Landscaping	16,605	21,000	15,000
Snow Removal	5,860	20,000	15,000
Water Utilities	3,106	14,000	15,000
Xcel Energy	-	1,000	2,000
Total expenditures	75,871	111,995	124,000
Total expenditures and transfers out requiring appropriation	75,871	111,995	124,000
ENDING FUND BALANCE	\$ (7,204)	\$ 1,200	\$ 1,823
EMERGENCY RESERVE	\$ 800	\$ 1,200	\$ 1,500
TOTAL RESERVE	\$ 800	\$ 1,200	\$ 1,500

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/23/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 990,893	\$ 829,847	\$ 708,162
REVENUES			
Property taxes	94,902	117,027	149,548
Specific ownership tax	7,591	8,770	11,535
Interest income	369	12,700	20,000
TIF Reimbursement	4,266	8,323	15,005
Other revenue	-	-	10,000
Total revenues	107,128	146,820	206,088
Total funds available	1,098,021	976,667	914,250
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,424	1,755	2,243
Paying agent fees	9,500	9,500	9,500
Contingency	-	-	10,000
Debt Service			
Bond interest - 2019A	257,250	257,250	257,250
Total expenditures	268,174	268,505	278,993
Total expenditures and transfers out requiring appropriation	268,174	268,505	278,993
ENDING FUND BALANCE	\$ 829,847	\$ 708,162	\$ 635,257
CAPITALIZED INTEREST/FEES FUND	\$ 260,108	\$ -	\$ -
SENIOR SURPLUS FUND	569,739	708,162	635,257
TOTAL RESERVE	\$ 829,847	\$ 708,162	\$ 635,257

No assurance provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/23/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,026,952	\$ (4,820)	\$ -
REVENUES			
Interest income	185	-	-
Developer advance	2,346,011	10,320	2,000,000
Total revenues	<u>2,346,196</u>	<u>10,320</u>	<u>2,000,000</u>
Total funds available	<u>3,373,148</u>	<u>5,500</u>	<u>2,000,000</u>
EXPENDITURES			
General and Administrative			
Accounting	2,192	-	3,000
Legal services	4,836	2,000	5,500
Capital Projects			
Repay developer advance	1,021,116	-	-
Engineering	13,888	3,500	15,000
Capital outlay	<u>2,335,936</u>	<u>-</u>	<u>1,976,500</u>
Total expenditures	<u>3,377,968</u>	<u>5,500</u>	<u>2,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,377,968</u>	<u>5,500</u>	<u>2,000,000</u>
ENDING FUND BALANCE	<u>\$ (4,820)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

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 Jefferson County on April 9, 2012, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the City of Wheat Ridge, Jefferson County, Colorado.

The District was established to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the public improvements and services, including streets, water, sanitation and storm drainage traffic and safety controls, transportation, television relay and translation and mosquito control. Under its Service Plan, The District was organized in conjunction with two other related Districts: Ward TOD Metropolitan District Nos. 2 and 3. Ward TOD Metropolitan District No.1 serves as a Management District, and Ward TOD Metropolitan District Nos. 2 and 3 serve as Financing Districts.

Pursuant to the Service Plan, the district is permitted to issue bond indebtedness of up to \$25,000,000. On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C.

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

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

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 October. The County Treasurer remits the taxes collected monthly to the District.

WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues (Continued)

Property Taxes (continued)

The Maximum Debt Mill Levy the District is permitted to impose is 60.000 mills (subject to adjustment for changes in the method of calculating the assessed valuation with the District) for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy.

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

As a result of the assessment ratio change for collection year 2023, the 60.000 mills will be required to adjust to 61.680 mills for debt service.

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.

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 Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be 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.

Urban Renewal TIF

Pursuant to the Intergovernmental Tax Sharing Agreement dated October 1, 2019 with the Wheat Ridge Urban Renewal Authority, the District will receive the tax increment ("TIF") generated from the Wheat Ridge Urban Renewal Project area to be used toward the repayment of the District's bonds.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Water Reimbursement

Pursuant to the Water Cost Sharing Agreement with Ward Station Homeowners Association (HOA), the HOA agrees to reimburse the District for HOA's proportional share of water use based on square footage of the HOA Tracts.

Investment Income

Interest earned on the District's available funds has been estimated based upon an average interest rate of approximately 3%.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

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

Capital Outlay

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

Debt Service

Principal and interest payments are provided based on the anticipated debt amortization schedule from the Senior Bonds, Subordinate Bonds, and Junior Lien Bonds (discussed under Debt and Leases). Anticipated debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C. The proceeds of the Senior Bonds will be used to fund: (i) the Initial Deposit to the Surplus Fund; (ii) capitalized interest on the Senior Bonds; (iii) pay the Project costs; and, (iv) the costs of issuing the Senior Bonds, the Subordinate Bonds and the Junior Lien Bonds. Proceeds of the Subordinate Bonds will be used to pay Project costs. The Junior Lien Bonds will be issued for the purpose of paying Project Costs, comprised of paying a portion of amounts due and payable to the Developer under the Acquisition and Reimbursement Agreement.

The Senior Bonds bear interest at 5.000% and are payable semi-annually on June 1 and December 1, commencing December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2026. The Senior Bonds mature on December 1, 2049.

The Subordinate Bonds are issued at the rate of 7.750% 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 through December 15, 2049. In the event that any principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available on December 15, 2059, the Subordinate Bonds shall be deemed discharged.

The Junior Lien Bonds are issued at the rate of 9.000% per annum and are payable annually on December 15, beginning December 15, 2019, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2052. The Junior Lien Bonds are structured as cash flow bonds meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Junior Lien Pledged Revenue is available for payment. Principal and interest payments are due on the Junior Lien Bonds on each December 15 through December 15, 2052, only to the extent of available Junior Lien Pledged Revenue. In the event that any principal or interest on the Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue available on December 15, 2059, the Junior Lien Bonds shall be deemed discharged.

Debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

The following is the analysis of the anticipated changes in Subordinate Bonds and developer advances for the year ending December 31, 2022 and 2023.

	Balance December 31, 2021	Additions*	Reductions*	Anticipated Balance December 31, 2022
Limited Tax General Obligation Bonds:				
Subordinate - Series 2019B	\$ 600,000	\$ -	\$ -	\$ 600,000
Accrued Interest on Subordinate - Series 2019B	100,400	54,281	-	154,681
Junior Lien - Series 2019C	708,000	-	-	708,000
Accrued Interest on Junior Lien - Series 2019C	137,508	76,096	-	213,604
Subtotal Bonds Payable	1,545,908	130,377	-	1,676,285
Developer Advances - O&M	171,394	82,000	-	253,394
Developer Advances - Infrastructure	1,324,895	10,320	-	1,335,215
Accrued Interest on Developer Advances - O&M	62,035	21,954	15	83,974
Accrued Interest on Developer Advances - Infrastructure	35,572	10,250	-	45,822
Subtotal of Other Debts	1,593,896	124,524	15	1,718,405
Total	\$ 3,139,804	\$ 254,901	\$ 15	\$ 3,394,690
	Anticipated Balance December 31, 2022	Additions*	Reductions*	Anticipated Balance December 31, 2023
Limited Tax General Obligation Bonds:				
Subordinate - Series 2019B	600,000	-	-	600,000
Accrued Interest on Subordinate - Series 2019B	154,681	58,487	-	213,168
Junior Lien - Series 2019C	708,000	-	-	708,000
Accrued Interest on: Junior Lien - Series 2019C	213,604	82,944	-	296,548
Subtotal Bonds Payable	1,676,285	141,431	-	1,817,716
Developer Advances - O&M	253,394	77,000	-	330,394
Developer Advances - Infrastructure	1,335,215	2,000,000	-	3,335,215
Accrued Interest on Developer Advances - O&M	83,974	30,069	-	114,043
Accrued Interest on Developer Advances - Infrastructure	45,822	190,483	-	236,305
Subtotal of Other Debts	1,718,405	2,297,552	-	4,015,957
Total	\$ 3,394,690	\$ 2,438,983	\$ -	\$ 5,833,673

*Estimates

The District has no operating and capital leases.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Debt Service Reserves

The District maintains a Debt Service Reserve, based on the amount held in our Debt Service Surplus fund, as required with the issuance of the Senior Bonds.

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.

WARD TOD METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

**\$5,145,000 Limited Tax (Convertible to Unlimited Tax) Senior
Bonds**

Interest Rate 5.00%

Date: December 5, 2019

Interest Payable June 1 and December 1

Year Ending December 31,	Principal Payable December 1		
	Principal	Interest	Total
2023	\$ -	\$ 257,250	\$ 257,250
2024	-	257,250	257,250
2025	-	257,250	257,250
2026	40,000	257,250	297,250
2027	80,000	255,250	335,250
2028	90,000	251,250	341,250
2029	95,000	246,750	341,750
2030	105,000	242,000	347,000
2031	110,000	236,750	346,750
2032	125,000	231,250	356,250
2033	130,000	225,000	355,000
2034	145,000	218,500	363,500
2035	150,000	211,250	361,250
2036	165,000	203,750	368,750
2037	175,000	195,500	370,500
2038	190,000	186,750	376,750
2039	200,000	177,250	377,250
2040	220,000	167,250	387,250
2041	230,000	156,250	386,250
2042	250,000	144,750	394,750
2043	260,000	132,250	392,250
2044	280,000	119,250	399,250
2045	295,000	105,250	400,250
2046	320,000	90,500	410,500
2047	335,000	74,500	409,500
2048	360,000	57,750	417,750
2049	795,000	39,750	834,750
	<u>\$ 5,145,000</u>	<u>\$ 4,997,750</u>	<u>\$ 10,142,750</u>

No assurance provided. See summary of significant assumptions.

EXHIBIT C

2021 Audit

**WARD TOD METROPOLITAN
DISTRICT NO. 1
Jefferson County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2021**

**WARD TOD METROPOLITAN DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2021**

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Independent Auditor's Report

Members of the Board of Directors
Ward TOD Metropolitan District No. 1

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Ward TOD Metropolitan District No. 1 (the District) as of and for the year ended December 31, 2021, 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 Ward TOD Metropolitan District No. 1, as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 Ward TOD Metropolitan District No. 1 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ward TOD Metropolitan District No. 1's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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, including omissions, 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 Ward TOD 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 Ward TOD 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.

Other Matters

Required Supplementary Information

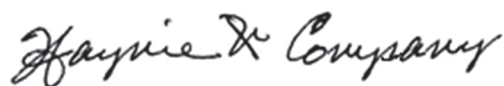
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Ward TOD 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 supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

The Other 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 it.



Littleton, Colorado
September 12th, 2022

BASIC FINANCIAL STATEMENTS

WARD TOD METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities
ASSETS	
Cash and Investments	\$ 3,397
Cash and Investments - Restricted	830,174
Accounts Receivable - County Treasurer	591
Property Taxes Receivable	149,245
Capital Assets, Not Being Depreciated:	6,187,130
Total Assets	<u>7,170,537</u>
LIABILITIES	
Accounts Payable	16,339
Accrued Interest on Bonds	259,346
Noncurrent Liabilities:	
Due in More Than One Year	8,046,896
Total Liabilities	<u>8,322,581</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	149,245
Total Deferred Inflows of Resources	<u>149,245</u>
NET POSITION	
Restricted for:	
Emergency Reserves	800
Unrestricted	<u>(1,302,089)</u>
Total Net Position	<u><u>\$ (1,301,289)</u></u>

See accompanying Notes to Basic Financial Statements.

WARD TOD METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS	<u>Expenses</u>				
Primary Government:					
Governmental Activities:					
General Government	\$ 84,323	\$ -	\$ 102	\$ -	\$ (84,221)
Interest and Related Costs on Long-Term Debt	<u>430,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(430,193)</u>
Total Governmental Activities	<u>\$ 514,516</u>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ -</u>	<u>(514,414)</u>
GENERAL REVENUES					
Property Taxes					118,463
Specific Ownership Taxes					9,476
Net Investment Income					554
TIF Reimbursement					<u>5,325</u>
Total General Revenues					<u>133,818</u>
CHANGE IN NET POSITION					(380,596)
Net Position - Beginning of Year					<u>(920,693)</u>
NET POSITION - END OF YEAR					<u>\$ (1,301,289)</u>

See accompanying Notes to Basic Financial Statements.

WARD TOD METROPOLITAN DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 3,397	\$ -	\$ -	\$ 3,397
Cash and Investments - Restricted	800	829,374	-	830,174
Accounts Receivable - County Treasurer	118	473	-	591
Property Taxes Receivable	29,683	119,562	-	149,245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 33,998</u>	<u>\$ 949,409</u>	<u>\$ -</u>	<u>\$ 983,407</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 11,519	\$ -	\$ 4,820	\$ 16,339
Total Liabilities	<u>11,519</u>	<u>-</u>	<u>4,820</u>	<u>16,339</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	<u>29,683</u>	<u>119,562</u>	<u>-</u>	<u>149,245</u>
Total Deferred Inflows of Resources	<u>29,683</u>	<u>119,562</u>	<u>-</u>	<u>149,245</u>
FUND BALANCES				
Restricted for:				
Emergencies (TABOR)	800	-	-	800
Debt Service	-	829,847	-	829,847
Unassigned	(8,004)	-	(4,820)	(12,824)
Total Fund Balances	<u>(7,204)</u>	<u>829,847</u>	<u>(4,820)</u>	<u>817,823</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 33,998</u>	<u>\$ 949,409</u>	<u>\$ -</u>	
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.				6,187,130
Long-term liabilities, including Developer advances payable and bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(6,453,000)
Accrued Interest Payable - Bonds				(259,346)
Developer Advance Payable				(1,496,289)
Accrued Interest Payable - Developer Advance				<u>(97,607)</u>
Net Position of Governmental Activities				<u>\$ (1,301,289)</u>

See accompanying Notes to Basic Financial Statements.

WARD TOD METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 23,561	\$ 94,902	\$ -	\$ 118,463
Specific Ownership Taxes	1,885	7,591	-	9,476
Water Reimbursement	102	-	-	102
TIF Reimbursement	1,059	4,266	-	5,325
Net Investment Income	-	369	185	554
Total Revenues	<u>26,607</u>	<u>107,128</u>	<u>185</u>	<u>133,920</u>
EXPENDITURES				
General:				
Accounting	23,987	-	2,192	26,179
Audit	4,900	-	-	4,900
County Treasurer's Fees	353	1,424	-	1,777
Landscaping	16,605	-	-	16,605
Insurance	4,046	-	-	4,046
Legal	15,294	-	4,836	20,130
Miscellaneous Expenses	1,400	-	-	1,400
Payroll Taxes	5,860	-	-	5,860
Water Utilities	3,106	-	-	3,106
Dues and Licenses	320	-	-	320
Debt Service:				
Paying Agent Fees	-	9,500	-	9,500
Bond Interest	-	257,250	-	257,250
Capital Projects:				
Capital Outlay	-	-	2,349,824	2,349,824
Total Expenditures	<u>75,871</u>	<u>268,174</u>	<u>2,356,852</u>	<u>2,700,897</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(49,264)	(161,046)	(2,356,667)	(2,566,977)
OTHER FINANCING SOURCES (USES)				
Developer Advances	53,032	-	2,346,011	2,399,043
Repay Developer Advances	-	-	(1,021,116)	(1,021,116)
Total Other Financing Sources (Uses)	<u>53,032</u>	<u>-</u>	<u>1,324,895</u>	<u>1,377,927</u>
NET CHANGE IN FUND BALANCES	3,768	(161,046)	(1,031,772)	(1,189,050)
Fund Balances (Deficits) - Beginning of Year	<u>(10,972)</u>	<u>990,893</u>	<u>1,026,952</u>	<u>2,006,873</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ (7,204)</u>	<u>\$ 829,847</u>	<u>\$ (4,820)</u>	<u>\$ 817,823</u>

See accompanying Notes to Basic Financial Statements.

WARD TOD 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, 2021

Net Change in Fund Balances - Governmental Funds	\$ (1,189,050)
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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. Capital outlay, the conveyance of capital assets to other governments and depreciation expense in the current period are as follows:

Capital Assets Acquired	2,349,824
-------------------------	-----------

The issuance of long-term debt (e.g., issuance of bonds, the receipt of Developer advances) provides current financial resources to governmental funds, while the repayment 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.

Developer Advance - O&M	(53,032)
Developer Advance - Infrastructure	(2,346,011)

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.

Repayment of Developer Advances - Infrastructure	1,021,116
Accrued Interest on Bonds - Change in Liability	(120,190)
Accrued Interest on Developer Advance - Change in Liability	<u>(43,253)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (380,596)</u></u>
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WARD TOD METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 23,562	\$ 23,562	\$ 23,561	\$ (1)
Specific Ownership Taxes	1,649	1,649	1,885	236
TIF Reimbursement	500	500	1,059	559
Water Reimbursement	-	-	102	102
Total Revenues	25,711	25,711	26,607	896
EXPENDITURES				
General:				
Accounting	25,000	25,000	23,987	1,013
Audit	5,000	5,000	4,900	100
County Treasurer's Fees	353	353	353	-
Landscaping	-	10,000	16,605	(6,605)
Insurance	2,000	2,000	4,046	(2,046)
Legal	12,500	12,500	15,294	(2,794)
Miscellaneous Expenses	200	200	1,400	(1,200)
Snow Removal	-	-	5,860	(5,860)
Repairs and Maintenance	10,000	10,000	-	10,000
Dues and Licenses	500	500	320	180
Contingency	14,447	14,447	-	14,447
Water Utilities	-	-	3,106	(3,106)
Total Expenditures	70,000	80,000	75,871	4,129
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	(44,289)	(54,289)	(49,264)	5,025
OTHER FINANCING SOURCES (USES)				
Developer Advances	50,000	65,261	53,032	(12,229)
Total Other Financing Sources (Uses)	50,000	65,261	53,032	(12,229)
EXCESS OF REVENUES AND OTHER FINANCING				
SOURCES OVER (UNDER) EXPENDITURES				
AND OTHER FINANCING USES	5,711	10,972	3,768	(7,204)
Fund Balance (Deficit) - Beginning of Year	1,226	(10,972)	(10,972)	-
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 6,937	\$ -	\$ (7,204)	\$ (7,204)

See accompanying Notes to Basic Financial Statements.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY

Ward TOD Metropolitan District No. 1 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the Jefferson County District Court on June 1, 2012, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan, along with Ward TOD Metropolitan District No. 2 (District No. 2) and Ward TOD Metropolitan District No. 3 (District No. 3) approved by the City of Wheat Ridge, Colorado (the City), on April 9, 2012. Such Service Plan was replaced in its entirety by an Amended and Restated Service Plan for Ward TOD Metropolitan District Nos. 1 – 3, which was approved by the City on May 13, 2019. The Districts were established to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the public improvements and services, including streets, park and recreation, water, sanitation and storm sewer and safety protection.

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 sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District 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 the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

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

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District has amended its annual budget for the year ended December 31, 2021.

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 and investments.

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.

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

Capital Assets

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

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the District may operate and maintain, are recorded as construction in progress. Construction in progress is not being depreciated and is not included in the calculation of Net Investment in Capital Assets component of the District's net position.

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

Depreciation on property that will remain assets of the District is reported on the statement of activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. No depreciation expense was recognized during 2021.

Deferred Inflows of Resources

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

Equity

Net Position

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

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.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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

Deficits

The General Fund and Capital Projects Fund reported deficits in the fund financial statements as of December 31, 2021. The deficits will be eliminated with the receipt of funds advanced by the Developer in 2022.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 3,397
Cash and Investments - Restricted	830,174
Total Cash and Investments	<u><u>\$ 833,571</u></u>

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 5,519
Investments	828,052
Total Cash and Investments	<u><u>\$ 833,571</u></u>

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

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

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

At December 31, 2021, the District's cash deposits had a bank and a carrying balance of \$5,519.

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

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 828,052</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 operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. 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. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily, 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, 2021 follows:

	Balance - December 31, 2020	Increases	Decreases	Balance - December 31, 2021
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 3,837,306	\$ 2,349,824	\$ -	\$ 6,187,130
Total Capital Assets, Being Depreciated	<u>\$ 3,837,306</u>	<u>\$ 2,349,824</u>	<u>\$ -</u>	<u>\$ 6,187,130</u>

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2021:

	Balance - December 31, 2020	Additions	Reductions	Balance - December 31, 2021	Due Within One Year
Limited Tax General Obligation Bonds:					
Senior - Series 2019A	\$ 5,145,000	\$ -	\$ -	\$ 5,145,000	\$ -
Subordinate - Series 2019B	600,000	-	-	600,000	-
Accrued Interest on:					
Senior - Series 2019A	21,438	21,438	21,438	21,438	-
Subordinate - Series 2019B	50,023	50,377	-	100,400	-
Subtotal Bonds Payable	5,816,461	71,815	-	5,866,838	-
Notes from Direct Borrowings and Direct Payments:					
Junior Lien - Series 2019C	708,000	-	-	708,000	-
Accrued Interest on:					
Junior Lien - Series 2019C	67,695	69,813	-	137,508	-
Subtotal of Notes from Direct Borrowings and Direct Payments	775,695	69,813	-	845,508	-
Other Debts:					
Developer Advances - O&M	118,362	53,032	-	171,394	-
Developer Advances - Infrastructure	-	2,346,011	1,021,116	1,324,895	-
Accrued Interest on					
Developer Advances - O&M	50,112	11,923	-	62,035	-
Accrued Interest on					
Developer Advances - Infrastructure	4,242	31,330	-	35,572	-
Subtotal of Other Debts	172,716	2,442,296	1,021,116	1,593,896	-
Total	\$ 6,764,872	\$ 2,583,924	\$ 1,021,116	\$ 8,306,242	\$ -

The details of the District's general obligation bonds outstanding during 2020 are as follows:

Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A (the Senior Bonds), **Subordinate Limited Tax General Obligation Bonds, Series 2019B** (the Subordinate Bonds), and **Junior Lien Limited Tax General Obligation Bonds, Series 2019C** (the Junior Lien Bonds, and together with the Senior Bonds and the Subordinate Bonds, the Bonds)

Bond Proceeds

The District issued the Bonds on December 5, 2019, in the par amounts of \$5,145,000 for the Senior Bonds, \$600,000 for the Subordinate Bonds, and on December 10, 2019 \$708,000 for the Junior Lien Bonds. Proceeds of the Senior Bonds were used to: (i) pay project costs; (ii) fund capitalized interest for the Senior Bonds; (iii) fund an initial deposit to the Senior Surplus Fund; and (iv) pay other costs in connection with the issuance of the Bonds. Proceeds of the Subordinate Bonds were applied to pay project costs. The Junior Lien Bonds were issued to pay a portion of amounts due and payable to the Developer under the Acquisition and Reimbursement Agreement.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Details

The Senior Bonds bear interest at 5.000% per annum, payable semiannually on June 1 and December 1 of each year commencing June 1, 2020, and mature on December 1, 2049.

Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2026.

To the extent the principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid subject to the discharge date of December 1, 2059, of the Senior Bonds. To the extent interest on any Senior Bond is not paid when due, such interest shall compound semiannually on each June 1 and December 1 at the interest rate then borne by the Senior Bond until the total repayment obligation of the District for the Senior Bonds equals the amount permitted by law and the Election in repayment of the Senior Bonds. In the event that any amount of principal of or interest on the Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available therefor on December 1, 2059, the Senior Bonds and the lien of the Senior Indenture shall be deemed discharged.

Senior Bonds Optional Redemption

The Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	3.00%
December 1, 2025, to November 30, 2026	2.00
December 1, 2026, to November 30, 2027	1.00
December 1, 2027, and thereafter	0.00

Senior Bonds Pledged Revenue

The Senior Bonds are payable solely from and to the extent of Senior Pledged Revenue, net of any costs of collection, as follows: (a) all Senior Property Tax Revenues; (b) all Senior Specific Ownership Tax Revenues; (c) all Capital Fees, if any; 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” are generally defined as all moneys derived from imposition by the District of the Senior Required Mill Levy, whether received by the District directly from the County Treasurer or from the Authority pursuant to the Cooperation Agreement. 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 Property Tax Revenues do not include Senior Specific Ownership Tax Revenues.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Pledged Revenue (Continued)

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

“Capital Fees” are defined as all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District. Capital Fees do not include any other fee imposed by the District solely for the purpose of funding operation and maintenance expenses.

Senior Required Mill Levy

Prior to the Conversion Date, the District has covenanted to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount that generates Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due (less any amounts then on deposit in the Senior Surplus Fund), but not in excess of 60 mills (subject to adjustment for changes in the method of calculating assessed valuation occurring after January 1, 2018). For so long as the amount on deposit in the Senior Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy shall be equal to 60 mills (subject to adjustment) or such lesser amount that generates Senior Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due, and to fully fund the Senior Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Senior Surplus Fund, will pay the Senior Bonds in full in the year such levy is collected.

On and after the Conversion Date, the District has covenanted to impose an ad valorem mill levy on all taxable property of the District each year in an amount necessary (without limitation as to rate) to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due (less any amounts then on deposit in the Senior Surplus Fund). On and after the Conversion Date, the definition of Senior Required Mill Levy shall be determined exclusively by this paragraph regardless of any subsequent increase in the Senior Debt to Assessed Ratio.

The Conversion Date is the first date on which both of the following conditions are met: (a) the Senior Debt to Assessed Ratio is 50% or less; and (b) no amounts of principal or interest on the Senior Bonds are due but unpaid. The Senior Debt to Assessed Ratio means the ratio derived by dividing the then-outstanding principal amount of all Senior Debt by the most recent certified assessed valuation of the District.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Additional Security for Senior Bonds

The Senior Bonds are additionally secured by capitalized interest which was funded from proceeds of the Bonds in the amount of \$771,750 and by amounts in the Senior Surplus Fund (if any). The Senior Surplus Fund was partially funded in the amount of the Initial Deposit of \$417,000 on the date of issuance of the Senior Bonds. The Senior Surplus Fund will be further funded from Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds (if any) in any year up to the Maximum Surplus Amount of \$1,029,000. Promptly after the Conversion Date, all amounts then on deposit in the Senior Surplus Fund in excess of the amount of the Initial Deposit shall be released to the District for application to any lawful purpose.

If on the Conversion Date, the amount on deposit in the Senior Surplus Fund is less than the amount of the Initial Deposit, then no moneys shall be released to the District from the Senior Surplus Fund. After the Conversion Date, the District shall have no obligation to replenish or fund the Senior Surplus Fund in the event it is drawn upon. Amounts on deposit in the Senior Surplus Fund (if any) on the final maturity date of the Senior Bonds are to be applied to the payment of the Senior Bonds. The availability of such amount shall be taken into account in calculating the Senior Required Mill Levy required to be imposed in the levy year prior to the final maturity of the Senior Bonds. The balance in the Senior Surplus Fund as of December 31, 2021, is \$561,833.

Subordinate Bonds Details

The Subordinate Bonds bear interest at 7.750% and mature on December 15, 2049. The Subordinate Bonds constitute subordinate "cash flow" bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Subordinate Pledged Revenue is available for payment. Principal and interest payments are due on the Subordinate Bonds on each December 15, beginning December 15, 2020, through December 15, 2049, only to the extent of available Subordinate Pledged Revenue.

In the event that Subordinate Pledged Revenue is insufficient to pay the Subordinate Bonds, the unpaid principal will continue to bear interest and the unpaid interest will compound annually until the total repayment obligation of the District for the Subordinate Bonds equals the amount permitted by law and the Election in repayment of the Subordinate Bonds. In the event that any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all available Subordinate Pledged Revenue on December 15, 2059, the Subordinate Bonds shall be deemed discharged and shall no longer be due and outstanding.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Bonds Optional Redemption

The Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	3.00%
December 1, 2025, to November 30, 2026	2.00
December 1, 2026, to November 30, 2027	1.00
December 1, 2027, and thereafter	0.00

Subordinate Bonds Pledged Revenue

The Subordinate Bonds are payable solely from and to the extent of the Subordinate Pledged Revenue, net of any costs of collection, as follows: (a) all Subordinate Property Tax Revenues; (b) all Subordinate Specific Ownership Tax Revenues; (c) all Subordinate Capital Fee Revenue, if any; (d) any amounts released from the Senior Surplus Fund pursuant to the Senior Indenture; and (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” are defined as all moneys derived from imposition by the District of the Subordinate Required Mill Levy, whether received directly from the County Treasurer or from the Authority pursuant to the Cooperation Agreement. 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 Property Tax Revenues do not include Subordinate Specific Ownership Tax Revenues.

“Subordinate Specific Ownership Tax Revenues” mean 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 applied to the payment of any Senior Obligations.

Subordinate Required Mill Levy

The District has covenanted to impose a Subordinate Required Mill Levy on all taxable property of the District each year in an amount equal to (i) 60 mills (as adjusted) less the Senior Obligation Mill Levy, or (ii) such lesser amount, which if imposed by the District for collection in the succeeding calendar year, would generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Subordinate Bonds in full in the year such levy is collected. The Senior Obligation Mill Levy is the sum of the Senior Required Mill Levy and any other mill levy required to be imposed for the payment of Senior Obligations.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Junior Lien Bonds Details

The Junior Lien Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	3.00%
December 1, 2025, to November 30, 2026	2.00
December 1, 2026, to November 30, 2027	1.00
December 1, 2027, and thereafter	0.00

Junior Lien Bonds Pledged Revenue

The Junior Lien Bonds are payable solely from and to the extent of the Junior Lien Pledged Revenue, net costs of collection, as follows: (a) all Junior Lien Property Tax Revenues; (b) all Junior Lien Specific Ownership Tax Revenues; (c) all Junior Lien Capital Fee Revenue, if any; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Junior Lien Bond Fund.

“Junior Lien Property Tax Revenues” are defined as all moneys derived from imposition by the District of the Junior Lien Required Mill Levy, whether received by the District directly from the County Treasurer or from the Authority pursuant to the Cooperation Agreement. Junior Lien Property Tax Revenues are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County. Junior Lien Property Tax Revenues do not include Junior Lien Specific Ownership Tax Revenues.

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

“Junior Lien Capital Fee Revenue” means any revenue from Capital Fees remaining after deduction of any amount applied to the payment of any Senior/Subordinate Obligations.

Junior Lien Required Mill Levy

The District has covenanted to impose a Junior Lien Required Mill Levy on all taxable property of the District each year in an amount equal to (i) 60 mills (as adjusted) less the Senior/Subordinate Required Mill Levy (which is defined as the sum of the Senior Required Mill Levy, the Subordinate Required Mill Levy, and any other ad valorem property tax levy required to be imposed by the District for the payment of other Senior/Subordinate Obligations), or (ii) such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Junior Lien Property Tax Revenues which, when combined with moneys then on deposit in the Junior Lien Bond Fund, will pay the Junior Lien Bonds in full in the year such levy is collected.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Debt Service

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

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 257,250	\$ 257,250
2023	-	257,250	257,250
2024	-	257,250	257,250
2025	-	257,250	257,250
2026	40,000	257,250	297,250
2027-2031	480,000	1,232,000	1,712,000
2032-2036	715,000	1,089,750	1,804,750
2037-2041	1,015,000	883,000	1,898,000
2042-2046	1,405,000	592,000	1,997,000
2047-2049	1,490,000	172,000	1,662,000
Total	<u>\$ 5,145,000</u>	<u>\$ 5,255,000</u>	<u>\$ 10,400,000</u>

The annual debt service requirements on the Subordinate Bonds and Junior Lien Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue and Junior Lien Pledged Revenue, respectively.

Authorized Debt

At an election held May 8, 2012, a majority of the qualified electors of the District who voted in the elections authorized the issuance of general obligation indebtedness in an amount not to exceed \$630,000,000 for providing public improvements and refunding of previously issued indebtedness.

	<u>Authorized May 8, 2012 Election</u>	<u>Authorization Used, Series 2019 Bonds</u>	<u>Remaining at December 31, 2019</u>
Streets	\$ 65,000,000	\$ 1,802,427	\$ 63,197,573
Sanitary Sewer and Storm	65,000,000	2,817,590	62,182,410
Water	65,000,000	1,164,338	63,835,662
Parks and Recreation	65,000,000	568,344	64,431,656
Safety Protection	65,000,000	100,301	64,899,699
Operations and Maintenance	65,000,000	-	65,000,000
Refunding of Debt	120,000,000	-	120,000,000
Intergovernmental Agreements	120,000,000	-	120,000,000
Total	<u>\$ 630,000,000</u>	<u>\$ 6,453,000</u>	<u>\$ 623,547,000</u>

At December 31, 2021, with the issuance of the Series 2019 Bonds, The District had authorized but unissued indebtedness remaining in the amount of \$623,547,000 for public improvements and refunding.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt on behalf of the Districts for purposes of providing public improvements to support development as it occurs within the Districts' service areas. The Service Plans for the Districts limit the aggregate amount of debt that they may issue together with any debt issued by the Districts to \$25,000,000.

Developer Advances

The District entered into Funding and Reimbursement Agreement and Infrastructure Acquisition and Reimbursement Funding Agreement with Toll Southwest, LLC (the Developer), in 2019, for the purpose of funding certain operation and maintenance expenses and construction and acquisition of public improvements (see Note 7).

NOTE 6 NET POSITION

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

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2021, as follows:

Restricted Net Position:

Emergencies	\$ 800
Total Restricted Net Position	<u>\$ 800</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, of which a significant portion of these improvements will be conveyed to other governmental entities and which costs will be removed from the District's financial records.

NOTE 7 AGREEMENTS

Intergovernmental Agreement between Districts and the City of Wheat Ridge

On May 13, 2019, the District entered into the Intergovernmental Agreement (the IGA) with the City of Wheat Ridge (the City), Ward TOD Metropolitan District No. 2 and Ward TOD Metropolitan District No. 3. Pursuant to the IGA, the District agrees to dedicate the public improvements to the City or other appropriate jurisdiction in a manner contemplated under the approved development plan and other rules and regulations of the City and applicable provisions of the City Code. The Districts are authorized, but not obligated, to own, operate and maintain public improvements not otherwise dedicated to the City or other public entity.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 7 AGREEMENTS (CONTINUED)

Cooperation Agreement with Wheat Ridge Urban Renewal Authority dba: Renewal Wheat Ridge

On October 1, 2019, the District entered into a Cooperation Agreement with Wheat Ridge Urban Renewal Authority dba: Renewal Wheat Ridge (the Authority). Under the terms of the Cooperation Agreement, the Authority and the District agreed that, in consideration for the District undertaking certain improvements and activities within the District pursuant to the Service Plan, the portion of revenues that the Authority receives as a result of certain incremental increases in property taxes which are attributable to all of the property tax revenues calculated, produced, allocated and paid to the Authority as a result of all ad valorem property tax levies of the District upon taxable property described in the I-70/Kipling Corridors Urban Renewal Plan (the Urban Renewal Plan), the (Tax Increment Revenues), shall be segregated upon receipt and shall be remitted by the Authority to the District on each April 15 and October 15. The terms of the Cooperation Agreement are in effect until the expiration of the TIF authorization granted pursuant to the Urban Renewal Plan, December 13, 2040.

Funding and Reimbursement Agreement (Operations and Maintenance) with Toll Southwest, LLC

On August 27, 2019, the District entered into the Funding and Reimbursement Agreement (Operations and Maintenance) (the O&M Agreement) with Toll Southwest, LLC (the Developer). Pursuant to the O&M Agreement, the Developer agrees to advance funds to the District, for operation and maintenance expenses, one or more sums of money, not exceed the aggregate of \$50,000 per annum for fiscal years 2019 through 2020. The maximum amount to be advanced for Operations and Maintenance Expenses pursuant to this agreement is one hundred thousand dollars (\$100,000). The District agrees to repay these advances together with accrued interest at the rate of 8% per annum accruing from the date any such advance is made. The term of repayment under the O&M Agreement shall not extend beyond 20 years from the date of the O&M Agreement.

Infrastructure Acquisition and Reimbursement Agreement with Toll Southwest, LLC

On August 27, 2019, the District entered into the Infrastructure Acquisition and Reimbursement Agreement (the Agreement) with the Developer, pursuant to which the Developer agrees to make advances to the District the purpose of the acquisition, financing, construction, and installation of the public improvements. The District, upon the execution of the Agreement, the District agrees to acquire certain public infrastructure constructed or caused to be constructed by the Developer to be owned by the District or other governmental entities. The District agrees to repay these advances and reimburse the developer for the certified District eligible costs, together with accrued simple interest at the rate of 8% per annum from the date of payment or the date of the related acceptance resolution.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8 RELATED PARTIES

The Developer of the property within the District is Toll Southwest, LLC. The Developer has advanced funds to the District. The members of the Board of Directors of the District and the Districts hold direct or indirect ownership interests in the Toll Southwest, LLC or are otherwise associated with Toll Southwest, LLC and may have conflicts of interest in dealing with the District. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

NOTE 9 ECONOMIC DEPENDENCY

The District has not yet established a revenue base sufficient to pay for most of its operational and certain capital expenditures. Until an independent revenue base is established, continuation of the District's operation and financing of certain capital improvements are dependent upon Developer advances.

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 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.

WARD TOD METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

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.

On May 8, 2012, a majority of the District's electors authorized the District to increase property taxes \$15,000,000 annually; increase fees \$15,000,000 annually and increase property taxes for intergovernmental agreements \$15,000,000 annually, without limitation of rate and without regard to any spending, revenue raising or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, spend or retain all revenue without regard to any limitations under TABOR.

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

SUPPLEMENTARY INFORMATION

WARD TOD METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property Taxes	\$ 94,906	\$ 94,906	\$ 94,902	\$ (4)
Specific Ownership Taxes	6,643	6,643	7,591	948
TIF Reimbursement	1,500	1,500	4,266	2,766
Net Investment Income	12,459	12,459	369	(12,090)
Total Revenues	115,508	115,508	107,128	(8,380)
EXPENDITURES				
General:				
County Treasurer's Fees	1,424	1,424	1,424	-
Paying Agent Fees	-	9,500	9,500	-
Bond Interest	257,250	257,250	257,250	-
Contingency	-	11,826	-	11,826
Total Expenditures	258,674	280,000	268,174	11,826
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(143,166)	(164,492)	(161,046)	3,446
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(143,166)	(164,492)	(161,046)	3,446
Fund Balance - Beginning of Year	996,746	990,893	990,893	-
FUND BALANCE - END OF YEAR	<u>\$ 853,580</u>	<u>\$ 826,401</u>	<u>\$ 829,847</u>	<u>\$ 3,446</u>

WARD TOD METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)–
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Net Investment Income	\$ 25,582	\$ 25,582	\$ 185	\$ (25,397)
Total Revenues	25,582	25,582	185	(25,397)
EXPENDITURES				
General:				
Accounting	10,000	5,271	2,192	3,079
Legal	5,000	5,000	4,836	164
Capital Projects:				
Engineering	15,000	15,000	13,888	1,112
Capital Outlay	1,037,338	2,335,936	2,335,936	-
Total Expenditures	1,067,338	2,361,207	2,356,852	4,355
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	(1,041,756)	(2,335,625)	(2,356,667)	(21,042)
OTHER FINANCING SOURCES (USES)				
Developer Advances	1,037,338	2,346,011	2,346,011	-
Repay Developer Advances	(1,037,338)	(1,037,338)	(1,021,116)	16,222
Total Other Financing Sources (Uses)	-	1,308,673	1,324,895	16,222
EXCESS OF REVENUES AND OTHER FINANCING				
SOURCES OVER (UNDER) EXPENDITURES				
AND OTHER FINANCING USES	(1,041,756)	(1,026,952)	(1,031,772)	(4,820)
Fund Balance - Beginning of Year	1,041,756	1,026,952	1,026,952	-
FUND BALANCE (DEFICIT) - END OF YEAR	\$ -	\$ -	\$ (4,820)	\$ (4,820)

OTHER INFORMATION

WARD TOD METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

\$5,145,000 Senior Limited Tax General Obligation Bonds

Series 2019A

Dated December 5, 2019

Interest Rate 5.00%

Payable June 1 and December 1

Principal Due December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 257,250	\$ 257,250
2023	-	257,250	257,250
2024	-	257,250	257,250
2025	-	257,250	257,250
2026	40,000	257,250	297,250
2027	80,000	255,250	335,250
2028	90,000	251,250	341,250
2029	95,000	246,750	341,750
2030	105,000	242,000	347,000
2031	110,000	236,750	346,750
2032	125,000	231,250	356,250
2033	130,000	225,000	355,000
2034	145,000	218,500	363,500
2035	150,000	211,250	361,250
2036	165,000	203,750	368,750
2037	175,000	195,500	370,500
2038	190,000	186,750	376,750
2039	200,000	177,250	377,250
2040	220,000	167,250	387,250
2041	230,000	156,250	386,250
2042	250,000	144,750	394,750
2043	260,000	132,250	392,250
2044	280,000	119,250	399,250
2045	295,000	105,250	400,250
2046	320,000	90,500	410,500
2047	335,000	74,500	409,500
2048	360,000	57,750	417,750
2049	795,000	39,750	834,750
Total	<u>\$ 5,145,000</u>	<u>\$ 5,255,000</u>	<u>\$ 10,400,000</u>

WARD TOD METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Tax Levy	Mills Levied	Total Property Taxes		Percent Collected to Levied
			Levied	Collected	
2017	\$ 416,730	5.000	\$ 2,084	\$ 2,084	100.00%
2018	694,589	5.000	3,473	3,473	100.00
2019	693,402	10.000	6,934	6,946	100.17
2020	717,523	75.419	54,115	54,452	100.62
2021	1,570,798	75.419	118,468	118,463	100.00
Estimated for the Year Ending December 31, 2022	\$ 1,978,875	75.419	\$ 149,245		

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

EXHIBIT D

2022 Budget

**WARD TOD METROPOLITAN DISTRICT NO. 1
RESOLUTION TO AMEND 2022 BUDGET**

WHEREAS, the Board of Directors of Ward TOD Metropolitan District No. 1 (the “**District**”) certifies that at a regular meeting of the Board of Directors of the District held April 20, 2023, a public hearing was held regarding the 2022 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2022 as follows:

General Fund	\$103,000
--------------	-----------

and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2022; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2022 as follows:

General Fund	\$115,000
--------------	-----------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

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ADOPTED THIS 20TH DAY OF APRIL, 2023.

DISTRICT:

**WARD TOD METROPOLITAN DISTRICT
NO. 1**, a quasi-municipal corporation and political
subdivision of the State of Colorado

By: Ben Both
Ben Both (Apr 25, 2023 14:18 MDT)

Officer of the District

Attest:

By: Chris Ferguson
Chris Ferguson (Apr 25, 2023 15:26 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Megan G. Murphy

General Counsel to the District

STATE OF COLORADO
COUNTY OF JEFFERSON
WARD TOD METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on April 20, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 25 day of April, 2023.

Chris Ferguson
Chris Ferguson (Apr 25, 2023 15:26 MDT)

**WARD TOD METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 AMENDED BUDGET**

	ORIGINAL BUDGET	AMENDED BUDGET
BEGINNING FUND BALANCE	\$ 836	\$ (7,204)
REVENUES		
Property taxes	29,683	29,683
Specific ownership tax	2,078	2,205
Developer advance	67,000	85,000
Water reimbursement	3,200	4,450
TIF Reimbursement	2,008	2,066
Total revenues	103,969	123,404
Total funds available	104,805	116,200
EXPENDITURES		
General and administrative		
Accounting	27,500	23,000
Auditing	5,400	5,400
County Treasurer's fee	445	436
Dues and licenses	500	350
Insurance and bonds	4,300	4,800
Legal services	15,000	16,000
Miscellaneous	1,500	1,694
Election expense	2,500	2,300
Contingency	9,855	5,005
Operations and maintenance		
Landscaping	16,000	21,000
Snow Removal	10,000	20,000
Water Utilities	10,000	14,000
Xcel Energy	-	1,000
Total expenditures	103,000	115,000
Total expenditures and transfers out requiring appropriation	103,000	115,000
ENDING FUND BALANCE	\$ 1,805	\$ 1,200

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

WARD TOD METROPOLITAN DISTRICT NO. 1
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/26/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 4,231,628	\$ 2,006,873	\$ 830,828
REVENUES			
Property taxes	54,452	118,468	149,245
Specific ownership tax	4,160	9,505	10,447
Interest income	25,222	700	750
Developer advance	2,061,394	2,415,964	1,090,500
Other revenue	12	-	10,000
Water Reimbursement	-	-	3,200
TIF Reimbursement	1,207	5,308	10,095
Total revenues	2,146,447	2,549,945	1,274,237
Total funds available	6,378,075	4,556,818	2,105,065
EXPENDITURES			
General Fund	53,289	77,700	103,000
Debt Service Fund	255,061	268,174	278,543
Capital Projects Fund	4,062,852	3,380,116	1,023,500
Total expenditures	4,371,202	3,725,990	1,405,043
Total expenditures and transfers out requiring appropriation	4,371,202	3,725,990	1,405,043
ENDING FUND BALANCES	\$ 2,006,873	\$ 830,828	\$ 700,022
EMERGENCY RESERVE	\$ 400	\$ 800	\$ 1,200
CAPITALIZED INTEREST/FEEES FUND	517,358	260,108	2,858
SENIOR SURPLUS FUND	1,489,115	569,920	695,964
TOTAL RESERVE	\$ 2,006,873	\$ 830,828	\$ 700,022

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/26/22

ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
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ASSESSED VALUATION

Residential	\$ -	\$ -	\$ 371,937
State assessed	-	-	38
Vacant land	738,001	1,642,150	1,735,892
Personal property	-	-	6,900
	<u>738,001</u>	<u>1,642,150</u>	<u>2,114,767</u>
Adjustments	(20,478)	(71,352)	(135,892)
Certified Assessed Value	<u>\$ 717,523</u>	<u>\$ 1,570,798</u>	<u>\$ 1,978,875</u>

MILL LEVY

General	15.000	15.000	15.000
Debt Service	60.419	60.419	60.419
Total mill levy	<u>75.419</u>	<u>75.419</u>	<u>75.419</u>

PROPERTY TAXES

General	\$ 10,763	\$ 23,562	\$ 29,683
Debt Service	43,352	94,906	119,562
Levied property taxes	<u>54,115</u>	<u>118,468</u>	<u>149,245</u>
Budgeted property taxes	<u>\$ 54,115</u>	<u>\$ 118,468</u>	<u>\$ 149,245</u>

BUDGETED PROPERTY TAXES

General	\$ 10,763	\$ 23,562	\$ 29,683
Debt Service	43,352	94,906	119,562
	<u>\$ 54,115</u>	<u>\$ 118,468</u>	<u>\$ 149,245</u>

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/26/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (10,052)	\$ (10,972)	\$ 836
REVENUES			
Property taxes	10,830	23,562	29,683
Specific ownership tax	827	1,890	2,078
Developer advance	40,460	63,000	67,000
Water Reimbursement	-	-	3,200
Other revenue	12	-	-
TIF Reimbursement	240	1,056	2,008
Total revenues	52,369	89,508	103,969
Total funds available	42,317	78,536	104,805
EXPENDITURES			
General and administrative			
Accounting	29,072	25,000	27,500
Auditing	4,800	4,900	5,400
County Treasurer's fee	166	353	445
Dues and licenses	300	320	500
Insurance and bonds	1,880	4,046	4,300
Legal services	15,827	18,000	15,000
Miscellaneous	-	1,581	1,500
Election expense	1,244	-	2,500
Contingency	-	-	9,855
Operations and maintenance			
Landscaping	-	15,000	16,000
Snow Removal	-	8,500	10,000
Water Utilities	-	-	10,000
Total expenditures	53,289	77,700	103,000
Total expenditures and transfers out requiring appropriation	53,289	77,700	103,000
ENDING FUND BALANCE	\$ (10,972)	\$ 836	\$ 1,805
EMERGENCY RESERVE	\$ 400	\$ 800	\$ 1,200
TOTAL RESERVE	\$ 400	\$ 800	\$ 1,200

No assurance provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/26/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 1,190,334	\$ 990,893	\$ 829,992
REVENUES			
Property taxes	43,622	94,906	119,562
Specific ownership tax	3,333	7,615	8,369
Interest income	7,698	500	750
TIF Reimbursement	967	4,252	8,087
Other revenue	-	-	10,000
Total revenues	55,620	107,273	146,768
Total funds available	1,245,954	1,098,166	976,760
EXPENDITURES			
General and administrative			
County Treasurer's fee	669	1,424	1,793
Paying agent fees	-	9,500	9,500
Contingency	-	-	10,000
Debt Service			
Bond interest - 2019A	254,392	257,250	257,250
Total expenditures	255,061	268,174	278,543
Total expenditures and transfers out requiring appropriation	255,061	268,174	278,543
ENDING FUND BALANCE	\$ 990,893	\$ 829,992	\$ 698,217
CAPITALIZED INTEREST/FEES FUND	\$ 517,358	\$ 260,108	\$ 2,858
SENIOR SURPLUS FUND	473,535	569,884	695,359
TOTAL RESERVE	\$ 990,893	\$ 829,992	\$ 698,217

No assurance provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/26/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 3,051,346	\$ 1,026,952	\$ -
REVENUES			
Interest income	17,524	200	-
Developer advance	2,020,934	2,352,964	1,023,500
Total revenues	<u>2,038,458</u>	<u>2,353,164</u>	<u>1,023,500</u>
Total funds available	<u>5,089,804</u>	<u>3,380,116</u>	<u>1,023,500</u>
EXPENDITURES			
General and Administrative			
Accounting	2,775	3,000	3,000
Legal services	787	5,000	5,500
Capital Projects			
Repay developer advance	2,020,934	1,021,116	-
Engineering	17,422	15,000	15,000
Capital outlay	<u>2,020,934</u>	<u>2,336,000</u>	<u>1,000,000</u>
Total expenditures	<u>4,062,852</u>	<u>3,380,116</u>	<u>1,023,500</u>
Total expenditures and transfers out requiring appropriation	<u>4,062,852</u>	<u>3,380,116</u>	<u>1,023,500</u>
ENDING FUND BALANCE	<u>\$ 1,026,952</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 Jefferson County on April 9, 2012, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the City of Wheat Ridge, Jefferson County, Colorado.

The District was established to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the public improvements and services, including streets, water, sanitation and storm drainage traffic and safety controls, transportation, television relay and translation and mosquito control. Under its Service Plan, The District was organized in conjunction with two other related Districts: Ward TOD Metropolitan District Nos. 2 and 3. Ward TOD Metropolitan District No.1 serves as a Management District, and Ward TOD Metropolitan District Nos. 2 and 3 serve as Financing Districts.

Pursuant to the Service Plan, the district is permitted to issue bond indebtedness of up to \$25,000,000. On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C.

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

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

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 October. The County Treasurer remits the taxes collected monthly to the District.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

The Maximum Debt Mill Levy the District is permitted to impose is 60.000 mills (subject to adjustment for changes in the method of calculating the assessed valuation with the District) for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy. As a result of the residential rate change from 7.20% to 7.15% for collection year 2022, the 60.000 mills will be required to adjust to 60.419 mills for debt service.

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.

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 Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be 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.

Urban Renewal TIF

Pursuant to the Intergovernmental Tax Sharing Agreement dated October 1, 2019 with the Wheat Ridge Urban Renewal Authority, the District will receive the tax increment ("TIF") generated from the Wheat Ridge Urban Renewal Project area to be used toward the repayment of the District's bonds.

Water Reimbursement

Pursuant to the Intergovernmental Agreement dated May 13, 2019 with the City of Wheat Ridge, the District shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise dedicated to the City or other public entity. The HOA agrees to reimburse the District for the water usage related to HOA's operations and maintenance responsibilities.

Investment Income

Interest earned on the District's available funds has been estimated based upon an average interest rate of approximately .1%.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

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

Capital Outlay

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

Debt Service

Principal and interest payments are provided based on the anticipated debt amortization schedule from the Senior Bonds, Subordinate Bonds, and Junior Lien Bonds (discussed under Debt and Leases). Anticipated debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

Debt and Leases

On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C. The proceeds of the Senior Bonds will be used to fund: (i) the Initial Deposit to the Surplus Fund; (ii) capitalized interest on the Senior Bonds; (iii) pay the Project costs; and, (iv) the costs of issuing the Senior Bonds, the Subordinate Bonds and the Junior Lien Bonds. Proceeds of the Subordinate Bonds will be used to pay Project costs. The Junior Lien Bonds will be issued for the purpose of paying Project Costs, comprised of paying a portion of amounts due and payable to the Developer under the Acquisition and Reimbursement Agreement.

The Senior Bonds bear interest at 5.000% and are payable semi-annually on June 1 and December 1, commencing December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2026. The Senior Bonds mature on December 1, 2049.

The Subordinate Bonds are issued at the rate of 7.750% 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 through December 15, 2049. In the event that any principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available on December 15, 2059, the Subordinate Bonds shall be deemed discharged.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

The Junior Lien Bonds are issued at the rate of 9.000% per annum and are payable annually on December 15, beginning December 15, 2019, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2052. The Junior Lien Bonds are structured as cash flow bonds meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Junior Lien Pledged Revenue is available for payment. Principal and interest payments are due on the Junior Lien Bonds on each December 15 through December 15, 2052, only to the extent of available Junior Lien Pledged Revenue. In the event that any principal or interest on the Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue available on December 15, 2059, the Junior Lien Bonds shall be deemed discharged.

Debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

The following is the analysis of the anticipated changes in developer advances for the year ending December 31, 2021 and 2022.

	Balance December 31, 2020	Additions	Reductions	Anticipated Balance December 31, 2021
Limited Tax General Obligation Bonds:				
Subordinate - Series 2019B	\$ 600,000	\$ -	\$ -	\$ 600,000
Accrued Interest on Subordinate - Series 2019B	50,023	50,376	-	100,399
Junior Lien - Series 2019C	708,000	-	-	708,000
Accrued Interest on Junior Lien - Series 2019C	67,695	69,813	-	137,508
Subtotal Bonds Payable	<u>1,425,718</u>	<u>120,189</u>	<u>-</u>	<u>1,545,907</u>
Developer Advances - O&M	118,362	63,000	-	181,362
Developer Advances - Infrastructure	-	2,352,964	1,021,115	1,331,849
Accrued Interest on Developer Advances - O&M	50,112	12,075	-	62,187
Accrued Interest on Developer Advances - Infrastructure	4,242	30,788	-	35,030
Subtotal of Other Debts	<u>172,716</u>	<u>2,458,827</u>	<u>1,021,115</u>	<u>1,610,428</u>
Total	<u>\$ 1,598,434</u>	<u>\$ 2,579,016</u>	<u>\$ 1,021,115</u>	<u>\$ 3,156,335</u>

**WARD TOD METROPOLITAN DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

	Anticipated Balance December 31, 2021	Additions	Reductions	Anticipated Balance December 31, 2022
Limited Tax General Obligation Bonds:				
Subordinate - Series 2019B	600,000	-	-	600,000
Accrued Interest on Subordinate - Series 2019B	100,399	54,281	-	154,680
Junior Lien - Series 2019C	708,000	-	-	708,000
Accrued Interest on: Junior Lien - Series 2019C	137,508	76,095	-	213,603
Subtotal Bonds Payable	<u>1,545,907</u>	<u>130,376</u>	<u>-</u>	<u>1,676,283</u>
Developer Advances - O&M	181,362	67,000	-	248,362
Developer Advances - Infrastructure	1,331,849	1,023,500	-	2,355,349
Accrued Interest on Developer Advances - O&M	62,187	17,189	-	79,376
Accrued Interest on Developer Advances - Infrastructure	35,030	147,488	-	182,518
Subtotal of Other Debts	<u>1,610,428</u>	<u>1,255,177</u>	<u>-</u>	<u>2,865,605</u>
Total	<u>\$ 3,156,335</u>	<u>\$ 1,385,553</u>	<u>\$ -</u>	<u>\$ 4,541,888</u>

The District has no operating and capital leases.

Reserves

Emergency Reserve

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

Debt Service Reserves

The District maintains a Debt Service Reserve, based on the amount held in our Debt Service Surplus fund, as required with the issuance of the Senior Bonds.

This information is an integral part of the accompanying budget.

WARD TOD METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

**\$5,145,000 Limited Tax (Convertible to Unlimited Tax) Senior
Bonds**

Interest Rate 5.00%

Date: December 5, 2019

Interest Payable June 1 and December 1

Year Ending December 31,	Principal Payable December 1		
	Principal	Interest	Total
2022	\$ -	\$ 257,250	\$ 257,250
2023	-	257,250	257,250
2024	-	257,250	257,250
2025	-	257,250	257,250
2026	40,000	257,250	297,250
2027	80,000	255,250	335,250
2028	90,000	251,250	341,250
2029	95,000	246,750	341,750
2030	105,000	242,000	347,000
2031	110,000	236,750	346,750
2032	125,000	231,250	356,250
2033	130,000	225,000	355,000
2034	145,000	218,500	363,500
2035	150,000	211,250	361,250
2036	165,000	203,750	368,750
2037	175,000	195,500	370,500
2038	190,000	186,750	376,750
2039	200,000	177,250	377,250
2040	220,000	167,250	387,250
2041	230,000	156,250	386,250
2042	250,000	144,750	394,750
2043	260,000	132,250	392,250
2044	280,000	119,250	399,250
2045	295,000	105,250	400,250
2046	320,000	90,500	410,500
2047	335,000	74,500	409,500
2048	360,000	57,750	417,750
2049	795,000	39,750	834,750
	<u>\$ 5,145,000</u>	<u>\$ 5,255,000</u>	<u>\$ 10,400,000</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.