

WESTERLY METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

Westerly Metro District No. 1
Balance Sheet - Governmental Funds
September 30, 2023

| | <u>General</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Total</u> |
|--------------------------------------|---------------------|----------------------|-------------------------|------------------------|
| Assets | | | | |
| Checking Account | \$ 8,209.89 | \$ 114,100.00 | \$ 757,138.51 | \$ 879,448.40 |
| CSAFE | 71.69 | 431.17 | - | 502.86 |
| Due from WMD4 | 271.95 | - | 1,584,468.99 | 1,584,740.94 |
| Due from WMD2 | 3,415.56 | - | - | 3,415.56 |
| Due from WMD3 | 461.26 | - | - | 461.26 |
| Accounts Receivable | 45,399.27 | - | - | 45,399.27 |
| Receivable from County Treasurer | 0.14 | 0.83 | - | 0.97 |
| Prepaid Insurance | 8,608.00 | - | - | 8,608.00 |
| Total Assets | <u>\$ 66,437.76</u> | <u>\$ 114,532.00</u> | <u>\$ 2,341,607.50</u> | <u>\$ 2,522,577.26</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 43,368.18 | \$ - | \$ 816,094.45 | \$ 859,462.63 |
| Retainage Payable | - | - | 1,112,716.65 | 1,112,716.65 |
| Due to WMD4 | - | 114,532.00 | - | 114,532.00 |
| Total Liabilities | <u>43,368.18</u> | <u>114,532.00</u> | <u>1,928,811.10</u> | <u>2,086,711.28</u> |
| Fund Balances | <u>23,069.58</u> | <u>-</u> | <u>412,796.40</u> | <u>435,865.98</u> |
| Liabilities and Fund Balances | <u>\$ 66,437.76</u> | <u>\$ 114,532.00</u> | <u>\$ 2,341,607.50</u> | <u>\$ 2,522,577.26</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Westerly Metro District No. 1
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

| | <u>Annual Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------------------------------|----------------------|---------------------|-----------------------|
| Revenues | | | |
| Property taxes | \$ 39.00 | \$ 39.07 | \$ (0.07) |
| Specific ownership taxes | 2.00 | 1.27 | 0.73 |
| Interest income | - | 0.31 | (0.31) |
| Transfer from WMD4 | 264.00 | 259.68 | 4.32 |
| Transfers from other districts | - | 3.03 | (3.03) |
| Transfer from WMD2 | 3,488.00 | 3,062.31 | 425.69 |
| Transfer from WMD3 | 164.00 | 150.79 | 13.21 |
| Total Revenue | <u>3,957.00</u> | <u>3,516.46</u> | <u>440.54</u> |
| Expenditures | | | |
| Accounting | 56,000.00 | 40,794.40 | 15,205.60 |
| Auditing | 8,200.00 | 8,900.00 | (700.00) |
| County Treasurer's fee | 1.00 | 0.59 | 0.41 |
| Dues and membership | 1,100.00 | 1,047.60 | 52.40 |
| Insurance | 6,300.00 | 11,284.00 | (4,984.00) |
| Legal | 45,000.00 | 26,444.13 | 18,555.87 |
| Election | 1,000.00 | 3,076.56 | (2,076.56) |
| Website | - | 600.00 | (600.00) |
| Contingency | 3,046.00 | - | 3,046.00 |
| Total Expenditures | <u>120,647.00</u> | <u>92,147.28</u> | <u>28,499.72</u> |
| Other Financing Sources (Uses) | | | |
| Developer advance | 116,690.00 | 112,146.66 | 4,543.34 |
| Total Other Financing Sources (Uses) | <u>116,690.00</u> | <u>112,146.66</u> | <u>4,543.34</u> |
| Net Change in Fund Balances | - | 23,515.84 | (23,515.84) |
| Fund Balance - Beginning | - | (446.26) | 446.26 |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ 23,069.58</u> | <u>\$ (23,069.58)</u> |

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SUPPLEMENTARY INFORMATION

Westerly Metro District No. 1
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

| | <u>Annual Budget</u> | <u>Actual</u> | <u>Variance</u> |
|------------------------------|----------------------|-------------------|---------------------|
| Revenues | | | |
| Property taxes | \$ 216.00 | \$ 216.38 | \$ (0.38) |
| Specific ownership taxes | 13.00 | 6.98 | 6.02 |
| Interest income | - | 14.54 | (14.54) |
| Facilities fees | - | 114,100.00 | (114,100.00) |
| Other revenue | 100.00 | - | 100.00 |
| Total Revenue | <u>329.00</u> | <u>114,337.90</u> | <u>(114,008.90)</u> |
| Expenditures | | | |
| County Treasurer's fee | 3.00 | 3.25 | (0.25) |
| Miscellaneous | - | 3.00 | (3.00) |
| Contingency | 100.00 | - | 100.00 |
| Transfers to other districts | 226.00 | 114,145.18 | (113,919.18) |
| Total Expenditures | <u>329.00</u> | <u>114,151.43</u> | <u>(113,822.43)</u> |
| Net Change in Fund Balances | - | 186.47 | (186.47) |
| Fund Balance - Beginning | - | (186.47) | 186.47 |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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Westerly Metro District No. 1
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending September 30, 2023

| | <u>Annual Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------------------------------|----------------------|----------------------|------------------------|
| Revenues | | | |
| Sidewalk fees | \$ - | \$ 80,990.34 | \$ (80,990.34) |
| Pool Fees | - | 66,625.00 | (66,625.00) |
| Damage fees | - | 64,772.90 | (64,772.90) |
| Transfer from WMD4 | 10,773,476.00 | 7,740,938.63 | 3,032,537.37 |
| Total Revenue | <u>10,773,476.00</u> | <u>7,953,326.87</u> | <u>2,820,149.13</u> |
| Expenditures | | | |
| Accounting | 25,000.00 | 28,187.89 | (3,187.89) |
| Engineering | 25,000.00 | 209,647.78 | (184,647.78) |
| Capital outlay | 10,723,476.00 | 7,535,158.99 | 3,188,317.01 |
| Total Expenditures | <u>10,773,476.00</u> | <u>7,772,994.66</u> | <u>3,000,481.34</u> |
| Other Financing Sources (Uses) | | | |
| Repay developer advance | (3,555,796.00) | - | (3,555,796.00) |
| Developer advance | 3,555,796.00 | 28,381.47 | 3,527,414.53 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>28,381.47</u> | <u>(28,381.47)</u> |
| Net Change in Fund Balances | - | 208,713.68 | (208,713.68) |
| Fund Balance - Beginning | - | 204,082.72 | (204,082.72) |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ 412,796.40</u> | <u>\$ (412,796.40)</u> |

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WESTERLY METRO DISTRICT NO. 1 - 3
Schedule of Cash Position
September 30, 2023
Updated as of 10/30/2023

| | General Fund | Debt Service Fund | Capital Projects Fund | Total |
|---|------------------|----------------------|--------------------------|---------------------|
| <u>1st Bank - Checking Account</u> | | | | |
| Balance as of 09/30/23 | \$ 8,209.89 | \$ 114,100.00 | \$ 757,138.51 | \$ 879,448.40 |
| Subsequent activities: | | | | |
| 10/02/2023 Wire - Pool Fee | - | - | 6,500.00 | 6,500.00 |
| 10/05/2023 Wire - Pool Fee | - | - | 6,500.00 | 6,500.00 |
| 10/11/2023 Bill.com Payables | (4,236.62) | - | (1,815.69) | (6,052.31) |
| 10/12/2023 Requisition 64 | - | - | 814,751.55 | 814,751.55 |
| 10/18/2023 Wire - Pool Fee | - | - | 6,500.00 | 6,500.00 |
| 10/26/2023 Wire - Pool Fee | - | - | 6,500.00 | 6,500.00 |
| 10/26/2023 Requisition 65 | - | - | 382,640.00 | 382,640.00 |
| 10/27/2023 Wire - Pool Fee | - | - | 6,500.00 | 6,500.00 |
| 10/27/2023 Check #1004 (DBC Irrigation payment) | - | - | (319,000.15) | (319,000.15) |
| <i>Anticipated Activity:</i> | - | - | - | - |
| <i>Bill.com Payables</i> | - | - | (779,851.39) | (779,851.39) |
| <i>Anticipated balance</i> | <u>3,973.27</u> | <u>114,100.00</u> | <u>886,362.83</u> | <u>1,004,436.10</u> |
| | General Fund | Debt Service Fund | Capital Projects Fund | Total |
| <u>CSAFE Account - WESTERLY NO. 1</u> | | | | |
| Balance as of 09/30/23 | 72.46 | 430.40 | - | 502.86 |
| Subsequent activities: | | | | |
| 10/10/2023 Ptax Deposit | 0.15 | 0.82 | - | 0.97 |
| <i>Anticipated Activity:</i> | | | | - |
| <i>Anticipated balance</i> | <u>72.61</u> | <u>431.22</u> | <u>-</u> | <u>503.83</u> |
| | General Fund | Debt Service Fund | Capital Projects Fund | Total |
| <u>CSAFE Account - WESTERLY NO. 2</u> | | | | |
| Balance as of 09/30/23 | 3,402.80 | 19,395.65 | - | 22,798.45 |
| Subsequent activities: | | | | |
| 10/10/2023 Ptax Deposit | 12.76 | 70.19 | - | 82.95 |
| <i>Anticipated Activity:</i> | | | | - |
| <i>Anticipated balance</i> | <u>3,415.56</u> | <u>19,465.84</u> | <u>-</u> | <u>22,881.40</u> |
| | General Fund | Debt Service Fund | Capital Projects Fund | Total |
| <u>CSAFE Account - WESTERLY NO. 3</u> | | | | |
| Balance as of 09/30/23 | 460.66 | 2,861.75 | - | 3,322.41 |
| Subsequent activities: | | | | |
| 10/10/2023 Ptax Deposit | 0.60 | 3.30 | - | 3.90 |
| <i>Anticipated Activity:</i> | | | | - |
| <i>Anticipated balance</i> | <u>\$ 461.26</u> | <u>\$ 2,865.05</u> | <u>\$ -</u> | <u>\$ 3,326.31</u> |

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**Westerly Metropolitan District No. 1
Property Taxes Reconciliation
2023**

| | Current Year | | | | | | | | | | Prior Year | | |
|-------------|----------------|--|--------------------------|----------|------------------|---------------|---------------------|------------------------------------|---------|---------------------|------------------------------------|--------|--|
| | Property Taxes | Delinquent Taxes, Rebates and Abatements | Specific Ownership Taxes | Interest | Treasurer's Fees | Due To County | Net Amount Received | % of Total Property Taxes Received | | Total Cash Received | % of Total Property Taxes Received | | |
| | | | | | | | | Monthly | Y-T-D | | Monthly | Y-T-D | |
| Beg Balance | | | | | | | | | | | | | |
| January | \$ - | \$ - | \$ 0.87 | \$ - | \$ - | \$ - | \$ 0.87 | 0.00% | 0.00% | \$ 0.93 | 0.00% | 0.00% | |
| February | 79.95 | - | 0.79 | - | (1.19) | - | 79.55 | 31.35% | 31.35% | 75.57 | 41.01% | 41.01% | |
| March | - | - | 0.96 | - | - | - | 0.96 | 0.00% | 31.35% | 33.21 | 17.71% | 58.72% | |
| April | - | - | 0.82 | - | - | - | 0.82 | 0.00% | 31.35% | 0.86 | 0.00% | 58.72% | |
| May | - | - | 0.90 | - | - | - | 0.90 | 0.00% | 31.35% | 1.00 | 0.00% | 58.72% | |
| June | 175.50 | - | 0.94 | 2.01 | (2.65) | - | 175.80 | 68.82% | 100.18% | 75.55 | 41.01% | 99.72% | |
| July | - | - | 0.91 | - | - | - | 0.91 | 0.00% | 100.18% | 0.83 | 0.00% | 99.72% | |
| August | - | - | 1.09 | - | - | - | 1.09 | 0.00% | 100.18% | 1.21 | 0.00% | 99.72% | |
| September | - | - | 0.97 | - | - | - | 0.97 | 0.00% | 100.18% | 0.98 | 0.00% | 99.72% | |
| October | | | | | | | - | 0.00% | 100.18% | 0.94 | 0.00% | 99.72% | |
| November | | | | | | | - | 0.00% | 100.18% | 0.89 | 0.00% | 99.72% | |
| December | | | | | | | - | 0.00% | 100.18% | 0.78 | 0.00% | 99.72% | |
| | \$ 255.45 | \$ - | \$ 8.25 | \$ 2.01 | \$ (3.84) | \$ - | \$ 261.87 | 100.18% | 100.18% | \$ 192.75 | 99.72% | 99.72% | |

| | Taxes Levied | % of Levied | Property Taxes Collected | % Collected to Amount Levied |
|-------------------------------|----------------|----------------|--------------------------|------------------------------|
| Property Tax | | | | |
| General Fund | \$ 39 | 15.29% | \$ 39.07 | 100.18% |
| Debt Service Fund | 216 | 84.71% | 216.38 | 100.18% |
| | <u>\$ 255</u> | <u>100.00%</u> | <u>\$ 255.45</u> | <u>100.18%</u> |
| Specific Ownership Tax | | | | |
| General Fund | \$ 2 | 13.33% | \$ 1.10 | 55.00% |
| Debt Service Fund | 13 | 86.67% | 7.15 | 55.00% |
| | <u>\$ 15</u> | <u>100.00%</u> | <u>\$ 8.25</u> | <u>55.00%</u> |
| Treasurer's Fees | | | | |
| General Fund | \$ 0.59 | 15.29% | \$ 0.59 | 100.46% |
| Debt Service Fund | 3.25 | 86.00% | 3.30 | 101.45% |
| | <u>\$ 3.84</u> | <u>101.29%</u> | <u>\$ 3.84</u> | <u>100.00%</u> |

| Assessed Value | Mill Levy |
|----------------|---------------|
| | 10.000 |
| | 55.000 |
| \$ 450 | 65.000 |

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WESTERLY METRO DISTRICT NO. 1 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 Weld County District Court on June 24, 2020, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Erie.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

Westerly Metro Districts Nos. 1-4 are expected to work together to provide for the acquisition, construction, and financing of the public improvements for the Development where District No. 1 acts as the operating district and provides for the construction or acquisition of the infrastructure, District No. 4 issues the debt and Districts No. 2 and 3 act as financing districts that levy taxes and support Districts 1 and 4.

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

REVENUES

Property Taxes

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

The District's maximum Required Mill Levy is 55.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund]. As of December 31, 2022, the adjusted maximum mill levy for debt service is 55.000 mills.

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 6% of the property taxes collected.

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**WESTERLY METRO DISTRICT NO. 1
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

REVENUES (CONTINUED)

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A 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.

EXPENDITURES

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

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.

Emergency Reserve

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

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