

**WILLOW BROOK METROPOLITAN DISTRICT  
REGULAR MEETING AGENDA**

<u>Board of Directors</u>	<u>Office:</u>	<u>Term Expiration</u>
EJ Olbright	President	May 2027
Mat Sherwood	Vice President	May 2025
Michael Good	Secretary	May 2025
Randy Lewis	Director	May 2027
Jim Hahn	Director	May 2027

**DATE: Friday, August 18, 2023**

**TIME: 2:30 PM**

**PLACE: VIRTUAL MEETING AND IN-PERSON MEETING AT  
THE GATE HOUSE, 524 Ruby Road, Silverthorne, Colorado**

Join Zoom Meeting

<https://us06web.zoom.us/j/96589633756?pwd=TkVFfa2FYWXJuK3U0VkhXZ3JuaDZPZz09>

Meeting ID: 965 8963 3756

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***FOR THOSE CALLING IN, PLEASE PRESS \*6 TO MUTE/UNMUTE  
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**DISTRICT INFORMATION AND PUBLIC DOCUMENTS ARE POSTED ON THE  
DISTRICT'S WEBSITE AT: [willowbrookmd.colorado.gov](http://willowbrookmd.colorado.gov)**

Formal actions may be taken on one or more of the following items on the agenda.

- I. ADMINISTRATIVE MATTERS
  - A. Call to Order
  - B. Present Disclosures of Potential Conflicts of Interest
  - C. Solicit Public Comment (for non-agenda items – 3 minute time limit)
  - D. Approval of Agenda
  - E. Review and Approve Minutes of the June 16, 2023 Meeting (enclosure)
- II. Presentation by Auditor – Review and Accept 2022 Audit (enclosure)
- III. RESPONSES TO RESIDENT COMMUNICATIONS
  - A. July 19, 2023 Email from Don Samuels Regarding Weed Sprayer (enclosure)
  - B. July 19, 2023 Email from Don Samuels Regarding Inflation Measure for General

- Fund Mill Levy Calculation (enclosure)
- C. July 27, 2023 Email from Don Samuels Regarding Bears/Dumpsters (enclosure)

IV. RANCH MANAGER REPORT

V. PROJECT UPDATES

- A. Mail Box and Trash Enclosure Project
  - 1. Ratify Contract with Jon Rovick
- B. Meter Installation Project
  - 1. Update on Grant Funds

VI. WATER SYSTEM UPDATE

- A. GWUDI Assessment

VII. FINANCIAL/ADMINISTRATIVE ITEMS

- A. Consider Approval and Ratification of Claims (enclosure)
- B. Review Financial Statements for the Period Ended July 31, 2023 and Cash Position for the Period Ending August 15, 2023(enclosures)
- C. Public Hearing: 2022 Budget Amendment (enclosure)
- D. Review 2024 Budget Timeline
  - 1. Set Public Hearing Date To Adopt 2024 Budget

VIII. DIRECTORS' ITEMS

- A. Discussion Regarding Rules and Regulations

IX. OTHER BUSINESS

X. ADJOURNMENT

*Motion by Director \_\_\_\_\_ to adjourn. Upon second by Director \_\_\_\_\_, vote is taken.*

The next regular meeting of the Board of Directors of the Willow Brook Metropolitan District will be held on October 20, 2023. Notice of said meeting will be provided prior to the meeting.

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**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
WILLOW BROOK METROPOLITAN DISTRICT  
HELD  
JUNE 16, 2023**

**ATTENDANCE:** The regular meeting of the Board of Directors of the Willow Brook Metropolitan District was called and held on Friday, June 16, 2023, at 2:30 p.m. via teleconference and in person at The Gate House, 524 Ruby Road, Silverthorne, Colorado, in accordance with Colorado law. The following Directors were present and confirmed their qualification to serve on the Board:

EJ Olbright, President  
Michael Good, Secretary  
Randy Lewis, Director  
Jim Hahn, Director

Absent was Director Sherwood, whose absence was excused.

Others in attendance:

Sue Blair and Marcos Pacheco; Community Resource Services of Colorado, LLC  
Jim Nielsen, Ranch Manager  
David Anderson  
Carl Oppedahl  
Becky Tomasek  
Jon Rovick  
David Radlauer  
Marina Larson  
Don Samuels

**CALL TO ORDER:** Director Olbright noted that a quorum of the Board was present, and the meeting was called to order at 2:30 p.m.

**DISCLOSURE OF CONFLICTS OF INTEREST:** There were no conflicts of interest.

**ELECTION OF OFFICERS:** The current slate of officers are as follows:  
EJ Olbright, President  
Mat Sherwood, Vice President  
Michael Good, Secretary

Jim Hahn, Director  
Randy Lewis, Director

Nominations were made to elect Jim Hahn as Treasurer and keep the remaining slate of officers the same. Director Lewis moved to elect Jim Hahn as Vice President/Treasurer and keep the remaining slate of officers the same. Upon second by Director Hahn, vote was taken and motion carried unanimously.

**PUBLIC COMMENT:** Ms. Larson would like the neighborhood to be notified when weed spraying is happening, to allow resident to make the decision to keep their pets or children inside. Also, Mr. Samuels requested that color be added to the spray in the future. There was no color this year so there was no way to identify the sprayed areas.

**APPROVAL OF AGENDA:** Director Lewis moved that the Board amend the agenda adding item 7A regarding the horse policy. Upon a second by Director Hahn, a vote was taken and the motion carried unanimously.

**MINUTES:** The Board reviewed the minutes of the April 21, 2023 meeting. Director Lewis moved to approve the minutes as presented. Upon second by Director Hahn, vote was taken, and the motion carried unanimously.

**RESPONSES TO RESIDENT COMMUNICATION:** Ms. Blair reviewed the change to the communication policy, clarifying the Board and Communication email addresses. Ms. Larson added comments that it should be the responsibility of the individual to update their email address, and the District could send out an annual email verification to all owners. To include annual email verification. Director Lewis moved that the Board approve the communication policy changes. Upon second by Director Good, vote was taken and the motion carried unanimously.

Ms. Blair responded to questions contained within emails sent from Mr. Oppedahl on May 5, 2023 to the Board. In opening, she outlined the qualifications to vote in an election. Ms. Blair answered questions from the public.

Ms. Blair then addressed concerns contained within communication from Mr. Oppedahl on May 23, 2023, related to assessed values. She then outlined potential outcomes if the voters approve certain bills. Ms. Blair then answered questions from the public. There was extensive discussion surrounding the taxes and mills of the District.

**RANCH MANAGER  
REPORT**

Director Olbright updated the Board on several projects for the Ranch Manager. Several positive comments were made about the good job Mr. Nielsen has been doing. In addition, Mr. Steve Wherry was thanked for his help with projects.

Haying Contract - Director Lewis motioned to ratify the 2023 haying contract. Upon second by Director Good, vote was taken and the motion carried unanimously.

**PROJECT UPDATES:**

Mr. Anderson provided an update on bids received for upcoming projects. He would recommend that the Board accept the proposal from Spirit Builders as the most complete and affordable bid received. The total of the bid is \$73,450, but there is an opportunity for savings. After discussion Director Good moved to engage Spirit Builders to complete the trash and mailbox projects at \$73,450, such a number to be adjusted according to circumstances. Upon second by Director Lewis vote was taken, and the motion carried unanimously. Director Olbright thanked Mr. Anderson for his efforts. CRS will draft a contract and circulate it to Jon Rovick and President Olbright via DocuSign.

Ms. Blair reported that the District won't hear about the meter project until this fall.

Water System Improvement Project Closeout - Ms. Blair reported that a letter will be sent to the state noting that the unused funds of approximately \$220,000 will be returned. The loan principal will be reduced by that amount. Director Hahn motioned to approve the letter to the state as prepared by Ms. Blair. Upon second by Director Lewis, vote was taken and the motion carried unanimously.

**WATER SYSTEM  
UPDATE:**

GWUDI Assessment - Director Olbright reported on the action item list and where the District stands with the overall project. Next up is the notification to be sent to CDPHE. Once submitted, CDPHE has 30-60 days to respond. Director Olbright outlined important dates and anticipated deadlines that the group is following.

**FINANCIALS/  
ADMINSTRATIVE  
ITEMS:**

Ms. Blair reviewed the claims for the Board to approve totaling \$65,403.02. Upon motion duly made to approve by Director Lewis and second by Director Good, the motion was carried unanimously.

In addition, Ms. Blair requested Board ratification for prior claims totaling \$46,173.09. Director Hahn moved to ratify the payment of claims presented. Upon second by Director Good, vote was taken and motion carried unanimously.

Ms. Blair presented the financial statements and cash position. Director Good moved to approve the financial statements as presented. Upon second by Director Hahn, vote was taken and motion carried unanimously.

Front-End Loader: Ms. Blair reported that Silverthorne has agreed to a two-year term. The Lease Purchase Agreement has been approved by the Town. The first payment would be due on June 30, 2023. Director Good provided comments and asked Director Lewis and Ms. Blair to verify everything is in the proper place. Director Good also asked for affirmation that the unit is in proper usable condition. Mr. Nielsen has operated this and confirmed it works properly. Director Hahn moved that the Board approve the Lease Purchase Agreement, pending final review by Director Lewis and Ms. Blair. Upon second by Director Good, the motion carried unanimously.

There was an extensive discussion about where the loader would be stored on the Ranch.

**DIRECTORS ITEMS:** Horse Sponsorship Update: There was an update provided about the legal opinion of the equestrian facility. The opinion states that horse sponsorship is not a commercial operation. The District allows the facility to be used, at the expense of the owners, but not for profit. After discussion amongst the Board, there were comments from the public as it relates to the path forward. There was extensive discussion about this topic.

The Board provided last thoughts and comments that could help the District arrive at a final decision on how to move forward. Director Lewis is recommending a committee to help with this permanent solution. Ms. Larson would be happy to be on the committee and will approach other horse owners to gauge their interest in serving.

**OTHER BUSINESS:** SDA Conference: Ms. Blair reviewed the SDA Conference schedule with the Board. Directors Lewis and Olbright will attend. Mr. Nielsen will also attend.

**ADJOURNMENT:** There being no further business to come before the Board, the meeting was adjourned at 4:29 p.m.

Respectfully submitted,

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Secretary for the Meeting

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**WILLOW BROOK  
METROPOLITAN DISTRICT  
Summit County, Colorado**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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**BASIC FINANCIAL STATEMENTS**

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**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 62,572	\$ 187,556	\$ 250,128
Accounts receivable:			
Customer	12,156	26,711	38,867
County treasurer	1,394	420	1,814
Other	149,000	-	149,000
Property taxes receivable	385,719	248,129	633,848
Prepaid expenditures	17,664	-	17,664
Capital assets, not being depreciated	11,760	40,466	52,226
Capital assets, net of accumulated depreciation	747,103	2,804,023	3,551,126
Total assets	<u>1,387,368</u>	<u>3,307,305</u>	<u>4,694,673</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other liabilities	12,143	15,825	27,968
Accrued interest payable	1,283	6,443	7,726
Loan and notes payable - current portion	55,000	124,909	179,909
Total current liabilities	<u>68,426</u>	<u>147,177</u>	<u>215,603</u>
<b>NONCURRENT LIABILITIES</b>			
Loan and notes payable	330,000	1,369,763	1,699,763
Total liabilities	<u>398,426</u>	<u>1,516,940</u>	<u>1,915,366</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	385,719	248,129	633,848
Total deferred inflows of resources	<u>385,719</u>	<u>248,129</u>	<u>633,848</u>
<b>NET POSITION</b>			
Net investment in capital assets	373,863	1,499,817	1,873,680
Restricted for emergencies	12,300	32,900	45,200
Unrestricted	217,060	9,519	226,579
Total net position	<u>\$ 603,223</u>	<u>\$ 1,542,236</u>	<u>\$ 2,145,459</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2022**

<b>Functions/Programs</b>	<b>Program Revenues</b>				<b>Net (Expenses) Revenues and Change in Net Position</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Governmental activities:							
General government	\$ 332,965	\$ 66,701	\$ 31,208	\$ -	\$ (235,056)	\$ -	\$ (235,056)
	<u>332,965</u>	<u>66,701</u>	<u>31,208</u>	<u>-</u>	<u>(235,056)</u>	<u>-</u>	<u>(235,056)</u>
Business-type activities:							
Water	667,577	115,050	274,000	-	-	(278,527)	(278,527)
	<u>667,577</u>	<u>115,050</u>	<u>274,000</u>	<u>-</u>	<u>-</u>	<u>(278,527)</u>	<u>(278,527)</u>
<b>Total</b>	<u><u>\$ 1,000,542</u></u>	<u><u>\$ 181,751</u></u>	<u><u>\$ 305,208</u></u>	<u><u>\$ -</u></u>	<u><u>(235,056)</u></u>	<u><u>(278,527)</u></u>	<u><u>(513,583)</u></u>
General revenues and transfers:							
Taxes:							
Property taxes					404,135	120,877	525,012
Specific ownership taxes					19,272	5,809	25,081
Conservation trust funds					543	-	543
Interest					5,125	19	5,144
Unrealized loss					(1,688)	-	(1,688)
Miscellaneous					305	-	305
Transfers (out) in					(45,876)	45,876	-
Total general revenues and transfers					<u>381,816</u>	<u>172,581</u>	<u>554,397</u>
Change in net position					146,760	(105,946)	40,814
Net position - beginning					456,463	1,648,182	2,104,645
Net position - ending					<u><u>\$ 603,223</u></u>	<u><u>\$ 1,542,236</u></u>	<u><u>\$ 2,145,459</u></u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUND  
December 31, 2022**

	<b>General</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 62,572
Accounts receivable:	
Customer	12,156
County treasurer	1,394
Grants	149,000
Property taxes receivable	385,719
Prepaid expenditures	17,664
<b>TOTAL ASSETS</b>	<b>\$ 628,505</b>
 <b>LIABILITIES</b>	
Accounts payable and other liabilities	\$ 12,143
<b>TOTAL LIABILITIES</b>	<b>12,143</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	385,719
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>385,719</b>
 <b>FUND BALANCE</b>	
Nonspendable:	
Prepaid expenditures	17,664
Spendable:	
Restricted:	
Emergency reserves	12,300
Unassigned	200,679
<b>TOTAL FUND BALANCE</b>	<b>230,643</b>

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.	
Capital assets	758,863
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds.	
Accrued interest payable	(1,283)
Taxable promissory note	(385,000)
Net position of governmental activities	<b>\$ 603,223</b>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUND**  
**Year Ended December 31, 2022**

	<b>General</b>
<b>REVENUES</b>	
Conservation trust funds	\$ 543
General fund reserve	33,046
Grants and contributions	31,208
Interest	5,125
Miscellaneous	305
Property taxes	404,135
Specific ownership taxes	19,272
Snow removal	20,856
Stable/meadow fees	500
Trash service	12,299
Unrealized loss	(1,688)
Total revenues	525,601
<b>EXPENDITURES</b>	
General government:	
Audit	12,000
County treasurer fees	20,028
District management and accounting	68,955
Election	6,648
Insurance and dues	18,811
Legal	6,193
Miscellaneous	4,221
Signage design proposal	6,309
Trash removal	18,764
Utilities	11,822
Weeds	194
Operations and maintenance	4,892
Ranch manager	59,731
Irrigation	30
Roads	25,635
Stable - equestrian center	315
Debt service:	
Note principal	55,000
Note interest	17,631
Capital outlay:	
Road improvements and culverts	70,529
Total expenditures	407,708
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>117,893</b>
<b>OTHER FINANCING USES</b>	
Transfer to water fund	(45,876)
Total other financing uses	(45,876)
<b>NET CHANGE IN FUND BALANCE</b>	<b>72,017</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>158,626</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 230,643</b>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2022**

A reconciliation reflecting the differences between the governmental funds net change in fund balance and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balance - Total governmental fund	\$	72,017
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		70,529
Depreciation		(50,970)
		19,559
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:</p>		
Note principal payment		55,000
<p>Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in accrued interest on long-term obligations		184
		184
Change in net position - governmental activities	\$	146,760

These financial statements should be read only in connection with the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended December 31, 2022**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Conservation trust funds	\$ 200	\$ 543	\$ 343
General fund reserve	33,000	33,046	46
Grants and contributions	8,500	31,208	22,708
Interest	1,000	5,125	4,125
Miscellaneous	-	305	305
Property taxes	401,406	404,135	2,729
Specific ownership taxes	28,200	19,272	(8,928)
Snow removal	18,000	20,856	2,856
Stable/Meadow fees	2,000	500	(1,500)
Trash service	13,000	12,299	(701)
Unrealized loss	-	(1,688)	(1,688)
Total revenues	<u>505,306</u>	<u>525,601</u>	<u>20,295</u>
<b>EXPENDITURES</b>			
General government:			
Audit	12,000	12,000	-
County treasurer fees	20,072	20,028	44
District management and accounting	80,000	68,955	11,045
Election	2,000	6,648	(4,648)
Insurance and dues	8,000	18,811	(10,811)
Legal	10,000	6,193	3,807
Miscellaneous	4,000	4,221	(221)
Signage design proposal	40,000	6,309	33,691
Trash enclosure improvements	3,000	-	3,000
Trash removal	16,000	18,764	(2,764)
Utilities	10,800	11,822	(1,022)
Weeds	200	194	6
Emergency reserve	12,595	-	12,595
Operations and maintenance	3,000	4,892	(1,892)
Ranch manager	72,825	59,731	13,094
Irrigation	-	30	(30)
Hay meadows and fencing	5,000	-	5,000
Roads	64,000	25,635	38,365
Stable - equestrian center	100	315	(215)
Debt service:			
Note principal	55,000	55,000	-
Note interest	17,600	17,631	(31)
Capital outlay:			
Road improvements and culverts	-	70,529	(70,529)
Total expenditures	<u>436,192</u>	<u>407,708</u>	<u>28,484</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>69,114</u>	<u>117,893</u>	<u>48,779</u>

These financial statements should be read only in connection with the  
accompanying notes to financial statements.



**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**Year Ended December 31, 2022**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>OTHER FINANCING USES</b>			
Transfers to water fund	(33,100)	(45,876)	(12,776)
Total other financing uses	(33,100)	(45,876)	(12,776)
<b>NET CHANGE IN FUND BALANCE</b>	36,014	72,017	36,003
<b>FUND BALANCE - BEGINNING OF YEAR</b>	144,313	158,626	14,313
<b>FUND BALANCE - END OF YEAR</b>	\$ 180,327	\$ 230,643	\$ 50,316
Funds available is computed as follows:			
Current assets		\$ 628,505	
Current liabilities and deferred inflows of resources		(397,862)	
		\$ 230,643	

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These financial statements should be read only in connection with the  
accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
December 31, 2022**

	<b>Water</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 187,556
Accounts receivable:	
Customer	26,711
County treasurer	420
Property taxes receivable	248,129
Total current assets	462,816
<b>CAPITAL ASSETS</b>	
Capital assets, not being depreciated	40,466
Capital assets, being depreciated	3,558,802
	3,599,268
Less accumulated depreciation and amortization	(754,779)
Total capital assets	2,844,489
<b>TOTAL ASSETS</b>	\$ 3,307,305
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable and other liabilities	\$ 15,825
Accrued interest payable	6,443
Long-term obligations - current portion	124,909
Total current liabilities	147,177
<b>NONCURRENT LIABILITIES</b>	
Long-term obligations - noncurrent portion	1,369,763
Total liabilities	1,516,940
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	248,129
Total deferred inflows of resources	248,129
<b>NET POSITION</b>	
Net investment in capital assets	1,349,817
Restricted for emergencies	32,900
Unrestricted	159,519
Total net position	1,542,236
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	\$ 3,307,305

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**Year Ended December 31, 2022**

	<b>Water</b>
<b>OPERATING REVENUES</b>	
Service charges	\$ 66,647
Project reserve fees	48,403
Total operating revenues	115,050
<b>OPERATING EXPENSES</b>	
District management and accounting	9,531
Election	11,869
Legal	6,601
Fire reduction project	381,180
Maintenance contract	31,444
Repairs and maintenance	25,251
Road signage	24,275
Utilities	192
Water billing	22,729
Water testing	573
Water well evaluation	2,850
Depreciation	89,487
Total operating expenses	605,982
<b>LOSS FROM OPERATIONS</b>	(490,932)
<b>NONOPERATING REVENUES AND (EXPENSES)</b>	
Property taxes	120,877
Specific ownership taxes	5,809
Interest	19
Grants	274,000
County treasurer fees	(6,045)
Notes fees	(9,375)
Notes and loan interest	(46,175)
Total nonoperating revenues (expenses)	339,110
<b>LOSS BEFORE TRANSFERS</b>	(151,822)
<b>TRANSFERS</b>	
Transfers from general fund	45,876
Total transfers	45,876
<b>CHANGE IN NET POSITION</b>	(105,946)
<b>NET POSITION - BEGINNING OF YEAR</b>	1,648,182
<b>NET POSITION - END OF YEAR</b>	\$ 1,542,236

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
Year Ended December 31, 2022**

	<b>Water</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 101,354
Payments to vendors	(508,841)
Net cash used in operating activities	(407,487)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Property and specific ownership taxes received	126,734
County treasurer fees paid	(6,045)
Transfers	45,876
Grants	274,000
Note proceeds	473,000
Acquisition of capital assets	(130,045)
Net cash provided by capital financing activities	783,520
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest paid on long-term debt	(55,838)
Principal paid on long-term debt	(396,071)
Net cash used in investing activities	(451,909)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(75,876)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	263,432
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 187,556
<b>RECONCILIATION OF OPERATING LOSS TO CASH FLOWS USED IN OPERATING ACTIVITIES</b>	
Net loss from operations	\$ (490,932)
Adjustments to reconcile net loss from operations to net cash used in operating activities:	
Depreciation	89,487
Effects of changes in operating assets and liabilities:	
Accounts receivable	(13,696)
Accounts payable and other liabilities	7,654
Net cash used in operating activities	\$ (407,487)

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Willow Brook Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Summit County, Colorado. The District was established to provide water, recreation and street maintenance services within its boundaries.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable 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. For the most part, the effect of interfund activity has been removed from these statements. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows of resources and liabilities and deferred inflows of resources 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

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide and proprietary fund 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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities. Tap fees are recorded as capital contributions when received.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes and trash service fees. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

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 District accounts for the capital road paving in a Road Paving Fund which is combined with the General Fund for financial reporting purposes.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District reports the following major proprietary fund:

The Water Fund accounts for the water operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The District accounts for capital purchases in a Capital Projects Fund and a Capital Water Projects Fund which are combined with the Water Fund for financial reporting purposes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**Budgets**

In accordance with the Local Government Budget Law of Colorado, 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 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.

For District management purposes, the District adopts budgets for the General Fund, Road Paving Fund, Capital Water Projects Fund and the Water Operations Fund. However, for financial reporting purposes the Road Paving Fund is combined into the General Fund and the Capital Water Projects Fund is combined into the Water Fund as the capital water projects are related to water operations.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District’s board of directors amended the total appropriations for the following funds:

<u>Fund</u>	<u>Budget Amounts</u>	
	<u>Original</u>	<u>Final</u>
Water Operations Fund	\$ 211,785	\$ 211,785
Capital Water Projects Fund	119,627	958,702
Water Fund - financial reporting purposes	<u>\$ 331,412</u>	<u>\$ 1,170,487</u>

**Pooled Cash and Investments**

The District follows the practice of pooled 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 funds’ average equity balance in total cash.

**Customer Accounts Receivable**

Due to the broad powers of collection, no allowance for uncollectible customer accounts receivable has been reported.

**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 30 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 inflows of resources in the year they are levied and measurable. The deferred inflows of resources related to property tax revenues are recorded as revenue in the year they are available or collected.



**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which include land, water rights, road improvements, bridge improvements, buildings and improvements and water system, are reported in the applicable governmental or business-type activities columns 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 estimated fair market value at the date of donation. The cost of water rights includes acquisition cost, legal and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

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 capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Road improvements	5 – 30 years
Buildings and improvements	10 – 30 years
Bridge improvements	30 years
Water system and equipment	3 – 40 years
Automobiles	5 years

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position will sometimes report 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The revenue continues to be recognized when earned in the government-wide statements. 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.

**Tap Fees and Contributed Lines**

Tap fees are recorded as capital contributions when received. Lines contributed to the District by developers are recorded as capital contributions and additions to the systems at estimated fair market value when received.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balances - Governmental Funds**

The District’s governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance - the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance - the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., board of directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

**NOTE 3 - CASH AND INVESTMENTS**

Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the District board of directors or by an official or body to which the District board of directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the District board of directors has provided otherwise in its commitment or assignment actions.

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Cash and investments	<u>\$ 250,128</u>
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Cash and investments as of December 31, 2022 consist of the following:

Deposits with financial institutions	\$ 165,859
Investments	<u>84,269</u>
	<u>\$ 250,128</u>

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**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 equal to 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, 2022, the District's cash deposits had a bank balance of \$243,716 and carrying balance of \$165,859.

**Investments**

The District has not adopted a formal investment policy, however, the District follows state statutes regarding investments. Colorado State Statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

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.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Local Government Liquid Asset Trust:		
COLOTRUST PLUS+	Weighted average maturity under 60 days	\$ 78,709
COLOTRUST EDGE	Weighted average maturity under one year	5,560
		<u>\$ 84,269</u>

**ColoTrust**

During 2022, the District invested in the Colorado Local Government Liquid Asset Trust (Colostrust), 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 Colostrust. The District invested in COLOTRUST PLUS+ (PLUS) and COLOTRUST EDGE (EDGE), two of the three portfolios offered by Colostrust. PLUS+ operates similarly to a money market fund and each share is equal in value to \$1.00. There are no unfunded commitments, the redemption period frequency is daily and there is no redemption period. Allowable investments in the PLUS+ portfolio include U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. EDGE investments consist of money market instruments and medium-term notes designed for the short to intermediate reserve and surplus funds of Colorado governments.

A designated custodial bank serves as custodian for Colostrust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for Colostrust’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 Colostrust. PLUS+ is rated AAAM by S&P Global Ratings and EDGE is rated AAAs/S1 by Fitch Ratings.

**Investment Valuation**

Certain investments measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted priced in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**WILLOW BROOK METROPOLITAN DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is estimated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in Colotrust at year end for which the investment evaluations were determined as follows.

Colotrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of Colotrust, are accrued daily. The NAV is calculated at fair value using various inputs to determine value in accordance with FASB guidance. It is the goal of PLUS+ to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by Colotrust and there can be no assurance that the NAV will not vary from \$1.00 per share. EDGE does not seek to maintain a stable NAV. EDGE initially established a \$10.00 transactional share price. The principal value of an EDGE investment may fluctuate and could be greater or less than the share price at price of purchase, prior to redemption and at the time of redemption.

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**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 - CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

<b>Governmental activities:</b>	<b>Balance at December 31, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at December 31, 2022</b>
Capital assets, not being depreciated:				
Land	\$ 11,760	\$ -	\$ -	\$ 11,760
Total capital assets, not being depreciated	<u>11,760</u>	<u>-</u>	<u>-</u>	<u>11,760</u>
Capital assets, being depreciated:				
Road improvements	628,471	70,529	-	699,000
Bridge improvements	77,674	-	-	77,674
Automobiles	79,689	-	-	79,689
Buildings and improvements	294,624	-	-	294,624
Total capital assets being depreciated	<u>1,080,458</u>	<u>70,529</u>	<u>-</u>	<u>1,150,987</u>
Less accumulated depreciation for:				
Road improvements	(140,723)	(19,928)	-	(160,651)
Bridge improvements	(24,596)	(2,589)	-	(27,185)
Automobiles	(7,969)	(15,938)	-	(23,907)
Buildings and improvements	(179,626)	(12,515)	-	(192,141)
Total accumulated depreciation	<u>(352,914)</u>	<u>(50,970)</u>	<u>-</u>	<u>(403,884)</u>
Total capital assets being depreciated, net	<u>727,544</u>	<u>19,559</u>	<u>-</u>	<u>747,103</u>
Total capital assets, net	<u>\$ 739,304</u>	<u>\$ 19,559</u>	<u>\$ -</u>	<u>\$ 758,863</u>

Depreciation of the governmental activities is charged to the general government function/program.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 - CAPITAL ASSETS (CONTINUED)**

<b>Business-type activities:</b>	<b>Balance at December 31, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance at December 31, 2022</b>
Capital assets, not being depreciated:				
Water rights	\$ 40,466	\$ -	\$ -	\$ 40,466
Total capital assets, not being depreciated	40,466	-	-	40,466
Capital assets, being depreciated:				
Water system	3,428,757	130,045	-	3,558,802
Total capital assets being depreciated	3,428,757	130,045	-	3,558,802
Less accumulated depreciation for:				
Water system	(665,292)	(89,487)	-	(754,779)
Total accumulated depreciation	(665,292)	(89,487)	-	(754,779)
Total capital assets being depreciated, net	2,763,465	40,558	-	2,804,023
Total capital assets, net	<u>\$ 2,803,931</u>	<u>\$ 40,558</u>	<u>\$ -</u>	<u>\$ 2,844,489</u>

Depreciation of the business-type activities is charged to the water function/program.

**NOTE 5 – LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2022:

<b>Notes payable:</b>	<b>Balance at December 31, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2022</b>	<b>Due Within One Year</b>
Governmental activities:					
Taxable promissory note	\$ 440,000	\$ -	\$ 55,000	\$ 385,000	\$ 55,000
Business-type activities:					
CWR&PDA loan #D19F427	1,417,743	-	73,071	1,344,672	74,909
2022 taxable promissory note	-	150,000	-	150,000	50,000
2022 promissory note	-	323,000	323,000	-	-
Total notes and loan payable	<u>\$ 1,857,743</u>	<u>\$ 473,000</u>	<u>\$ 451,071</u>	<u>\$ 1,879,672</u>	<u>\$ 179,909</u>

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)**

**2020 Taxable Promissory Note**

The District entered into a \$550,000 Taxable Promissory Note (2020 Note) dated May 28, 2020, with 3% interest, payments commencing May 1, 2020. The 2020 Note is for a term of 10 years at a fixed interest rate for 5 years of 4.0%, adjusting on the fifth anniversary of the 2020 Note date to the prevailing 5-year US Treasury rate plus 3.0% with a floor rate of 4.0%. The proceeds from the 2020 Note were used to make improvements to the District’s streets. Principal and interest payments are payable semi-annually on June 1 and December 1 until the final maturity date of December 1, 2030. The District may prepay the 2020 Note, in whole or in part without penalty.

Amounts due on the 2020 Note are to be made from pledged revenues consisting of revenues derived by the District, net of collection costs from the imposition of the required mill levy, specific ownership taxes and any other revenues available to the District. The required mill levy is an ad valorem mill levy imposed on all taxable property of the District each year, when combined with other pledged revenues, is an amount sufficient to pay principal and interest due on the 2020 Note.

Significant events of default under the 2020 Note include (i) failure to pay principal and interest within 5 days, (ii) failure to impose the required mill levy or fail to apply pledged revenue, (iii) failure to meet financial or custodial agreement covenants, (iv) failure to pay principal and interest on any bonds, notes or other obligations, (v) judgement or court order for the payment of money exceeding any insurance coverage by more than \$100,000, (vi) a petition if filed for bankruptcy or insolvency.

Upon the occurrence and during the continuance of any event of default or the failure of the lender to receive any payment of principal or interest on the due date thereof, the 2020 Note balance shall bear interest at the default interest rate as defined in the 2020 Note agreement and the bank may declare all amounts due under the 2020 Note or take any other action available under the financing document.

The following table sets forth the estimated debt service payment schedule for the principal and interest on the 2020 Note:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 55,000	\$ 15,400	\$ 70,400
2024	55,000	13,200	68,200
2025	55,000	11,000	66,000
2026	55,000	8,800	63,800
2027	55,000	6,600	61,600
2028-2029	110,000	6,600	116,600
	<u>\$ 385,000</u>	<u>\$ 61,600</u>	<u>\$ 446,600</u>



**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)**

**Colorado Water Resources & Power Development Authority Loan**

The District entered into a \$1,750,000 Drinking Water Revolving Fund Direct Loan (2019 Loan), dated April 24, 2019, with 2.5% interest, payments commencing May 1, 2020 and a term of 20 years. The purpose of the 2019 Loan is to provide funding for improvements to the District’s water system. At the end of 2022 the District has borrowed \$1,529,666 and will not be borrowing any additional funds. Principal and interest payments of \$56,784 are payable semi-annually on May 1 and November 1 until the final maturity date of November 1, 2039. The District may prepay the 2019 Loan, in whole or in part without penalty.

Significant events of default under the 2019 Loan include (i) failure to pay within 30 days, (ii) failure to pay principal and interest on any bonds, notes or other obligations, (iii) failure to meet financial or custodial agreement covenants, (iv) any representation made that is false or misleading in any material respect, (v) a petition if filed for bankruptcy or insolvency.

Immediately upon the occurrence of an event of default or the failure of the lender to receive any payment of principal or interest on the due date thereof, the 2019 Loan balance shall bear interest at the greater of twelve percent per annum or the Prime Rate plus one half of one percent per annum, but in no event in excess of the maximum rate permitted by law.

The following table sets forth the estimated debt service payment schedule for the principal and interest on the 2019 Loan:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 74,909	\$ 38,660	\$ 113,569
2024	76,794	36,775	113,569
2025	78,725	34,844	113,569
2026	80,706	32,863	113,569
2027	82,736	30,833	113,569
2028-2032	445,966	121,879	567,845
2033-2037	504,836	62,886	567,722
	<u>\$1,344,672</u>	<u>\$ 358,740</u>	<u>\$1,703,412</u>

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)**

**2022 Taxable Promissory Note**

The District entered into a \$150,000 Taxable Promissory Note (2022 Note) dated December 8, 2022, with 7.13% interest, with payments commencing on June 30, 2023. The 2022 Note was issued for the purpose of providing funds to reimburse or pay costs of wildfire mitigation projects to improve fire safety in the District. Principal and interest payments are payable semi-annually on June 30 and December 31 until the final maturity date of December 8, 2025. The District may prepay the 2022 Note, in whole or in part without penalty.

Amounts due on the 2022 Note are to be made from pledged revenues consisting of revenues derived by the District, net of collection costs from the imposition of the required mill levy, specific ownership taxes and any other revenues available to the District. The required mill levy is an ad valorem mill levy not to exceed 20 mills imposed on all taxable property of the District each year, when combined with other pledged revenues, is an amount sufficient to pay principal and interest due on the 2022 Note.

Significant events of default under the 2022 Note include (i) failure to pay principal and interest within 5 days, (ii) failure to impose the required mill levy or fail to apply pledged revenue, (iii) failure to meet financial or custodial agreement covenants, (iv) failure to pay principal and interest on any bonds, notes or other obligations, (v) judgement or court order for the payment of money exceeding any insurance coverage by more than \$100,000 and (vi) a petition if filed for bankruptcy or insolvency.

Upon the occurrence and during the continuance of any event of default or the failure of the lender to receive any payment of principal or interest on the due date thereof, the 2022 Note balance shall bear interest at the default interest rate as defined in the 2022 Note agreement and the bank may declare all amounts due under the 2022 Note or take any other action available under the financing document.

The following table sets forth the estimated debt service payment schedule for the principal and interest on the 2022 Note:

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 50,000	\$ 10,487	\$ 60,487
2024	50,000	6,239	56,239
2025	50,000	2,674	52,674
	<b>\$ 150,000</b>	<b>\$ 19,400</b>	<b>\$ 169,400</b>

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)**

**2022 Promissory Note**

The District entered into a \$400,000 Promissory Note dated August 15, 2022, with an initial interest rate of 5.5% and payments commencing on June 30, 2023. The note was issued for the purpose of providing short-term financing for the costs of wildfire mitigation projects to improve fire safety in the District. The District borrowed \$323,000 in August and paid the note off in December 2022.

**NOTE 6 – INTERGOVERNMENTAL AGREEMENT**

**Town of Silverthorne**

On June 1, 1995, the District entered into an intergovernmental agreement to purchase treated water from the Town of Silverthorne (the Town). The District agreed to purchase 28 water taps for original residences at a cost of \$2,800 per tap totaling \$78,400. The final payment was made in 1999. Any future water taps purchased will be charged at the Town's existing published rates for Town residents. The District has built the connection to the Town's water system, including a master meter and will purchase water necessary to supplement the District's supply. The District is responsible for reading customer meters within the District and billing customers for water used. The District will be charged at the rate of 1-1/2 times the rate for the Town's residents and will be billed by the Town quarterly for each quarter of the calendar year during which water is actually delivered to the District.

**NOTE 7 – FUND EQUITY**

At December 31, 2022, the District reported the following classifications of fund equity.

**Nonspendable Fund Balance**

The nonspendable fund balance in the General Fund in the amount of \$17,664 is comprised of prepaid amounts which are not in spendable form.

**Restricted Fund Balance**

The restricted fund balance in the General Fund in the amount of \$12,300 is comprised of the emergency reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9).

**Unassigned Fund Balance**

The District's has an unassigned fund balance in the amount of \$200,679.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 8 - NET POSITION**

The District’s net position consists of three components – net investment in capital assets, restricted and unrestricted.

The net investment in capital assets consists of capital assets, net of accumulated depreciation and debt. As of December 31, 2022, the District had net investment in capital assets of \$1,873,680, comprised of \$373,863 in the governmental activities and \$1,499,817 in the business-type activities.

Restricted assets include net 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’s restricted net position at December 31, 2022 is as follows:

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Restricted net position:			
Emergency reserves (see Note 9)	\$ 12,300	\$ 32,900	\$ 45,200
	\$ 12,300	\$ 32,900	\$ 45,200

In the government-wide financial statements, the District’s unrestricted net position at December 31, 2022 totaled \$226,579, comprised of \$217,060 in the governmental activities and \$9,519 in the business-type activities.

**NOTE 9 - RISK MANAGEMENT**

Except as provided in the Colorado Governmental Immunity Act, the District may be 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 (Pool) as of December 31, 2022. 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.

The District pays annual premiums to the Pool for liability, property, public officials’ liability, boiler and machinery and workers compensation 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.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 9 - RISK MANAGEMENT (CONTINUED)**

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. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**NOTE 10 - 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 that 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 November 7, 1996, the eligible electors of the District authorized the District to: (1) collect in fiscal year 1996 and subsequent fiscal years thereafter additional property tax revenue from its mill levy, without an increase in the rate thereof, and from specific ownership taxes, interest income, and any other income of the District in excess of the rate of inflation in the prior calendar year plus annual local growth, and in excess of 105.5 percent of the property tax revenue of the District collected in the respective prior fiscal year for general operating and maintenance expenditures; and (2) implement and increase in fiscal year spending greater than the rate of inflation in the respective prior calendar year plus annual local growth, as described in (1).

On November 6, 2018, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District debt be increased \$1,750,000, with a repayment cost of \$3,950,000; and shall Willow Brook Metropolitan District taxes be increased \$200,000 annually, or by such lesser annual amount as may be necessary to pay the district's debt: such debt to consist of general obligation bonds, special assessment bonds, revenue bonds, or other obligations, including contracts, issued or incurred for the purpose of paying, reimbursing, or financing all or any part of the costs of acquiring, constructing, relocating, installing, completing, repairing, replacing and otherwise

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)**

providing, within or without the boundaries of the district, a complete potable and non-potable water supply, storage, transmission, and distribution system, including but not limited to transmission lines, distribution mains and laterals, irrigation facilities, and storage facilities, together with all necessary, incidental, and appurtenant facilities, equipment, land, and easements, and extensions of and improvements to said facilities, such debt to bear interest at a net effective interest rate not in excess of 10% per annum, such interest to be payable at such time or times and which may compound periodically as may be determined by the district board of directors, such debt to be sold in one series or more at a price above, below, or equal to the principal amount of such debt and on such terms and conditions as the district board of directors may determine, including provisions for redemption of the debt prior to maturity with or without payment of premium in an amount determined by the district board of directors, such debt to be paid from any legally available moneys of the district, including but not limited to the proceeds of ad valorem property taxes, specific ownership taxes and special assessments; such taxes to consist of an ad valorem mill levy imposed on all taxable property of the district, without limitation of rate or with such limitations as may be determined by the district board of directors, specific ownership taxes and special assessments, and in amounts sufficient to produce the annual increase set forth above or such lesser amount as may be necessary, to be used solely for the purpose of paying the principal of, premium if any, and interest on the district's debt; and shall the proceeds of any such debt and the proceeds of such taxes, any other revenue used to pay such debt, and investment income thereon, be collected and spent by the district as a voter-approved revenue change, and be collected and spent by the district each year, without limiting or affecting the collection or expenditure of other revenues, and without regard to any spending, revenue-raising, tax reduction or other limitation contained within article x, section 20 of the Colorado constitution, section 29-1-301, Colorado revised statutes, or any other applicable law?

On November 6, 2018, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District debt be increased \$550,000, with a repayment cost of \$1,500,000; and shall Willow Brook Metropolitan District taxes be increased \$100,000 annually, or by such lesser annual amount as may be necessary to pay the district's debt: such debt to consist of general obligation bonds, special assessment bonds, revenue bonds, or other obligations, including contracts, issued or incurred for the purpose of paying, reimbursing, or financing all or any part of the costs of acquiring, constructing, relocating, installing, completing, repairing, replacing and otherwise providing, within or without the boundaries of the district, street improvements including but not limited to curbs, gutters, culverts, other drainage facilities, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements,

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)**

together with all necessary, incidental, and appurtenant facilities, equipment, land, and easements, and extensions of and improvements to said facilities, such debt to bear interest at a net effective interest rate not in excess of 10% per annum, such interest to be payable at such time or times and which may compound periodically as may be determined by the district board of directors, such debt to be sold in one series or more at a price above, below, or equal to the principal amount of such debt and on such terms and conditions as the district board of directors may determine, including provisions for redemption of the debt prior to maturity with or without payment of premium in an amount determined by the district board of directors, such debt to be paid from any legally available moneys of the district, including but not limited to the proceeds of ad valorem property taxes, specific ownership taxes and special assessments; such taxes to consist of an ad valorem mill levy imposed on all taxable property of the district, without limitation of rate or with such limitations as may be determined by the district board of directors, specific ownership taxes and special assessments, and in amounts sufficient to produce the annual increase set forth above or such lesser amount as may be necessary, to be used solely for the purpose of paying the principal of, premium if any, and interest on the district's debt; and shall the proceeds of any such debt and the proceeds of such taxes, any other revenue used to pay such debt, and investment income thereon, be collected and spent by the district as a voter-approved revenue change, and be collected and spent by the district each year, without limiting or affecting the collection or expenditure of other revenues, and without regard to any spending, revenue-raising, tax reduction or other limitation contained within article x, section 20 of the Colorado constitution, section 29-1-301, Colorado revised statutes, or any other applicable law?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District debt be increased \$500,000, with a repayment cost of \$700,000; such debt to consist of a loan payable from property taxes as previously approved by the electors of the district; such taxes to consist of an ad valorem mill levy not to exceed three years of up to 20 mills imposed on all taxable property of the district in years 2023, 2024 and 2025, to be used solely for the purpose of paying the principal of, premium if any, and interest on the district's debt and to pay all or any part of the costs of completing, and otherwise providing, within or without the boundaries of the district, fire mitigation programs and improvements, together with all necessary, incidental, and appurtenant facilities, equipment, land, and easements, and extensions of and improvements to said facilities and programs; and shall the proceeds of any such debt and the proceeds of such taxes, be collected and spent by the district as a voter-approved revenue change, without regard to any spending, revenue-raising, or other limitation contained within article x, section 20 of the Colorado constitution, the limits imposed on

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)**

increases in property taxation by section 29-1-301, Colorado Revised Statutes, or any other law which purports to limit the district's revenues or expenditures, as currently exists or as may be amended in the future, all without limiting in any year the amount of other revenues that may be collected and spent by the district?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District be permitted to retain and expend the full amount of revenues received in 2022, up to \$84,891 to rebuild general fund reserves that were used for capital expenses in 2022, this amount being the excess revenues collected in 2022 by the Willow Brook Metropolitan District above the fiscal year spending limitation approved by voters in 2012, and collected each year thereafter?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District taxes be increased to \$295,000 in 2023, resetting the property tax base established in 2012, and for each subsequent year by that amount plus an adjustment for inflation and local growth (increased subsequent amount), the increased subsequent amount for a year being determined by adding the prior year's increased subsequent amount plus compounding annual inflation and local growth (calculated using DLG Form 53, as amended or replaced); such taxes to consist of an ad valorem mill levy imposed without limitation of rate or with such limitations as may be determined by the district board, and in amounts sufficient to produce the increased subsequent amount set forth above or such lesser amount as may be determined by the district board; and shall the proceeds of such taxes and investment income thereon constitute voter-approved revenue change in 2023 and each year thereafter and be collected and spent by the district each year, without limiting or affecting the collection or expenditure of other revenues, and without regard to any spending, revenue-raising, tax reduction or other limitation contained within article x, section 20 of the Colorado constitution, section 29-1-301, Colorado Revised Statutes, or any other applicable law?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District taxes be increased \$33,000 in the first fiscal year (2023) and annually thereafter in such amounts as are received each year by the imposition of an additional mill levy not to exceed 5 mills upon taxable real property within the district, commencing with tax collection year 2023, and continuing each year thereafter, to build a general fund reserve of \$500,000 and to maintain said reserve, such revenues to be collected, retained and spent for the purpose of funding the district's reserve fund for



**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)**

maintenance and improvement projects and any other lawful district purposes, and shall the district be permitted to collect, retain and expend all property tax revenues derived from its entire property tax mill levy as voter-approved revenue change and an exception to limits which would otherwise apply under article x, section 20 of the Colorado constitution, section 29-1-301, Colorado Revised Statutes, or any other applicable law?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District taxes be increased \$36,741 in 2023, for one year only, such taxes to consist of an ad valorem mill levy imposed without limitation of rate or with such limitations as may be determined by the district board, and in an amount sufficient to produce said revenues set forth above or such lesser amount as may be determined by the district board for the following purpose: acquisition and construction of mailroom within the boundaries of the district; and shall the proceeds of such taxes and investment income thereon constitute a voter-approved revenue change in 2023, without limiting or affecting the collection or expenditure of other revenues, and without regard to any spending, revenue-raising, tax reduction or other limitation contained within article x, section 20 of the Colorado constitution, section 29-1-301, Colorado Revised Statutes, or any other applicable law?

On November 8, 2022, the eligible electors of the District approved the following ballot measure:

Shall Willow Brook Metropolitan District taxes be increased \$26,030 in 2023, for one year only, such taxes to consist of an ad valorem mill levy imposed without limitation of rate or with such limitations as may be determined by the district board, and in an amount sufficient to produce said revenues set forth above or such lesser amount as may be determined by the district board for the following purposes: acquisition and construction of enhanced wildlife protected trash enclosures, as may be determined by the district board; and shall the proceeds of such taxes and investment income thereon constitute voter-approved revenue change in 2023, without limiting or affecting the collection or expenditure of other revenues, and without regard to any spending, revenue-raising, tax reduction or other limitation contained within article x, section 20 of the Colorado constitution, section 29-1-301, Colorado Revised Statutes, or any other applicable law?

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.

**WILLOW BROOK METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 11 – SUBSEQUENT EVENT**

On June 23, 2023 the District signed an equipment lease/purchase agreement to purchase a front end loader for \$120,000 plus interest of \$6,000 payable in four semi-annual payments with the final payment due on December 1, 2024.

DRAFT

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTAL INFORMATION**

DRAFT

**WILLOW BROOK METROPOLITAN DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS)**  
**WATER FUND**  
**Year Ended December 31, 2022**

	Budget Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 121,153	\$ 121,153	\$ 120,877	\$ (276)
Specific ownership taxes	8,500	8,500	5,809	(2,691)
Interest	100	20	19	(1)
Fire reduction grants	-	274,000	274,000	-
Service charges	104,250	104,250	66,647	(37,603)
Marching grant monies - meters	25,000	25,000	-	(25,000)
Project reserve fee	49,500	49,500	48,403	(1,097)
Total revenues	<u>308,503</u>	<u>582,423</u>	<u>515,755</u>	<u>(66,668)</u>
<b>EXPENDITURES</b>				
General:				
County treasurer fees	6,058	6,058	6,045	13
District management and accounting	-	9,600	9,531	69
Election	-	11,900	11,869	31
Fire reduction project	-	390,000	381,180	8,820
Legal	-	6,700	6,601	99
Maintenance contract	30,900	30,900	31,444	(544)
Repairs and maintenance	35,630	35,630	25,251	10,379
Ranch manager salary/benefits	24,275	24,275	24,275	-
Meter installation	50,000	50,000	-	50,000
Utilities	120	120	192	(72)
Water billing	10,000	10,000	22,729	(12,729)
Water testing	2,500	2,500	573	1,927
Well water evaluation and improvements	58,360	58,360	2,850	55,510
Debt service:				
Promissory notes principal	-	323,000	323,000	-
Promissory notes interest	-	6,000	5,984	16
Loan principal	73,071	73,071	73,071	-
Loan interest	40,498	40,498	40,498	-
Capital outlay:				
PRV connection of 2 systems	-	82,500	82,474	26
Well upgrades	-	-	47,571	(47,571)
Total expenditures	<u>331,412</u>	<u>1,161,112</u>	<u>1,095,138</u>	<u>65,974</u>
<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	<u>(22,909)</u>	<u>(578,689)</u>	<u>(579,383)</u>	<u>(694)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Note proceeds	-	473,000	473,000	-
Note expenses	-	(9,375)	(9,375)	-
Transfer from other funds	33,100	33,100	45,876	12,776
Total other financing sources (uses)	<u>33,100</u>	<u>496,725</u>	<u>509,501</u>	<u>12,776</u>
<b>NET CHANGE IN FUND BALANCE</b>	10,191	(81,964)	(69,882)	12,082
<b>FUNDS AVAILABLE - BEGINNING OF YEAR</b>	138,291	263,921	268,744	4,823
<b>FUNDS AVAILABLE - END OF YEAR</b>	<u>\$ 148,482</u>	<u>\$ 181,957</u>	<u>\$ 198,862</u>	<u>\$ 16,905</u>

Funds available is computed as follows:

Current assets	\$ 462,816
Current liabilities and deferred inflows of resources	(263,954)
	<u>\$ 198,862</u>

**WILLOW BROOK METROPOLITAN DISTRICT  
RECONCILIATION OF BUDGETARY BASIS TO STATEMENT OF  
REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUND**

**Year Ended December 31, 2022**

Revenues (budgetary basis)	\$ 1,025,256
Note proceeds	(473,000)
	<u>552,256</u>
Revenues and transfers per Statement of Revenues, Expenses and Changes in Fund Net Position	<u>552,256</u>
Expenditures (budgetary basis)	1,095,138
Depreciation	89,487
Capital outlay	(130,045)
Accrued interest payable	(307)
Notes and loan principal	(396,071)
	<u>(396,071)</u>
Expenses per Statement of Revenues, Expenses and Changes in Fund Net Position	<u>658,202</u>
Change in Net Position per Statement of Revenues, Expenses and Changes in Fund Net Position	<u>\$ (105,946)</u>

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**OTHER INFORMATION**

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**WILLOW BROOK METROPOLITAN DISTRICT  
SCHEDULES OF DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2022**

**\$1,750,000 CWRPDA Loan  
Dated April 24, 2019  
Principal and Interest Due May 1 and November 1  
Interest Rate of 2.5%**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 74,909	\$ 38,660	\$ 113,569
2024	76,794	36,775	113,569
2025	78,725	34,844	113,569
2026	80,706	32,863	113,569
2027	82,736	30,833	113,569
2028	84,817	28,752	113,569
2029	86,951	26,618	113,569
2030	89,138	24,431	113,569
2031	91,380	22,189	113,569
2032	93,680	19,889	113,569
2033	96,036	17,533	113,569
2034	98,452	15,117	113,569
2035	100,929	12,640	113,569
2036	103,468	10,101	113,569
2037	105,951	7,495	113,446
	<u>\$ 1,344,672</u>	<u>\$ 358,740</u>	<u>\$ 1,703,412</u>

**\$550,000 Taxable Promissory Note  
Dated May 28, 2020  
Interest Due June 1 and December 1  
Interest Rate of 4.0%**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 55,000	\$ 15,400	\$ 70,400
2024	55,000	13,200	68,200
2025	55,000	11,000	66,000
2026	55,000	8,800	63,800
2027	55,000	6,600	61,600
2028	55,000	4,400	59,400
2029	55,000	2,200	57,200
	<u>\$ 385,000</u>	<u>\$ 61,600</u>	<u>\$ 446,600</u>

**\$150,000 Taxable Promissory Note  
Dated December 8, 2022  
Principal and Interest Due June 30 and December 31  
Interest Rate of 7.13%**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 50,000	\$ 10,487	\$ 60,487
2024	50,000	6,239	56,239
2025	50,000	2,674	52,674
	<u>\$ 150,000</u>	<u>\$ 19,400</u>	<u>\$ 169,400</u>

**WILLOWBROOK METROPOLITAN DISTRICT  
SCHEDULE OF ASSESSED VALUATION,  
MILL LEVY AND PROPERTY TAXES COLLECTED  
December 31, 2022**

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>	<u>Total Property Taxes</u>		<u>Percentage Collected to Levied</u>
			<u>Levied</u>	<u>Collected</u>	
2015	\$ 5,006,590	62.130	\$ 311,059	\$ 311,061	100.00%
2016	\$ 5,500,670	61.840	\$ 340,161	\$ 340,163	100.00%
2017	\$ 5,504,220	61.840	\$ 340,381	\$ 369,565	108.57%
2018	\$ 5,447,350	62.400	\$ 339,915	\$ 310,730	91.41%
2019	\$ 5,425,330	81.883	\$ 444,242	\$ 444,240	100.00%
2020	\$ 5,920,950	93.642	\$ 554,449	\$ 520,643	93.90%
2021	\$ 5,825,620	82.156	\$ 478,609	\$ 477,775	99.83%
2022	\$ 6,637,710	78.726	\$ 522,559	\$ 525,012	100.47%
Estimated for the year ending December 31, 2023	\$ 6,782,390	93.455	\$ 633,848		

**NOTE:**

Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the county treasurer does not permit identification of specific year of assessment.





## Inflation measure for the General Mill Levy Fund calculatioj

2 messages

Donald Samuels <don@snowedunder.com>

Wed, Jul 19, 2023 at 10:40 AM

To: board@wbmetro.org, Sue Blair <sblair@crsofcolorado.com>

Back in 2018, the WBMD Board started to run up against the maximum non inflation adjusted number from the 2012 General Fund Mill levy. The measure enabling that levy also allowed for an inflation adjustment. The board that year approved the following measure to calculate the amount that the General Fund could raise. My web page on this is here: [https://snowedunder.com/rubyranch/nov\\_2022\\_ballot/2018\\_inflation\\_resolution\\_and\\_rational.pdf](https://snowedunder.com/rubyranch/nov_2022_ballot/2018_inflation_resolution_and_rational.pdf)

The measure itself (which is on the page I linked to) is here:

Be it resolved that for the WBMD General Fund the index of inflation shall be defined and applied as follows

- 1)The index used shall be BLS Series ID CUURS48BSA0 – non seasonally adjusted – This is the CPI-U for the Denver metro area
- 2)The baseline of the index shall be the 2012 Annual number 224.568
- 3)The current number shall be chosen of August each year and will be the last monthly entry available on Aug 1 of each year.
- 4)The multiplier against the 2012 ballot measure allowing \$210,000 shall be the ratio of the number in paragraph 3 divided by the number in paragraph 2. This will then define the maximum amount of money for the following fiscal year that the WBMD may tax on the General Fund.

My memory is back in 2018, Matt Dalton had approved this wording.

I respectfully submit that the Board at the next meeting adopt an updated version of this measure as follows:

Be it resolved that for the WBMD General Fund the index of inflation as approved in 2022 Ballot Measure 6C shall be defined and applied as follows:

- 1)The index used shall be BLS Series ID CUURS48BSA0 – non seasonally adjusted – This is the CPI-U for the Denver-Aurora-Lakewood, CO area
- 2)The baseline of the index shall be the Nov 2022 number of 309.655 of BLS Series ID CUURS48BSA0
- 3)The current number shall be chosen of August each year and will be the last monthly entry available on Aug 15 of each year.
- 4)The maximum amount that can be raised for the General Fund for the following year shall be \$295,000 times the ratio of the number in paragraph 3 divided by the number in paragraph 2.

So for example, if the levy was set on July 19, 2023, the last number available is May 2023 and is **319.132**. The total amount that could be raised would be **\$295,000\*319.132/309.665** or **\$304.028**.

I have revised the wording somewhat to eliminate any ambiguity.

Paragraph 3 envisions a return to setting revenue goals at the August meeting, but this could be changed to later. As the BLS changes their index names then this measure can be updated and re-approved with just the board vote.

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**Donald Samuels** <don@snowedunder.com>

Wed, Jul 19, 2023 at 10:53 AM

To: board@wbmetro.org, Sue Blair <sblair@crsofcolorado.com>

I forgot to say that while the 2012 and 2022 have local growth in the measure, I would argue that in terms of calculating how much we can raise in the measures is not really relevant as the roads and water systems are built out but if you want it in then it would be  $295,000 * (\text{local growth index from the county}) * \text{paragraph 3 divided by paragraph 2}$ .

[Quoted text hidden]



**Weed Spraying**

1 message

**Donald Samuels** <don@snowedunder.com>  
To: board@wbmetro.org

Wed, Jul 19, 2023 at 9:36 AM

I would like to suggest that the contractor that we used this year for weed spraying be taken of the list of contractors in the future. The amount of daisies in Tract K is really really bad.

If time and weather allow, I will try and get up there to start to remove the Cut Leaf and Oxeye to the dumpsters. It might be worthwhile if insurance allows for the board to organize a work party.







WBMD BOD &lt;board@wbmetro.org&gt;

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**bears and dumpsters**

1 message

**Donald Samuels** <don@snowedunder.com>

Thu, Jul 27, 2023 at 9:33 AM

To: board@wbmetro.org, Sue Blair &lt;sblair@crsofcolorado.com&gt;, Jim Neilsen &lt;ranchmanager@wbmetro.org&gt;

For those of you following the bear(s) visiting our dumpsters on rr-general, I have some thoughts.

When I was taking care of the dumpsters, I used trigger snaps instead of carabiners. While not as robust in strength as a carabiner the snaps have the advantage of making it easier to get to the right link to lock the dumpsters. The trigger snaps I used I got from Sanders. While we are getting an Ace hardware in the near future, I think ordering on the web is what is needed now. The snap I used was a National 3/4" by 3-5/8".

[https://www.amazon.com/National-Hardware-N222-711-3042BC-Trigger/dp/B000I19G2Y/ref=sr\\_1\\_2?crid=1I020IVB705A&keywords=trigger%2Bsnap%2B3%2F4%2Bx%2B3-5%2F8&qid=1690471728&s=hi&sprefix=trigger%2Bsnap%2B3%2F4%2Bx%2B3-5%2F8%2Ctools%2C108&sr=1-2&th=1](https://www.amazon.com/National-Hardware-N222-711-3042BC-Trigger/dp/B000I19G2Y/ref=sr_1_2?crid=1I020IVB705A&keywords=trigger%2Bsnap%2B3%2F4%2Bx%2B3-5%2F8&qid=1690471728&s=hi&sprefix=trigger%2Bsnap%2B3%2F4%2Bx%2B3-5%2F8%2Ctools%2C108&sr=1-2&th=1)

Perhaps these can be ordered and Jim can remove the extra links. Won't help the people that refuse to lock the dumpsters, but if we can retrain the bear before the enclosure is finished perhaps the bear will be gone rather than destroying the enclosure like happened in Summerwood.



## WORK ORDER CONTRACT

### WILLOW BROOK METROPOLITAN DISTRICT

1. **CONTRACTOR.** The Willow Brook Metropolitan District (the “District”) hereby retains **Jon Rovick Construction Inc. DBA Spirit Builders (the “Contractor”)** to perform the Work (as defined in paragraph 3) for the District. The Contractor hereby agrees to perform such Work, pursuant to the terms and conditions set forth herein as an independent contractor of the District.

2. **TERM.** The Contractor shall commence the Work once the required permit is received and weather permitting, or when otherwise advised by the District. The Contractor shall complete all the Work in a timely manner but no later than December 1, 2023.

3. **SCOPE OF WORK.** The “Work” contracted for pursuant to this Work Order shall consist of the following:

Construction of a wood framed dumpster enclosure and mail room per the attached approved design dated April 7, 2023 (approved by ARC) and prepared by David Anderson Architects. The contractor agrees to utilize the Ruby Ranch Manager to perform certain portions of the work.

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Or check here  if a scope of work is attached to this Work Order and incorporated herein by this reference.

In performing the Work the Contractor shall: (a) comply with all applicable federal, state and local laws (b) be responsible for providing, at its cost and expense, all management, supervision, labor, materials, administrative support, supplies and equipment necessary to perform the Work and (c) warrant the Work for one year after completion of the Work, as applicable.

4. **COMPENSATION.** **The Contractor shall be paid the cost of materials and labor plus 14.5% contractor fee with an estimated budget amount of \$73,450.00 for construction of the mail room and dumpster enclosure. Payments will be made by the District for Work satisfactorily performed. Payments to Contractor will be made upon receipt of District approved monthly invoices as work is completed.**

5. **INDEMNIFICATION.** Subject to the provisions of Section 13-50.5-102(8), C.R.S., to the extent applicable to this Work Order, the Contractor shall indemnify, defend and hold harmless the District and each of its directors, employees, agents and consultants (collectively the “Indemnitees”), from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys’ fees), and liabilities of, by or with respect to, third parties to the extent they arise from or may be alleged to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of the Contractor or any of its subcontractors, agents representatives or employees, or the agents or employees of any subcontractors, in connection with this Work Order and/or the Work provided hereunder or which causes or allows to continue a condition or event which deprives the Indemnitees, as applicable, of its sovereign immunity under the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., as amended from time to time. Provided, however, that such Contractor shall not be liable for any claim, loss, damage, injury or liability arising out of the negligence of the Indemnitees. The obligations this paragraph shall survive termination or expiration of this Work Order.

**6. INSURANCE.** The Contractor shall secure and maintain for the term of this Work Order adequate statutory workers' compensation insurance coverage, comprehensive general liability insurance and excess liability coverage, from companies licensed in the State of Colorado, as will protect itself and the Indemnitees from claims for bodily injuries, death, personal injury or property damage, which may arise out of or result from the Contractor's acts, errors or omissions. Such insurance coverage shall be acceptable to the District in its sole discretion. To provide evidence of the required insurance coverage, copies of certificates of insurance shall be furnished to the District. Builder's Risk

**7. UNAUTHORIZED WORKERS.** As applicable, the provisions of Sections 8-17.5-101 *et seq.*, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the Contractor accordingly. If the Contractor participates in the Department Program the Contractor shall notify the Department and the District of such participation. The Contractor shall, within twenty (20) days after hiring an employee who is newly hired for employment to perform work under the Work Order, affirm that the Contractor has examined the legal work status of such employee, retained file copies of the documents required by 8 U.S.C. Sec. 1324a, and not altered or falsified the identification documents for such employees.

**8. CONFIDENTIALITY.** During the performance of this Work Order the Contractor may have access to confidential information and hereby agrees that the Contractor will not to use or disclose to anyone, except as required in the performance of this Work Order or by law, or as otherwise authorized by the District, any or all confidential information given to the Contractor by the District, developed by the Contractor as a result of the performance of this Work Order or accessed by the Contractor as a result of this Work Order. The Contractor agrees that, if the District so requests, it will execute a confidentiality agreement, in a form acceptable to the District. The obligations of this paragraph shall survive termination or expiration of this Work Order.

**9. MISCELLANEOUS.**

**A. Subject to Annual Budget and Appropriation/Governmental Immunity.** The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations. As applicable, the provisions of Section 24-91-103.6, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the District and the Contractor accordingly. Nothing in this Work Order or in any actions taken by the District pursuant to this Work Order shall be deemed a waiver of the District's sovereign immunity under the Colorado Governmental Immunity Act.

**B. Integration/Modification/Assignment/Termination.** This Work Order contains the entire agreement between the parties, and no statement, promise or inducement made by either party or the agent of either party that is not contained in this Work Order shall be valid or binding. This Work Order may be modified, amended or changed only by an agreement in writing duly authorized and executed by both parties. The Contractor shall not assign this Work Order or any interest hereunder, in whole or in part, without the prior written consent of the District, which consent may be withheld for any reason or for no reason. The District may assign this Work Order or any interest hereunder, in whole or in part, at any time. The District may terminate this Work Order at any time for convenience or for cause, in whole or in part, by delivery to the Contractor of a written notice of termination at least five (5) days prior to the effective date.

**C. Severability/Non-Waiver/Governing Law and Venue.** The invalidity or unenforceability of any portion or previous version of this Work Order shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Work Order and the balance of this Work Order shall be construed and

enforced as if this Work Order did not contain such invalid or unenforceable portion or provisions. No waiver of any of the provisions of this Work Order shall be deemed to constitute a waiver of any other provision of this Work Order, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. This Work Order shall be governed by and construed in accordance with the laws of the State of Colorado, and venue for any dispute hereunder shall lie in the in the state courts of the State of Colorado.

This Work Order may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument. By signature of its representatives below, each party affirms it has taken all necessary action to authorize said representative to execute this Work Order.

**DISTRICT:**

Willow Brook Metropolitan District

By: \_\_\_\_\_

Its: President \_\_\_\_\_

Date: \_\_\_\_\_

**CONTRACTOR:**

Jon Rovick Construction Inc.

By: *Jonathan E Rovick*

Date: 8/10/2023





[www.spirit-builders.com](http://www.spirit-builders.com)

PO Box 1355

Silverthorne, Co. 80498

(970) 390-1561 Ph

spiritbuilders@colorado.net

**Willow Brook Metro District Ruby Ranch Trash Enclosures  
Cost Estimates Based on Plans Provided**

<b>Construction Cost Estimate</b>	
<b>Item Description</b>	<b>Budget</b>
<b>Site Work</b>	
Excavation- Electrical Conduit and Slab Prep	\$4,000.00
Boulder Retaining Wall	\$3,500.00
Concrete Core 7 locations	\$500.00
Concrete Flatwork- thickened 8" slab with rebar	\$3,800.00
Subtotal, Site Work	\$11,800
<b>Framing</b>	
Framing Lumber and Materials	\$7,000
Framing Labor	\$10,000
Subtotal, Framing	\$17,000
<b>Mechanical and Electrical</b>	
Electrical Installation, Rough-in and Final (Dancini)	\$0
Subtotal, Mech/Elec	\$0
<b>Exterior Finishes</b>	
Siding and Exterior Trim Material	\$2,500
Siding and Exterior Trim Labor	\$5,000
Roofing Material and Labor	\$6,000
Steel Fabrication for Trash and Man Doors	\$12,000
Exterior Paint	\$1,800
Subtotal, Exterior Finishes	\$27,300
<b>Miscellaneous Items</b>	
Equipment Rental	\$1,500
Trash Removal and Recycling	\$500
Permits	<b>\$1,500</b>
Common Labor	\$1,000
Portable Toilet	\$450
Subtotal, Misc. Items	\$4,950
Subtotal, Construction Costs	<b>\$61,050</b>
Contractor fee, Mark-up, Site Supervision	\$8,900
<b>Total, Construction Costs</b>	<b>\$69,950</b>

Contingency @ 5%	\$3,500
<b>TOTAL Construction Costs</b>	<b>\$73,450</b>

**Other Options**

Subtotal, Soft Costs           **\$73,450**



WILLOW BROOK METROPOLITAN DISTRICT  
CASH POSITION  
Year to Date (YTD) as of July 31, 2023  
Adjusted as of August 11, 2023

Account Activity Item Description	InBank	INVESTMENTS			TOTAL ALL ACCOUNTS
		ColoTrust Plus+ Average Monthly Yield 5.286%		Colotrust Yield 5.1403%	
		General	CTF	Edge	
<b>BEGINNING BANK BALANCE</b>	\$ 243,715	\$ 77,531	\$ 1,178	\$ 5,560	\$ 327,984
YTD credits - Total deposits, wires and transfers	513,529	878,919	207	152	1,392,807
YTD debits - Total vouchers, wires and transfers	(732,150)	(250,171)	(67)	-	(982,388)
YTD bank balance	25,094	706,279	1,318	5,712	738,403
Less outstanding checks	(3,288)	-	-	-	(3,288)
<b>Book balance at end of period - agrees to page 2 ending fund allocation</b>	<b>21,806</b>	<b>706,279</b>	<b>1,318</b>	<b>5,712</b>	<b>735,115</b>
Less amount restricted for Conservation Trust Funds	-	-	(1,318)	-	(1,318)
<b>UNRESTRICTED/UNALLOCATED BALANCE AT END OF PERIOD</b>	<b>21,806</b>	<b>706,279</b>	<b>-</b>	<b>5,712</b>	<b>733,797</b>
<b>Current period activity</b>					
Deposits	1,549	11,460	-	-	13,009
Current payables	(25,391)	-	-	-	(25,391)
Auto payments - utilities	(5,906)	-	-	-	(5,906)
Transfers	30,000	(30,000)	-	-	-
<b>Total current period adjustments</b>	<b>252</b>	<b>(18,540)</b>	<b>-</b>	<b>-</b>	<b>(18,288)</b>
<b>CURRENT UNRESTRICTED/UNALLOCATED BALANCE</b>	<b>\$ 22,058</b>	<b>\$ 687,739</b>	<b>\$ -</b>	<b>\$ 5,712</b>	<b>\$ 715,509</b>

**WILLOW BROOK METROPOLITAN DISTRICT  
FUND ALLOCATION OF AVAILABLE BALANCES  
Year to Date (YTD) as of July 31, 2023**

Account Activity Item Description	General	Capital Projects	Water	Road Paving	Total All Funds
<b>Beginning fund balances</b>	\$ 62,572	\$ 187,556	\$ -	\$ -	\$ 250,128
<b>YTD DEPOSITS</b>					
Conservation trust fund	305	-	-	-	305
General fund reserve fee	17,493	-	-	-	17,493
Interest	13,668	100	-	36	13,804
Miscellaneous	108	-	-	-	108
Project reserve fee	-	-	24,310	-	24,310
Property taxes	292,788	244,649	-	87,519	624,956
Specific ownership taxes	10,214	8,021	-	2,996	21,231
Grant funds	-	149,000	-	-	149,000
Snow removal	11,450	-	-	-	11,450
Trash service fees	8,442	-	-	-	8,442
Unrealized loss	1	-	-	-	1
Water service charges	-	-	52,282	-	52,282
<b>Total deposits</b>	354,469	401,770	76,592	90,551	923,382
<b>YTD total payables and transfers</b>	(199,893)	(131,582)	(94,842)	(12,078)	(438,395)
<b>OTHER FINANCING SOURCES</b>					
Transfer (to) from other funds	(20,000)	-	20,000	-	-
Total other financing sources	(20,000)	-	20,000	-	-
<b>YTD ending available fund balances</b>	<b>\$ 197,148</b>	<b>\$ 457,744</b>	<b>\$ 1,750</b>	<b>\$ 78,473</b>	<b>\$ 735,115</b>

(page 3)

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**Accounts Receivable Reconciliation**

	General fund reserve	Project reserve	Trash removal	Water	Miscellaneous	Totals
Aging as of 5/31/23	\$ 109	\$ 2,556	\$ 388	\$ 5,537	\$ (953)	\$ 7,637
Billing 6/30/23	41	11,925	3,025	15,843	583	31,417
Cash receipts 6/30/23	-	(433)	(3)	(352)	-	(788)
<b>Aging as of 6/30/23</b>	<b>\$ 150</b>	<b>\$ 14,048</b>	<b>\$ 3,410</b>	<b>\$ 21,028</b>	<b>\$ (370)</b>	<b>\$ 38,266</b>

**WILLOW BROOK METROPOLITAN DISTRICT**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**Budget vs Actual**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for the Year Ended December 31, 2022**  
**Unaudited**

	2022 Actual Cash Basis	2023 Budget Modified Accrual	YTD Actual Cash Basis	YTD Variance Over (Under)	Percent of Budget YTD 58%
<b>REVENUES</b>					
Conservation trust fund	\$ 544	\$ 300	\$ 305	\$ 5	102%
General fund reserve fees	24,015	33,000	17,493	(15,507)	53%
Grant funds - wildfire reduction	29,114	-	-	-	-
Interest	5,115	4,000	13,668	9,668	342%
Miscellaneous	304	-	108	108	-
Property taxes and abatements	324,434	296,954	292,788	(4,166)	99%
Specific ownership taxes	15,311	14,900	10,214	(4,686)	69%
Safety grant funds	2,094	-	-	-	-
Snow removal	16,199	18,000	11,450	(6,550)	64%
Stable/Meadow fees & deposits	500	1,000	-	(1,000)	0%
Trash service fees	11,532	12,100	8,442	(3,658)	70%
Unrealized gain/(loss)	(1,686)	-	1	1	-
<b>Total revenues</b>	<u>427,476</u>	<u>380,254</u>	<u>354,469</u>	<u>(25,785)</u>	<u>93%</u>
<b>EXPENDITURES</b>					
<b>Administrative</b>					
Audit	12,000	12,000	-	(12,000)	0%
County treasurer fees	16,042	14,848	14,646	(202)	99%
District management and accounting	68,352	80,000	41,163	(38,837)	51%
Election	6,979	10,000	15,601	5,601	156%
Insurance and SDA dues	28,688	12,000	1,868	(10,132)	16%
Legal	6,196	12,000	15,799	3,799	132%
Miscellaneous	3,742	4,000	1,471	(2,529)	37%
Signage design proposal	6,395	-	-	-	-
Trash removal	20,343	20,000	12,338	(7,662)	62%
Utilities	11,699	10,800	10,186	(614)	94%
Weeds	194	15,000	6,890	(8,110)	46%
Emergency reserve contribution (3%)	-	9,400	-	(9,400)	0%
<b>Operations and maintenance</b>					
Gate	3,570	1,000	1,066	66	107%
General maintenance	911	2,000	774	(1,226)	39%
<b>Ranch manager</b>					
Salary	70,616	60,750	46,679	(14,071)	77%
Payroll taxes	8,077	10,000	5,112	(4,888)	51%
Benefits (including bonus, less employee reim)	7,624	9,000	8,017	(983)	89%
Back-up support	-	4,350	150	(4,200)	3%
<b>Irrigation</b>					
Irrigation/meadow management	453	500	-	(500)	0%
<b>Hay meadows and fencing</b>					
Drag hay meadows	-	1,500	-	(1,500)	0%
Meadow fencing and repairs	-	500	893	393	179%
Rock removal/fill/compact	-	500	-	(500)	0%
Soil testing/treatment/drag/seed	-	500	-	(500)	0%
Weed spraying and rodent removal	-	2,000	-	(2,000)	0%
<b>Roads</b>					
Truck (including fuel)	9,789	10,000	8,904	(1,096)	89%
Road Improvements	37,011	10,000	-	(10,000)	0%
Roads - culverts	42,220	-	-	-	-
Equipment rental	5,005	5,000	2,028	(2,972)	41%
Snow plowing salt and sand	3,172	2,000	6,308	4,308	315%
<b>Stable - equestrian center</b>					
Barn remodel	2,625	-	-	-	-
Stable security	265	-	-	-	-
Replace compact fluorescents with bulbs	50	100	-	(100)	0%
<b>Total expenditures</b>	<u>372,018</u>	<u>319,748</u>	<u>199,893</u>	<u>(119,855)</u>	<u>63%</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>55,458</u>	<u>60,506</u>	<u>154,576</u>	<u>94,070</u>	<u>255%</u>
<b>OTHER FINANCING (SOURCES) USES</b>					
Transfer to water operations fund	(15,563)	-	(20,000)	(20,000)	-
Transfer to capital projects fund	(151,520)	-	-	-	-
Transfer from road paving fund	73,852	18,917	-	(18,917)	0%
<b>Total other financing sources (uses)</b>	<u>(93,231)</u>	<u>18,917</u>	<u>(20,000)</u>	<u>(38,917)</u>	<u>-106%</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(37,773)</u>	<u>\$ 79,423</u>	<u>134,576</u>	<u>\$ 55,153</u>	
<b>BEGINNING FUND BALANCE</b>	<u>100,345</u>		<u>62,572</u>		
<b>ENDING FUND BALANCE</b>	<u>\$ 62,572</u>		<u>\$ 197,148</u>		

**WILLOW BROOK METROPOLITAN DISTRICT**  
**CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**Budget vs Actual**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for the Year Ended December 31, 2022**  
**Unaudited**

	2022 Actual Cash Basis	Adopted 2023 Budget Modified Accrual	YTD Actual Cash Basis	YTD Variance Over (Under)	Percent of Budget YTD 58%
<b>REVENUES</b>					
Property taxes - SRF loan	\$ 120,876	\$ 131,099	\$ 129,260	\$ (1,839)	99%
Property taxes - Mail boxes	-	36,741	36,226	(515)	99%
Property taxes - Trash enclosure	-	26,030	25,665	(365)	99%
Property taxes - Fuel reduction loan	-	54,259	53,498	(761)	99%
Specific ownership taxes	6,191	12,500	8,021	(4,479)	64%
Interest	19	-	100	100	0%
Grant	125,000	-	149,000	149,000	-
<b>Total revenues</b>	<u>252,086</u>	<u>260,629</u>	<u>401,770</u>	<u>141,141</u>	<u>154%</u>
<b>EXPENDITURES</b>					
County treasurer fees	6,045	12,406	12,237	(169)	99%
PRV connection of 2 systems	83,224	-	-	-	-
Fire reduction project	381,180	-	-	-	-
District management	9,531	-	-	-	-
Election	11,868	-	-	-	-
Legal	6,601	-	-	-	-
Loan costs	9,375	-	-	-	-
Mail box project	-	36,741	-	(36,741)	0%
Trash enclosure improvement	-	26,030	-	(26,030)	0%
Water system improvements	2,105	-	-	-	-
SRF loan principal	73,070	74,909	37,222	(37,687)	50%
SRF loan interest	40,498	38,660	19,563	(19,097)	51%
InBank loan fuel reduction principal	323,000	120,000	25,000	(95,000)	21%
InBank loan fuel reduction interest	5,984	15,647	6,060	(9,587)	39%
Town of Silverthorne lease purchase principal	-	-	30,000	30,000	-
Town of Silverthorne lease purchase interest	-	-	1,500	1,500	-
<b>Total expenditures</b>	<u>952,481</u>	<u>324,393</u>	<u>131,582</u>	<u>(192,811)</u>	<u>41%</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(700,395)</u>	<u>(63,764)</u>	<u>270,188</u>	<u>333,952</u>	<u>-424%</u>
<b>OTHER FINANCING SOURCES</b>					
InBank loan	473,000	-	-	-	-
Transfer from general fund	151,520	-	-	-	-
<b>Total other financing sources</b>	<u>624,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(75,875)</u>	<u>\$ (63,764)</u>	<u>270,188</u>	<u>\$ 333,952</u>	
<b>BEGINNING FUND BALANCE</b>	263,431		187,556		
<b>ENDING FUND BALANCE</b>	<u>\$ 187,556</u>		<u>\$ 457,744</u>		

**WILLOW BROOK METROPOLITAN DISTRICT**  
**WATER UTILITY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**Budget vs Actual**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for the Year Ended December 31, 2022**  
**Unaudited**

	2022 Actual Cash Basis	Adopted 2023 Budget Modified Accrual	YTD Actual Cash Basis	YTD Variance Over (Under)	Percent of Budget YTD 58%
<b>REVENUES</b>					
Project reserve fee (\$75/month)	\$ 35,526	\$ 49,500	\$ 24,310	\$ (25,190)	49%
Water service charges	65,624	125,618	52,282	(73,336)	42%
Miscellaneous	205	-	-	-	-
<b>Total revenues</b>	<u>101,355</u>	<u>175,118</u>	<u>76,592</u>	<u>(98,526)</u>	<u>44%</u>
<b>EXPENDITURES</b>					
Maintenance contract	31,367	30,900	18,569	(12,331)	60%
Quarterly tank inspections	-	1,500	-	(1,500)	0%
5-yr comprehensive tank inspection (annual)	-	1,300	-	(1,300)	0%
Annual backflow testing and reporting	-	1,340	-	(1,340)	0%
Lead and copper sampling	-	1,000	-	(1,000)	0%
Compliance sampling	-	1,000	-	(1,000)	0%
Monitoring plan	-	2,720	-	(2,720)	0%
Emergency response plan	-	340	-	(340)	0%
Backflow - Barn	1,414	1,500	-	(1,500)	0%
Initial BPCCC system survey	-	680	-	(680)	0%
Replace piping inside filing #1 well vault	-	15,000	5,109	(9,891)	34%
Ranch manager salary/benefits	-	24,275	-	(24,275)	0%
New meter installation	-	30,000	-	(30,000)	0%
Annual fire hydrant maintenance	720	750	-	(750)	0%
Repairs and maintenance	22,475	20,000	2,127	(17,873)	11%
Utilities - Town of Silverthorne	192	200	102	(98)	51%
Utility billing	20,928	15,000	7,980	(7,020)	53%
Water testing	574	2,500	5,347	2,847	214%
GWUDI assessment	-	16,000	10,275	(5,725)	64%
Water well evaluation/improvements	39,278	-	45,333	45,333	-
<b>Total expenditures</b>	<u>116,948</u>	<u>166,005</u>	<u>94,842</u>	<u>(71,163)</u>	<u>57%</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(15,593)</u>	<u>9,113</u>	<u>(18,250)</u>	<u>(27,363)</u>	<u>-200%</u>
<b>OTHER FINANCING SOURCES</b>					
Transfer from general fund	15,563	-	20,000	20,000	-
<b>Total other financing sources</b>	<u>15,563</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(30)	<u>\$ 9,113</u>	1,750	<u>\$ (7,363)</u>	
<b>BEGINNING FUND BALANCE</b>	<u>30</u>		<u>-</u>		
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>		<u>\$ 1,750</u>		



**WILLOW BROOK METROPOLITAN DISTRICT**  
**ROAD PAVING FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**Budget vs Actual**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for the Year Ended December 31, 2022**  
**Unaudited**

	2022 Actual Cash Basis	Adopted 2023 Budget Modified Accrual	YTD Actual Cash Basis	YTD Variance Over (Under)	Percent of Budget YTD 58%
<b>REVENUES</b>					
Property taxes - road paving	\$ 79,700	\$ 88,765	\$ 87,519	\$ (1,246)	99%
Specific ownership taxes	3,527	4,500	2,996	(1,504)	67%
Interest	13	-	36	36	-
<b>Total revenues</b>	<u>83,240</u>	<u>93,265</u>	<u>90,551</u>	<u>(2,714)</u>	<u>97%</u>
<b>EXPENDITURES</b>					
County treasurer fees	3,986	4,439	4,378	(61)	99%
Loan payment principal	55,000	55,000	-	(55,000)	0%
Loan payment interest	17,631	15,400	7,700	(7,700)	50%
<b>Total expenditures</b>	<u>76,617</u>	<u>74,839</u>	<u>12,078</u>	<u>(62,761)</u>	<u>16%</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>6,623</u>	<u>18,426</u>	<u>78,473</u>	<u>60,047</u>	<u>426%</u>
<b>OTHER FINANCING USES</b>					
Transfer to general fund	(73,852)	(18,917)	-	18,917	0%
<b>Total other financing uses</b>	<u>(73,852)</u>	<u>(18,917)</u>	<u>-</u>	<u>18,917</u>	<u>0%</u>
<b>NET CHANGE IN FUND BALANCE</b>	(67,229)	<u>\$ (491)</u>	78,473	<u>\$ 78,964</u>	
<b>BEGINNING FUND BALANCE</b>	67,229		-		
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>		<u>\$ 78,473</u>		

**RESOLUTION TO AMEND 2022 BUDGET  
WILLOW BROOK METROPOLITAN DISTRICT**

WHEREAS, the Board of Directors of the **WILLOW BROOK METROPOLITAN DISTRICT** appropriated funds for the fiscal year 2022 as follows:

General Fund	\$ 383,810
Water Operations Fund	\$ 211,785
Capital Water Projects Fund	\$ 119,627
Road Paving Fund	\$ 85,482

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2022; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on August 18, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the **WILLOW BROOK METROPOLITAN DISTRICT** shall, and hereby does, amend the budget for the fiscal year 2022 as follows:

Capital Water Projects Fund	\$ 958,702
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the Funds referenced above for the purposes stated.

Adopted this 18th day of August, 2023.

**WILLOW BROOK  
METROPOLITAN DISTRICT**

\_\_\_\_\_  
E.J. Olbright, President

ATTEST:

\_\_\_\_\_  
Randy Lewis, Assistant Secretary

Exhibit A

**WILLOW BROOK METROPOLITAN DISTRICT  
CAPITAL WATER PROJECTS FUND  
AMENDED 2022 BUDGET**

	<b>Budget Amounts</b>	
	<b>Adopted</b>	<b>Amended</b>
<b>REVENUES</b>		
Property taxes	\$ 121,153	\$ 121,153
Specific ownership taxes	8,500	8,500
Fire reduction grants	-	274,000
Interest	100	20
<b>Total revenues</b>	<b>129,753</b>	<b>403,673</b>
<b>EXPENDITURES</b>		
County treasurer fees	6,058	6,058
District management and accounting	-	9,600
Election	-	11,900
Fire reduction project	-	390,000
Legal	-	6,700
InBank loan principal	-	323,000
InBank loan interest	-	6,000
SRF loan principal	73,071	73,071
SRF loan interest	40,498	40,498
PRV connection of 2 systems	-	82,500
<b>Total expenditures</b>	<b>119,627</b>	<b>949,327</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>10,126</b>	<b>(545,654)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Loan proceeds	-	473,000
Loan expenses	-	(9,375)
Total other financing sources (uses)	-	463,625
<b>NET CHANGE IN FUND BALANCE</b>	<b>10,126</b>	<b>(82,029)</b>
<b>BEGINNING FUND BALANCE</b>	<b>138,269</b>	<b>263,899</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 148,395</b>	<b>\$ 181,870</b>