

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

The Board of Directors of Westerly Metropolitan District No. 4 (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”), held a special meeting, via teleconference on December 7, 2023, at the hour of 12:15 p.m.

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

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

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the WESTERLY METROPOLITAN DISTRICT NOS. 1-4 (collectively the "Districts"), will hold a meeting via teleconference on December 7, 2023 at 12:15 p.m. for the purpose of conducting such business as may come before the Boards including a public hearing on the 2024 proposed budgets (the "Proposed Budgets"). The necessity may also arise for an amendment to the 2023 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/81240280873?pwd=RibYzmV8Na3kZj84BUlsKp0CjvrtN8.1>
Meeting ID: 812 4028 0873; Passcode: 877836;
Call-In Number: 720-707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where the same are open for public inspection. Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained at <https://westerlymetrodistricts1-4.com/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:

WESTERLY METROPOLITAN DISTRICT NOS. 1-4, quasi-municipal corporations and political subdivisions of the State of Colorado

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

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Prairie Mountain Media, LLC

PUBLISHER'S AFFIDAVIT

County of Boulder
State of Colorado

The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

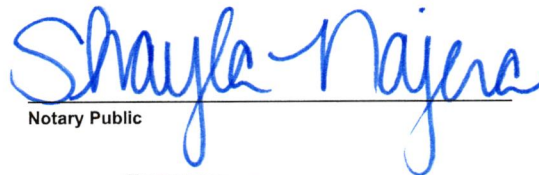
1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Colorado Hometown* in Boulder County on the following date(s):

Dec 6, 2023


Signature

Subscribed and sworn to me before me this

22nd day of December, 2023.


Notary Public

(SEAL)

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025

Account: 1051175
Ad Number: 2021072
Fee: \$36.83

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

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

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

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

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

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 10.394 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of 57.168 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

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

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

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

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

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

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

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

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ADOPTED DECEMBER 7, 2023.

DISTRICT:

**WESTERLY METROPOLITAN DISTRICT
NO. 4**, a quasi-municipal corporation and political
subdivision of the State of Colorado

By: Heidi Majerik
Officer of the District

Attest:

By: Alexander P. Waldi

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

3/2/24
General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
WESTERLY METROPOLITAN DISTRICT NO. 4

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

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of December 2023.

Heidi Majerik

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

WESTERLY METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**WESETRLY METROPOLITAN DISTRICT NO. 4
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 33,532,470	\$ 16,354,593	\$ 4,148,730
REVENUES			
Property taxes	26	1,658	3,300
Specific ownership taxes	1	75	132
Interest income	377,493	511,839	140,775
Transfers from other districts - WMD 1	104,459	125,054	150,145
Transfers from other districts - WMD 2	3,631	16,597	159,146
Transfers from other districts - WMD 3	3,001	1,185	1,342
Total revenues	488,611	656,408	454,840
Total funds available	34,021,081	17,011,001	4,603,570
EXPENDITURES			
General Fund	4	282	543
Debt Service Fund	1,563,977	1,559,390	1,560,411
Capital Projects Fund	16,102,507	11,302,599	-
Total expenditures	17,666,488	12,862,271	1,560,954
Total expenditures and transfers out requiring appropriation	17,666,488	12,862,271	1,560,954
ENDING FUND BALANCES	\$ 16,354,593	\$ 4,148,730	\$ 3,042,616

WESETRLY METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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ASSESSED VALUATION

Agricultural	360	-	-
State assessed	-	-	4,350
Vacant land	-	25,330	44,480
	<u>360</u>	<u>25,330</u>	<u>48,830</u>
Certified Assessed Value	<u>\$ 360</u>	<u>\$ 25,330</u>	<u>\$ 48,830</u>

MILL LEVY

General	10.000	10.000	10.394
Debt Service	61.230	55.000	57.168
Total mill levy	<u>71.230</u>	<u>65.000</u>	<u>67.562</u>

PROPERTY TAXES

General	\$ 4	\$ 253	\$ 508
Debt Service	22	1,393	2,792
Levied property taxes	<u>26</u>	<u>1,646</u>	<u>3,300</u>
Adjustments to actual/rounding	-	12	-
Budgeted property taxes	<u>\$ 26</u>	<u>\$ 1,658</u>	<u>\$ 3,300</u>

BUDGETED PROPERTY TAXES

General	\$ 4	\$ 255	\$ 508
Debt Service	22	1,403	2,792
	<u>\$ 26</u>	<u>\$ 1,658</u>	<u>\$ 3,300</u>

**WESETRLY METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	4	255	508
Specific ownership taxes	-	15	20
Interest income	-	12	15
Total revenues	4	282	543
Total funds available	4	282	543
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	4	8
Contingency	-	-	15
Transfers to Other Districts - WMD1	4	278	520
Operations and maintenance			
Total expenditures	4	282	543
Total expenditures and transfers out requiring appropriation	4	282	543
ENDING FUND BALANCES	\$ -	\$ -	\$ -

WESETRLY METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 6,736,284	\$ 5,383,821	\$ 4,148,730
REVENUES			
Property taxes	22	1,403	2,792
Specific ownership taxes	1	60	112
Interest income	100,400	180,000	140,760
Transfers from other districts - WMD 1	104,459	125,054	150,145
Transfers from other districts - WMD 2	3,631	16,597	159,146
Transfers from other districts - WMD 3	3,001	1,185	1,342
Total revenues	211,514	324,299	454,297
Total funds available	6,947,798	5,708,120	4,603,027
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	21	42
Banking fees	4,608	-	-
Paying agent fees	8,000	8,000	9,000
Debt Service			
Bond Interest - Series 2021 A1	1,551,369	1,551,369	1,551,369
Total expenditures	1,563,977	1,559,390	1,560,411
Total expenditures and transfers out requiring appropriation	1,563,977	1,559,390	1,560,411
ENDING FUND BALANCES	\$ 5,383,821	\$ 4,148,730	\$ 3,042,616

WESETRLY METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 26,796,186	\$ 10,970,772	\$ -
REVENUES			
Interest income	277,093	331,827	-
Total revenues	277,093	331,827	-
Total funds available	27,073,279	11,302,599	-
EXPENDITURES			
General and Administrative			
Banking fees	12,953	-	-
Capital Projects			
Transfers to Other Districts - WMD1	16,089,554	11,302,599	-
Total expenditures	16,102,507	11,302,599	-
Total expenditures and transfers out requiring appropriation	16,102,507	11,302,599	-
ENDING FUND BALANCES	\$ 10,970,772	\$ -	\$ -

**WESTERLY METROPOLITAN DISTRICT NO. 4
2024 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 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. As of December 31, 2023, the adjusted maximum mill levy for debt service is 57.168 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.

**WESTERLY METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

REVENUES - CONTINUED

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

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

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.

WESTERLY METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Emergency Reserve

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

Debt and Leases

Bond Proceeds

The District issued the General Obligation Limited Tax Bonds on February 19, 2021, in the par amounts of: \$31,345,000 for the 2021A-1 Senior Bonds, \$5,001,197.60 (value at issuance) and \$6,730,000 (value at conversion date) for the 2021A-2 Senior Bonds, and \$8,476,000 for the Subordinate Bonds.

Proceeds from the sale of the Senior Bonds will be used to: (i) finance or reimburse the costs of public improvements related to a residential and commercial development in the Town; (ii) pay capitalized interest on the 2021A-1 Senior Bonds; (iii) fund an initial deposit to the Senior Surplus Fund; and (iv) pay the costs of issuance of the Bonds. Proceeds of the Subordinate Bonds will be used to finance additional public improvements related to the Development.

Details of the 2021A-1 Senior Bonds

The 2021A-1 Senior Bonds are expected to bear interest at rates ranging from 4.125% to 5.000% per annum and are payable semiannually on June 1 and December 1, beginning on December 1, 2021. The 2021A-1 Senior Bonds have a final maturity on December 1, 2050. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2028.

To the extent principal of any 2021A-1 Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Senior Bonds Termination Date of December 2, 2060, and shall continue to bear interest at the rate then borne by the 2021A-1 Senior Bond. To the extent interest on any 2021A-1 Senior Bond is not paid when due, such interest shall compound semiannually on each interest payment date (June 1 and December 1) at the rate borne by the 2021A-1 Senior Bond. If any amount of principal or interest due on the 2021A-1 Senior Bonds remains unpaid on the Senior Bonds Termination Date, such unpaid amount will be deemed discharged.

The 2021A-2 Senior Bonds will be issued as capital appreciation bonds that automatically convert to current interest bonds on December 1, 2026. Prior to conversion to current interest bonds, the 2021A-2 Senior Bonds do not pay current interest; instead they accrete in value at an annual yield equal to 5.200%. The accreted amount compounds semiannually on each interest payment date (June 1 and December 1), beginning June 1, 2021, to and including December 1, 2026. Such accreted amount, together with the original principal amount of the 2021A-2 Senior Bonds, bears interest at the interest rate borne by the 2021A-2 Senior Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2026, will be \$6,730,000. Upon conversion to current interest bonds, the 2021A-2 Senior Bonds will bear interest at a rate of 5.200%, payable semiannually on June 1 and December 1, commencing on June 1, 2027. Annual principal payments are due on December 1 of each year beginning December 1, 2028. The 2021A-2 Senior Bonds mature on December 1, 2050.

On and after conversion to current interest bonds, to the extent principal of any 2021A-2 Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Senior Bonds Termination Date of December 2, 2060, and shall continue to bear interest at the rate then borne by the 2021A-2 Senior Bond. To the extent interest on any 2021A-2 Senior Bond is not paid when due, such unpaid interest shall compound semiannually on each interest payment date (June 1 and December 1) at the rate borne by the 2021A-2 Senior Bond. If any amount of principal or interest due on the 2021A-2 Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available on the Senior Bonds Termination Date, such unpaid amount will be deemed discharged.

WESTERLY METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (Continued)

Details of the 2021A-1 Senior Bonds (Continued)

Security for the Senior Bonds

The Senior Bonds are payable solely from and to the extent of Senior Pledged Revenue defined generally as the following, net of any costs of collection:

- (a) the Senior Required Mill Levy; including, without limitation, the ad valorem property tax revenue derived from imposition of the Senior Required Mill Levy in tax levy year 2022 (for tax collection year 2023);
- (b) the Pledge Agreement Revenues;
- (c) the Capital Fees;
- (d) the portion of the Senior Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; and
- (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

“Pledge Agreement Revenues” means the moneys derived from the Pledge Districts Capital Revenue.

“Capital Fees” means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District for services, programs, or facilities furnished by the District, whether now in effect or imposed in the future, and include the Capital Facilities Fee.

Senior Required Mill Levy

The District has covenanted to impose a Senior Required Mill Levy upon all taxable property in the District each year in an amount sufficient to pay the Senior Bonds when due, but (i) not in excess of 55 mills (subject to adjustment for changes in the method of calculating assessed valuation on or after January 1, 2017), and (ii) for so long as the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 55 mills (subject to adjustment), or such lesser mill levy which will pay the Senior Bonds when due and will fund the Senior Surplus Fund up to the Maximum Surplus Amount

Additional Security for the Senior Bonds

The 2021A-1 Senior Bonds are further secured by capitalized interest which will be funded from proceeds of the 2021A-1 Senior Bonds in the amount of \$4,654,106 and by amounts in the Senior Surplus Fund (if any).

Except for an initial deposit of \$3,294,000 from proceeds of the Senior Bonds, the Senior Surplus Fund will be funded from deposits of annual Senior Pledged Revenue in excess of that needed to pay annual debt service (if any) up to the Maximum Surplus Amount of \$7,269,240. The Senior Surplus Fund shall be maintained for so long as any Senior Bonds are outstanding.

WESTERLY METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (Continued)

Details of the 2021A-1 Senior Bonds (Continued)

Except to the extent Senior Pledged Revenue is available, the District has no obligation to fund the Senior Surplus Fund after issuance of the Senior Bonds in any amount.

The forecast anticipates that the Senior Surplus Fund will be drawn upon in 2024 and 2025 to meet annual debt service requirements of the Senior Bonds. The District acknowledges that the law places certain restrictions on the use of bond proceeds and debt service mill levies.

Optional Redemption for the Bonds

The Senior Bonds and the Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on March 1, 2026, 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>
March 1, 2026, to February 28, 2027	3.00%
March 1, 2027, to February 29, 2028	2.00
March 1, 2028, to February 28, 2029	1.00
March 1, 2029, and thereafter	0.00

Details of the Subordinate Bonds

The Subordinate Bonds are expected to bear interest at the rate of 8.000% per annum and are payable annually on December 15, beginning December 15, 2021 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2050. 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.

If any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available on the Subordinate Bonds Termination Date of December 16, 2060, such unpaid amount will be deemed discharged.

Security for the Subordinate Bonds

Subordinate Pledged Revenue means the money derived by the District from the following sources, net of any costs of collection:

- (a) the Subordinate Required Mill Levy; including, without limitation, the ad valorem property tax revenue derived from imposition of the Subordinate Required Mill Levy in tax levy year 2022 (for tax collection year 2023);
- (b) the Subordinate Pledge Agreement Revenues;
- (c) the Subordinate Capital Fee Revenue, if any;

**WESTERLY METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Details of the 2021A-1 Senior Bonds (Continued)

Security for the Subordinate Bonds (Continued)

(d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; and

(e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

“Subordinate Pledged Agreement Revenues” means any revenue from Pledge Agreement Revenues remaining after deduction of any amount applied to the payment of any Senior Bonds.

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

Subordinate Required Mill Levy

Pursuant to the Subordinate Indenture, the District has covenanted to impose a Subordinate Required Mill Levy upon all taxable property in the District each year in the amount of 55 mills (subject to adjustment for changes in the method of calculating assessed valuation on or after January 1, 2017) less the amount of the Senior Bond Mill Levy, or such lesser mill levy which is sufficient to pay all of the principal and interest of the Subordinate Bonds in full. Senior Bond Mill Levy means the mill levy required to be used to repay any Senior Bonds. If the amount of the Senior Bond Mill Levy equals or exceeds 55 mills (subject to adjustment) in any year, the Subordinate Required Mill Levy for that year shall be zero.

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

	Balance - December 31, 2022	Additions	Reductions	Balance - December 31, 2023
Governmental Activities:				
Bonds Payable:				
Limited Tax General				
Obligation Bonds:				
Series 2021A-1	\$ 31,345,000	\$ -	\$ -	\$ 31,345,000
Series 2021A-2	5,001,198	-	-	5,001,198
Series 2021A-2 Accretion	479,446	288,717	-	768,163
Series 2021B	8,476,000	-	-	8,476,000
Series 2021B Accrued	-	-	-	-
Interest	1,314,904	-	-	1,314,904
Total Bonds Payable	46,616,548	288,717	-	46,905,265
Unamortized Bond Premium	871,563	-	41,627	829,936
Total	\$ 47,488,111	\$ 288,717	\$ 41,627	\$ 47,735,201

This information is an integral part of the accompanying budget.

WESTERLY METROPOLITAN DISTRICT NO. 4

FORECASTED SURPLUS CASH BALANCES AND CASH RECEIPTS AND DISBURSEMENTS

GENERAL AND DEBT SERVICE FUNDS ONLY

SCHEDULE OF ESTIMATED 2021A-1 SENIOR BONDS DEBT SERVICE REQUIREMENTS

FOR THE CALENDAR YEARS ENDING 2021 THROUGH 2056

<div> Series 2021A-1 Bond Issue Dated: February 19, 2021 \$31,345,000 Issued: February 19, 2021 Principal payments due on December 1 Interest Rate: 4.125% 5.000% 5.000% Term Due: 12/1/2031 12/1/2040 12/1/2050 </div>								
Year	Principal	Coupon	Interest	Total 2021A-1 Bonds Debt Service	Capitalized Interest Fund	Net 2021A-1 Bonds Debt Service	Bond Principal Outstanding	Year
(To Page 5)								
2021	-	4.125%	1,215,239	1,215,239	(1,215,239)	-	31,345,000	2021
2022	-	4.125%	1,551,369	1,551,369	(1,551,369)	-	31,345,000	2022
2023	-	4.125%	1,551,369	1,551,369	(1,551,369)	-	31,345,000	2023
2024	-	4.125%	1,551,369	1,551,369	(336,130)	1,215,239	31,345,000	2024
2025	-	4.125%	1,551,369	1,551,369	-	1,551,369	31,345,000	2025
2026	-	4.125%	1,551,369	1,551,369	-	1,551,369	31,345,000	2026
2027	-	4.125%	1,551,369	1,551,369	-	1,551,369	31,345,000	2027
2028	180,000	4.125%	1,551,369	1,731,369	-	1,731,369	31,165,000	2028
2029	410,000	4.125%	1,543,944	1,953,944	-	1,953,944	30,755,000	2029
2030	580,000	4.125%	1,527,031	2,107,031	-	2,107,031	30,175,000	2030
2031	645,000	4.125%	1,503,106	2,148,106	-	2,148,106	29,530,000	2031
2032	710,000	5.000%	1,476,500	2,186,500	-	2,186,500	28,820,000	2032
2033	750,000	5.000%	1,441,000	2,191,000	-	2,191,000	28,070,000	2033
2034	830,000	5.000%	1,403,500	2,233,500	-	2,233,500	27,240,000	2034
2035	870,000	5.000%	1,362,000	2,232,000	-	2,232,000	26,370,000	2035
2036	960,000	5.000%	1,318,500	2,278,500	-	2,278,500	25,410,000	2036
2037	1,005,000	5.000%	1,270,500	2,275,500	-	2,275,500	24,405,000	2037
2038	1,105,000	5.000%	1,220,250	2,325,250	-	2,325,250	23,300,000	2038
2039	1,160,000	5.000%	1,165,000	2,325,000	-	2,325,000	22,140,000	2039
2040	1,265,000	5.000%	1,107,000	2,372,000	-	2,372,000	20,875,000	2040
2041	1,325,000	5.000%	1,043,750	2,368,750	-	2,368,750	19,550,000	2041
2042	1,440,000	5.000%	977,500	2,417,500	-	2,417,500	18,110,000	2042
2043	1,510,000	5.000%	905,500	2,415,500	-	2,415,500	16,600,000	2043
2044	1,635,000	5.000%	830,000	2,465,000	-	2,465,000	14,965,000	2044
2045	1,715,000	5.000%	748,250	2,463,250	-	2,463,250	13,250,000	2045
2046	1,855,000	5.000%	662,500	2,517,500	-	2,517,500	11,395,000	2046
2047	1,945,000	5.000%	569,750	2,514,750	-	2,514,750	9,450,000	2047
2048	2,095,000	5.000%	472,500	2,567,500	-	2,567,500	7,355,000	2048
2049	2,200,000	5.000%	367,750	2,567,750	-	2,567,750	5,155,000	2049
2050	5,155,000	5.000%	257,750	5,412,750	-	5,412,750	-	2050
2051	-	-	-	-	-	-	-	2051
2052	-	-	-	-	-	-	-	2052
2053	-	-	-	-	-	-	-	2053
2054	-	-	-	-	-	-	-	2054
2055	-	-	-	-	-	-	-	2055
2056	-	-	-	-	-	-	-	2056
	31,345,000		35,248,401	66,593,401	(4,654,106)	61,939,295		

<u>USE OF PROCEEDS:</u>	
Project Fund	\$23,815,792
Premium	(945,798)
Capitalized Interest	4,654,106
Deposit to Surplus Fund	2,794,000
Issuance Costs	400,000
Underwriter's Discount	626,900
	<u>\$31,345,000</u>

No assurance provided. See summary of significant assumptions.

WESTERLY METROPOLITAN DISTRICT NO. 4

FORECASTED SURPLUS CASH BALANCES AND CASH RECEIPTS AND DISBURSEMENTS

GENERAL AND DEBT SERVICE FUNDS ONLY

SCHEDULE OF ESTIMATED 2021A-2 SENIOR BONDS DEBT SERVICE REQUIREMENTS

FOR THE CALENDAR YEARS ENDING 2021 THROUGH 2056

Series 2021A-2 Bond Issue Convertible Capital Appreciation Bonds									
Dated:		February 19, 2021		\$5,001,197.60					
Issued:		February 19, 2021		Principal payments due on December 1					
Interest Rate:		5.20%							
Conversion Date:		12/1/2026							
			Total Value at Maturity	Interest Rate from Conversion Date	Current Interest after Conversion Date	Total Bonds Debt Service	2021A-2 Bonds Debt Service	Bond Principal Outstanding After Conversion	Year
Year	Issue Amount	Accreted Amount							
							(To Page 5)		
2021	-	-	-		-	-	-	-	2021
2022	-	-	-		-	-	-	-	2022
2023	-	-	-		-	-	-	-	2023
2024	-	-	-		-	-	-	-	2024
2025	-	-	-		-	-	-	-	2025
2026	-	-	-		-	-	-	6,730,000	2026
2027	-	-	-	5.20%	349,960	349,960	349,960	6,730,000	2027
2028	26,009.20	8,990.80	35,000.00	5.20%	349,960	384,960	384,960	6,695,000	2028
2029	63,165.20	21,834.80	85,000.00	5.20%	348,140	433,140	433,140	6,610,000	2029
2030	89,174.40	30,825.60	120,000.00	5.20%	343,720	463,720	463,720	6,490,000	2030
2031	100,321.20	34,678.80	135,000.00	5.20%	337,480	472,480	472,480	6,355,000	2031
2032	115,183.60	39,816.40	155,000.00	5.20%	330,460	485,460	485,460	6,200,000	2032
2033	118,899.20	41,100.80	160,000.00	5.20%	322,400	482,400	482,400	6,040,000	2033
2034	133,761.60	46,238.40	180,000.00	5.20%	314,080	494,080	494,080	5,860,000	2034
2035	141,192.80	48,807.20	190,000.00	5.20%	304,720	494,720	494,720	5,670,000	2035
2036	152,339.60	52,660.40	205,000.00	5.20%	294,840	499,840	499,840	5,465,000	2036
2037	163,486.40	56,513.60	220,000.00	5.20%	284,180	504,180	504,180	5,245,000	2037
2038	178,348.80	61,651.20	240,000.00	5.20%	272,740	512,740	512,740	5,005,000	2038
2039	185,780.00	64,220.00	250,000.00	5.20%	260,260	510,260	510,260	4,755,000	2039
2040	204,358.00	70,642.00	275,000.00	5.20%	247,260	522,260	522,260	4,480,000	2040
2041	215,504.80	74,495.20	290,000.00	5.20%	232,960	522,960	522,960	4,190,000	2041
2042	234,082.80	80,917.20	315,000.00	5.20%	217,880	532,880	532,880	3,875,000	2042
2043	248,945.20	86,054.80	335,000.00	5.20%	201,500	536,500	536,500	3,540,000	2043
2044	267,523.20	92,476.80	360,000.00	5.20%	184,080	544,080	544,080	3,180,000	2044
2045	282,385.60	97,614.40	380,000.00	5.20%	165,360	545,360	545,360	2,800,000	2045
2046	300,963.60	104,036.40	405,000.00	5.20%	145,600	550,600	550,600	2,395,000	2046
2047	319,541.60	110,458.40	430,000.00	5.20%	124,540	554,540	554,540	1,965,000	2047
2048	341,835.20	118,164.80	460,000.00	5.20%	102,180	562,180	562,180	1,505,000	2048
2049	360,413.20	124,586.80	485,000.00	5.20%	78,260	563,260	563,260	1,020,000	2049
2050	757,982.40	262,017.60	1,020,000.00	5.20%	53,040	1,073,040	1,073,040	-	2050
2051							-	-	2051
2052							-	-	2052
2053							-	-	2053
2054							-	-	2054
2055							-	-	2055
2056							-	-	2056
	5,001,197.60	1,728,802.40	6,730,000.00		5,865,600	12,595,600	12,595,600		

USE OF PROCEEDS:

Project Fund	\$4,401,173.65
Deposit to Surplus Fund	500,000.00
Underwriter's Discount	100,023.95
	<u>\$5,001,197.60</u>

No assurance provided. See summary of significant assumptions.