

ANNUAL REPORT FOR CALENDAR YEAR 2022
SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT

Town of Silverthorne, Colorado
via Email townclerk@silverthorne.org

Summit County Clerk and Recorder
via Email tayrn.power@summitcountycolorado.gov

Office of the State Auditor
1525 Sherman Street, 7th Floor
Denver, Colorado 80203
via E-Filing Portal

Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203
via E-Filing Portal

Pursuant to Section VII.B. of the Service Plan of the South Maryland Creek Ranch Metropolitan District (the “**District**”) and Section 32-1-207(3)(c)(I), C.R.S., the District is required to submit an annual report for the preceding calendar year (the “**Report**”) no later than September 1 of each year to the Town Clerk for the Town of Silverthorne, Colorado (the “**Town**”), the Colorado Division of Local Government, the Colorado State Auditor and the Summit County Clerk and Recorder; the Report must also be posted on the District’s website, if available.

For the year ending December 31, 2022, the District makes the following report:


1. **Boundary changes made to the District’s boundaries:** There were no changes made to the District’s boundaries during fiscal year 2022.
2. **Intergovernmental agreements entered into or terminated:** There were no intergovernmental agreements entered into or terminated during fiscal year 2022.
3. **Access information to obtain a copy of the Rules and Regulations:** The District has not adopted rules and regulations as of December 31, 2022.
4. **A summary of any litigation involving public improvements by the District:** The District is not aware of any litigation involving public improvements.
5. **Summary of District’s progress in implementing its Service Plan:** As of December 31, 2022, all District public improvements have been accepted and dedicated to the Town.
6. **Notice of any uncured defaults existing for more than 90 days under any debt instrument of the District:** No notices of any uncured default were issued during fiscal year 2022.

7. **The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:** To the best of our actual knowledge, the District has been able to pay its obligations as they came due during fiscal year 2022.
8. **Audited Financial Statements.** A copy of the 2022 audited financial statements of the District are attached hereto as Exhibit A.
9. **Summary of capital expenditures incurred during fiscal year 2022:** The District did not incur any capital expenditures during fiscal year 2022.
10. **Capital improvements or projects proposed to be undertaken in the five (5) years following fiscal year 2022.** There are no capital improvements or projects proposed to be undertaken. All District public improvements have been completed.
11. **Summary of financial obligations.**
 - (a) Outstanding Indebtedness as of 12/31/22: \$15,517,872
 - (b) New Indebtedness in Report Year: None
 - (c) Payment of Existing Debt in Report Year: Anticipated to be a total of \$744,893 (\$35,000 of which is principal)
 - (d) Assessed Value as of January 1 of Report Year: \$17,130,870
 - (e) Mill Levy Pledged to Debt Service: 44.531
12. **Budget for Calendar Year.** A copy of the 2023 Budget is attached hereto as Exhibit B.
13. **Summary of residential development for fiscal year 2022.**

During fiscal year 2022, a total of 0 homes were sold, 27 homes were closed and another 43 were under construction.
14. **Certification Concerning Section 4-10-5, Silverthorne Municipal Code.** See Exhibit C attached hereto.
15. **Name, Address and Telephone Number of Board Members, Chief Administrative Officer and General Counsel, together with Date, Place and Time of Regular Meetings of the Board.** See Exhibit D attached hereto.

Respectfully submitted this 23rd day of August, 2023.

COCKREL ELA GLESNE GREHER &
RUHLAND, P.C.

By: 

Matthew P. Ruhland
Attorney for South Maryland Creek
Ranch Metropolitan District

EXHIBIT A

Audit of District's Financial Statements for fiscal year 2022

**SOUTH MARYLAND CREEK RANCH
METROPOLITAN DISTRICT
Summit County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITOR'S REPORT	I
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	20
OTHER INFORMATION	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	22
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	23

Independent Auditor's Report

To the Board of Directors
South Maryland Creek Ranch Metropolitan District

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of South Maryland Creek Ranch Metropolitan District (the District), as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major funds of South Maryland Creek Ranch Metropolitan District, as of December 31, 2022, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of South Maryland Creek Ranch Metropolitan District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about South Maryland Creek Ranch Metropolitan District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of South Maryland Creek Ranch Metropolitan District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about South Maryland Creek Ranch Metropolitan District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

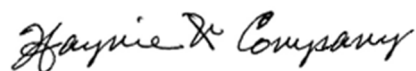
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise South Maryland Creek Ranch Metropolitan District's basic financial statements. The supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Littleton, Colorado
July 21, 2023

BASIC FINANCIAL STATEMENTS

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 55,634
Cash and Investments - Restricted	594,754
Receivable from County Treasurer	3,771
Prepaid Expenses	2,607
Property Taxes Receivable	1,181,886
Total Assets	<u>1,838,652</u>
LIABILITIES	
Accounts Payable	6,289
Accrued Interest Payable	59,002
Noncurrent Liabilities:	
Due Within One Year	85,000
Due in More Than One Year	29,054,720
Total Liabilities	<u>29,205,011</u>
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,181,886
Total Deferred Inflows of Resources	<u>1,181,886</u>
NET POSITION	
Restricted For:	
Emergency Reserves	10,400
Unrestricted	(28,558,645)
Total Net Position	<u><u>\$ (28,548,245)</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
	Expenses				
FUNCTIONS/PROGRAMS					
Governmental Activities:					
General Government	\$ 281,215	\$ -	\$ -	\$ -	\$ (281,215)
Interest and Related Costs on Long-Term Debt	1,755,768	-	-	-	(1,755,768)
Total Governmental Activities	<u>\$ 2,036,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	(2,036,983)
GENERAL REVENUES					
Property Taxes					868,767
Specific Ownership Taxes					52,123
Property Taxes - Town IGA					231,667
Interest Income					9,531
Total General Revenues					<u>1,162,088</u>
CHANGE IN NET POSITION					(874,895)
Net Position - Beginning of Year					<u>(27,673,350)</u>
NET POSITION - END OF YEAR					<u>\$ (28,548,245)</u>

See accompanying Notes to Basic Financial Statements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 55,634	\$ -	\$ 55,634
Cash and Investments - Restricted	10,400	584,354	594,754
Receivable from County Treasurer	1,125	2,646	3,771
Prepaid Expenses	2,607	-	2,607
Due from Other Funds	47,000	-	47,000
Property Taxes Receivable	<u>352,487</u>	<u>829,399</u>	<u>1,181,886</u>
Total Assets	<u>\$ 469,253</u>	<u>\$ 1,416,399</u>	<u>\$ 1,885,652</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	3,789	2,500	6,289
Due to Other Funds	<u>-</u>	<u>47,000</u>	<u>47,000</u>
Total Liabilities	<u>3,789</u>	<u>49,500</u>	<u>53,289</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	<u>352,487</u>	<u>829,399</u>	<u>1,181,886</u>
Total Deferred Inflows of Resources	<u>352,487</u>	<u>829,399</u>	<u>1,181,886</u>
FUND BALANCES			
Nonspendable			
Prepaid Expenses	2,607	-	2,607
Restricted For:			
Emergency Reserves	10,400	-	10,400
Debt Service	-	537,500	537,500
Unassigned	<u>99,970</u>	<u>-</u>	<u>99,970</u>
Total Fund Balances	<u>112,977</u>	<u>537,500</u>	<u>650,477</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 469,253</u>	<u>\$ 1,416,399</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	(14,670,000)
Accrued Interest on Subordinate Bonds	(847,872)
Accrued Interest on Senior Bonds	(59,002)
Developer Advances Payable	(9,925,088)
Accrued Interest on Developer Advances	<u>(3,696,760)</u>

Net Position of Governmental Activities	<u>\$ (28,548,245)</u>
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See accompanying Notes to Basic Financial Statements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 96,524	\$ 772,243	\$ 868,767
Specific Ownership Taxes	15,545	36,578	52,123
Property Taxes - Town IGA	231,667	-	231,667
Interest Income	255	9,276	9,531
Total Revenues	<u>343,991</u>	<u>818,097</u>	<u>1,162,088</u>
EXPENDITURES			
General and Administrative:			
Accounting	26,739	-	26,739
Audit	5,900	-	5,900
County Treasurer's Fee	4,767	-	4,767
County Treasurer's Fee - Town IGA	11,440	-	11,440
Dues	824	-	824
Insurance	2,800	-	2,800
Legal	8,290	-	8,290
Town IGA Payment	220,440	-	220,440
Miscellaneous	15	-	15
Debt Service:			
Bond Principal - 2018A	-	35,000	35,000
Bond Interest - 2018A	-	709,893	709,893
County Treasurer's Fee	-	38,133	38,133
Paying Agent Fee	-	6,000	6,000
Total Expenditures	<u>281,215</u>	<u>789,026</u>	<u>1,070,241</u>
NET CHANGE IN FUND BALANCES	62,776	29,071	91,847
OTHER FINANCING SOURCES (USES)			
Repay Developer Advances	(10,499)	-	(10,499)
Total Other Financing Sources (Uses)	<u>(10,499)</u>	<u>-</u>	<u>(10,499)</u>
NET CHANGE IN FUND BALANCES	52,277	29,071	81,348
Fund Balances - Beginning of Year	<u>60,700</u>	<u>508,429</u>	<u>569,129</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 112,977</u></u>	<u><u>\$ 537,500</u></u>	<u><u>\$ 650,477</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Net Changes in Fund Balances - Total Governmental Funds	\$	81,348
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Amounts reported for governmental activities in the statement of activities are different because:

Long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Developer Advances	9,164
2018A Bonds Principal	35,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest on Subordinate Bonds - Change in Liability	(207,250)
Accrued Interest on Developer Advances - Change in Liability	(793,313)
Accrued Interest on Senior Bonds - Change in Liability	156

Change in Net Position of Governmental Activities	\$	(874,895)
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**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance- Positive (Negative)
REVENUES			
Property Taxes	\$ 95,350	\$ 96,524	\$ 1,174
Specific Ownership Taxes	12,968	15,545	2,577
Property Taxes - Town IGA	228,851	231,667	2,816
Interest Income	75	255	180
Total Revenues	<u>337,244</u>	<u>343,991</u>	<u>6,747</u>
EXPENDITURES			
Accounting	24,000	26,739	(2,739)
Audit	6,000	5,900	100
County Treasurer's Fee	4,768	4,767	1
County Treasurer's Fee - Town IGA	11,443	11,440	3
Dues	800	824	(24)
Election expense	1,000	-	1,000
Insurance	2,800	2,800	-
Legal	15,000	8,290	6,710
Miscellaneous	10,780	15	10,765
Town IGA Payment	217,409	220,440	(3,031)
Total Expenditures	<u>294,000</u>	<u>281,215</u>	<u>12,785</u>
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	-	(10,499)	(10,499)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(10,499)</u>	<u>(10,499)</u>
NET CHANGE IN FUND BALANCE	43,244	52,277	9,033
Fund Balance - Beginning of Year	<u>54,497</u>	<u>60,700</u>	<u>6,203</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 97,741</u></u>	<u><u>\$ 112,977</u></u>	<u><u>\$ 15,236</u></u>

See accompanying Notes to Basic Financial Statements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 DEFINITION OF REPORTING ENTITY

South Maryland Creek Ranch Metropolitan District (District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by a Service Plan approved by the Town of Silverthorne, Colorado (the Town) on March 23, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located within the boundaries of the Town.

The District was established to provide financing, construction, acquisition, installation and ongoing operations and maintenance of Public Improvements, including streets, traffic safety, water, sanitary sewer, storm drainage, park and recreation, transportation and mosquito control improvements and facilities for the Development.

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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

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

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

Deferred Inflows of Resources

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

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

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

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

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

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

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

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

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

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 55,634
Cash and Investments - Restricted	<u>594,754</u>
Total Cash and Investments	<u><u>\$ 650,388</u></u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 66,034
Investments	<u>584,354</u>
Total	<u><u>\$ 650,388</u></u>

Deposits with Financial Institutions

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

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

As of December 31, 2022, the District had a bank and a carrying balance of \$66,034.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 584,354

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (CONTINUED)

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

NOTE 4 LONG-TERM OBLIGATIONS

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

	Balance - December 31, 2021	Additions	Retirement of Long-Term Obligations	Balance - December 31, 2022	Due Within One Year
Bonds Payable					
General Obligation Bonds:					
Series 2018A	\$ 12,755,000	\$ -	\$ 35,000	\$ 12,720,000	\$ 85,000
Series 2018B	1,950,000	-	-	1,950,000	-
Accrued Interest 2018B Bonds	640,622	207,250	-	847,872	-
Subtotal of Bonds Payable	15,345,622	207,250	35,000	15,517,872	85,000
Other Debts					
Developer Advance					
- Capital	9,925,088	-	-	9,925,088	-
Accrued Interest on Developer Advances					
- Capital	2,902,753	794,007	-	3,696,760	-
Developer Advance					
- Operations	9,164	-	9,164	-	-
Accrued Interest on Developer Advances					
- Operations	694	641	1,335	-	-
Subtotal of Other Debts	12,837,699	794,648	10,499	13,621,848	-
Total Long-Term Obligations	\$ 28,183,321	\$ 1,001,898	\$ 45,499	\$ 29,139,720	\$ 85,000

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

\$12,755,000 Series 2018A General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds

On April 26, 2018, the District issued \$12,755,000 General Obligation (Limited Tax Convertible to Unlimited Tax) Series 2018A Bonds (the Series 2018A Bonds). The Series 2018A Bonds were issued for the purposes of funding or reimbursing the costs of public improvements for the District, paying the costs of issuing the Series 2018A Bonds and funding the reserves and capitalized interest on the Series 2018A Bonds. The Series 2018A Bonds bear interest at a rate of 5.350%-5.625%, with interest payable on June 1 and December 1, and principal payable on December 1, with the 5.350% bonds totaling \$2,755,000 maturing on December 1, 2033 and the 5.625% bonds totaling \$10,000,000 maturing on December 1, 2047. The Series 2018A Bonds are subject to redemption prior to maturity, at the option of the District as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The Series 2018A Bonds are secured by and payable from Pledged Revenue, consisting of monies derived by the District from the following sources, net of any costs of collection: 1) the Required Mill Levy; 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and 3) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to fund the Bond Fund for the relevant Bond Year and pay the Series 2018A Bonds as they come due, and if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve of \$546,719, but (i) not in excess of 40 mills (as adjusted), and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount of \$1,000,000, not less than 40 mills as adjusted, or such lesser mill levy which will fund the Bond Fund for the relevant Bond Year and pay the Series 2018A Bonds as they come due. As of December 31, 2022, the maximum adjusted Debt Service Mill Levy was 44.531 mills.

\$1,950,000 Series 2018B Subordinate General Obligation (Limited Tax) Bonds

On April 26, 2018, the District issued \$1,950,000 Subordinate General Obligation (Limited Tax) Series 2018B Bonds (the Series 2018B Bonds). The Series 2018B Bonds were issued for the purposes of funding or reimbursing the costs of public improvements for the District and paying the costs of issuing the Series 2018B Bonds. The Series 2018B Bonds bear interest at a rate of 8%, payable to the extent of Subordinate Pledged Revenue available therefor on each December 15, commencing on December 15, 2018 and shall mature on December 15, 2047. The Series 2018 Bonds are subject to redemption prior to maturity, at the option of the District as follows:

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

\$1,950,000 Series 2018B Subordinate General Obligation (Limited Tax) Bonds
(Continued)

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023, to December 14, 2024	3.00%
December 15, 2024, to December 14, 2025	2.00
December 15, 2025, to December 14, 2026	1.00
December 15, 2026, and thereafter	0.00

The Series 2018B Bonds are secured by and payable from Subordinate Pledged Revenue, consisting of monies derived by the District from the following sources, net of any costs of collection: 1) the Subordinate Required Mill Levy; 2) The Subordinate Capital Fee Revenue, if any; 3) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Subordinate Required Mill Levy; 4) the amounts, if any, in the Series 2018A Senior Bond Surplus Fund after the termination of such fund pursuant to the Series 2018A Senior Bond Indenture; and 5) any other legally available monies which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

Subordinate Required Mill Levy means an ad valorem mill levy imposed on all taxable property of the District each year in the amount of 40 mills (as adjusted) less the amount of the Senior Bond Mill Levy, or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal and interest on the Series 2018B Bonds. As of December 31, 2022, the maximum adjusted Subordinate Required Mill Levy was 44.531 mills. At this time, the schedule of repayments on the Series 2018B Bonds is unknown and will be made when subordinate pledge revenue is available. The balance of compounded and accrued interest on the Series 2018B Bonds at December 31, 2022 totaled \$847,872.

The District's Series 2018A Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 85,000	\$ 708,020	\$ 793,020
2024	155,000	703,473	858,473
2025	195,000	695,180	890,180
2026	210,000	684,748	894,748
2027	220,000	673,513	893,513
2028-2032	1,470,000	3,164,532	4,634,532
2033-2037	2,195,000	2,689,661	4,884,661
2038-2042	3,160,000	1,972,688	5,132,688
2043-2047	5,030,000	948,939	5,978,939
Total	<u>\$ 12,720,000</u>	<u>\$ 12,240,754</u>	<u>\$ 24,960,754</u>

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization

On November 8, 2016, the District's voters authorized total indebtedness of \$132,000,000 for the purpose of providing public improvements and \$22,000,000 for the purpose of debt for operations and \$22,000,000 for refunding of debt. The maximum debt mill levy is 40.000 mills, as adjusted for changes in the assessment ratio, which results in an increase to 44.531 mills.

At December 31, 2022, the District had authorized but unissued general obligation indebtedness in the following amounts for the following purposes:

	Authorized November 8, 2016 Election	Authorization Used Series 2018A	Authorization Used Series 2018B	Remaining at December 31, 2022
Water	\$ 22,000,000	\$ (5,382,610)	\$ (822,900)	\$ 15,794,490
Street	22,000,000	(3,163,240)	(483,600)	18,353,160
Safety Protection	22,000,000	(51,020)	(7,800)	21,941,180
Park and Recreation	22,000,000	(12,755)	(1,950)	21,985,295
Sanitation	22,000,000	(4,145,375)	(633,750)	17,220,875
Operations	22,000,000	-	-	22,000,000
Public Transportation	22,000,000	-	-	22,000,000
Refunding	22,000,000	-	-	22,000,000
Total	<u>\$ 176,000,000</u>	<u>\$ (12,755,000)</u>	<u>\$ (1,950,000)</u>	<u>\$ 161,295,000</u>

NOTE 5 NET POSITION

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

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 consisting of \$10,400 for Emergency Reserves.

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements that have been conveyed to other governmental entities.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 AGREEMENTS

Advance and Reimbursement Agreement

On June 30, 2016, the Advance and Reimbursement Agreement for Operation and Maintenance Costs was entered into between the District and Maryland Creek Ranch, LLC (Developer). This agreement provides that the Developer will advance to the District funds required to be paid by the District for operations and maintenance purposes. The District shall reimburse the Developer for the advances, together with interest at the rate of 7% per annum.

As of December 31, 2022, there was no outstanding balance.

Infrastructure Acquisition Agreement

On June 30, 2016, the Infrastructure Acquisition Agreement was entered into between the District and the Developer. Under the terms of this agreement, the District agrees to acquire public improvements completed by the Developer within 30 days of delivery of an acceptance letter, and to make payment for the public improvements, subject to annual appropriation and budget approval. The advances under the agreement accrue interest at 8% per annum.

As of December 31, 2022, \$9,925,088 was outstanding with accrued interest of \$3,696,760.

Intergovernmental Agreement with the Town of Silverthorne

Under the terms of the Service Plan, and in return for the Town agreeing to accept ownership and maintenance responsibilities of the public improvements, the District is to impose a mill levy, not to exceed 12 mills, subject to adjustment, to help defray the Town's maintenance costs. The adjusted mill levy is currently 13.359 mills.

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Maryland Creek Ranch, LLC. Certain members of the Board of Directors are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

NOTE 8 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., 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). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for liability, property, workers' compensation, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 8, 2016, the District's voters approved an annual increase in taxes of \$1,000,000 for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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

SUPPLEMENTARY INFORMATION

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual	Variance - Positive (Negative)
REVENUES			
Property Taxes	\$ 762,854	\$ 772,243	\$ 9,389
Specific Ownership Taxes	30,514	36,578	6,064
Interest Income	507	9,276	8,769
Total Revenues	<u>793,875</u>	<u>818,097</u>	<u>24,222</u>
EXPENDITURES			
Bond Interest - 2018A	709,893	709,893	-
Bond Principal - 2018A	35,000	35,000	-
Contingency	3,964	-	3,964
County Treasurer's Fee	38,143	38,133	10
Paying Agent Fee	6,000	6,000	-
Total Expenditures	<u>793,000</u>	<u>789,026</u>	<u>3,974</u>
NET CHANGE IN FUND BALANCE	875	29,071	28,196
Fund Balance - Beginning of Year	<u>508,886</u>	<u>508,429</u>	<u>(457)</u>
FUND BALANCE - END OF YEAR	<u>\$ 509,761</u>	<u>\$ 537,500</u>	<u>\$ 27,739</u>

OTHER INFORMATION

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022**

\$12,755,000			
General Obligation Bonds			
(Limited Tax Convertible to Unlimited Tax)			
Series 2018A			
Dated April 26, 2018			
Interest Rate 5.350% - 5.625%			
Interest Due June 1, Principal & Interest Due December 1			
Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2023	\$ 85,000	\$ 708,020	\$ 793,020
2024	155,000	703,473	858,473
2025	195,000	695,180	890,180
2026	210,000	684,748	894,748
2027	220,000	673,513	893,513
2028	250,000	661,743	911,743
2029	265,000	648,368	913,368
2030	295,000	634,190	929,190
2031	310,000	618,408	928,408
2032	350,000	601,823	951,823
2033	385,000	583,098	968,098
2034	405,000	562,500	967,500
2035	430,000	539,719	969,719
2036	475,000	515,531	990,531
2037	500,000	488,813	988,813
2038	550,000	460,688	1,010,688
2039	580,000	429,750	1,009,750
2040	635,000	397,125	1,032,125
2041	670,000	361,406	1,031,406
2042	725,000	323,719	1,048,719
2043	770,000	282,938	1,052,938
2044	830,000	239,625	1,069,625
2045	880,000	192,938	1,072,938
2046	950,000	143,438	1,093,438
2047	1,600,000	90,000	1,690,000
Total	<u>\$ 12,720,000</u>	<u>\$ 12,240,754</u>	<u>\$ 24,960,754</u>

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property	Mills Levied		Total Property Taxes		Percentage Collected to Levied
	Tax Levy	General/IGA	Debt Service	Levied	Collected	
2018	\$ 3,588,400	63.016	0.000	\$ 226,127	\$ 226,127	100.00 %
2019	8,717,520	18.794	44.222	549,343	521,453	94.92
2020	10,058,270	18.925	44.531	638,258	636,476	99.72
2021	13,248,670	18.925	44.531	840,708	839,286	99.83
2022	\$ 17,130,870	18.925	44.531	\$ 1,087,056	\$ 1,100,434	101.23
Estimated for the Year Ending December 31, 2023	\$ 18,268,300	19.295	45.401	\$ 1,181,886		

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.

EXHIBIT B

2023 Budget

CERTIFICATION OF BUDGET

TO: Division of Local Government
Department of Local Affairs
1313 Sherman Street, Room 521
Denver, Colorado 80203

This is to certify that the budget, attached hereto, is a true and correct copy of the budget for the South Maryland Creek Ranch Metropolitan District, Summit County, Colorado, for the budget year beginning January 1, 2023 and ending December 31, 2023 as adopted by the District's Board of Directors on November 29, 2022.

IN WITNESS WHEREOF, I have executed this Certification of Budget as of this 29th day of November, 2022.

SOUTH MARYLAND CREEK RANCH
METROPOLITAN DISTRICT

By


Paul L. Books, Chair

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR YEAR ENDING DECEMBER 31, 2023

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 653,147	\$ 569,129	\$ 626,298
REVENUES			
Property Taxes	662,596	861,189	933,072
Town IGA	176,690	229,646	248,814
Specific Ownership Taxes	45,175	43,482	47,275
Interest Income	749	2,450	12,839
Total revenues	885,210	1,136,767	1,242,000
Total funds available	1,538,357	1,705,896	1,868,298
EXPENDITURES			
General Fund	223,862	290,562	320,000
Debt Service Fund	745,366	789,036	843,000
Total expenditures	969,228	1,079,598	1,163,000
Total expenditures and transfers out requiring appropriation	969,228	1,079,598	1,163,000
ENDING FUND BALANCES	\$ 569,129	\$ 626,298	\$ 705,298
EMERGENCY RESERVE	\$ 8,000	\$ 10,200	\$ 11,100
SENIOR REQUIRED RESERVE	546,719	546,719	546,719
TOTAL RESERVE	\$ 554,719	\$ 556,919	\$ 557,819

No assurance provided. See summary of significant assumptions.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
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ASSESSED VALUATION - SUMMIT

Total Assessed Value	\$ 13,248,670	\$ 17,130,870	\$ 18,268,300
Certified Assessed Value	\$ 13,248,670	\$ 17,130,870	\$ 18,268,300

MILL LEVY

General	5.566	5.566	5.675
Town IGA	13.359	13.359	13.620
Debt Service	44.531	44.531	45.401
Total mill levy	63.456	63.456	64.696

PROPERTY TAXES

General	\$ 73,742	\$ 95,350	\$ 103,673
Town IGA	176,989	228,851	248,814
Debt Service	589,977	762,855	829,399
Levied property taxes	840,708	1,087,056	1,181,886
Adjustments to actual/rounding	(1,422)	3,779	-
Budgeted property taxes	\$ 839,286	\$ 1,090,835	\$ 1,181,886

BUDGETED PROPERTY TAXES

General	\$ 73,617	\$ 95,682	\$ 103,673
Town IGA	176,690	229,647	248,814
Debt Service	588,979	765,506	829,399
	\$ 839,286	\$ 1,090,835	\$ 1,181,886

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/31/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 20,575	\$ 60,700	\$ 108,684
REVENUES			
Property taxes	73,617	95,682	103,673
Town IGA	176,690	229,646	248,814
Specific ownership taxes	13,473	12,968	14,099
Interest income	207	250	2,414
Total revenues	263,987	338,546	369,000
Total funds available	284,562	399,246	477,684
EXPENDITURES			
General and administrative			
Accounting	27,398	24,000	28,000
Audit	5,400	6,000	6,400
County Treasurer's Fee	3,684	4,768	5,184
County Treasurer's Fee - Town IGA	8,841	11,443	12,441
Dues	700	824	1,000
Insurance	2,549	2,800	3,000
Legal	7,640	10,000	15,000
Election expense	-	-	1,000
Town - O & M Payment	167,635	220,227	236,373
Miscellaneous	15	-	11,602
Repay developer advance	-	9,164	-
Repay developer advance interest	-	1,336	-
Total expenditures	223,862	290,562	320,000
Total expenditures and transfers out requiring appropriation	223,862	290,562	320,000
ENDING FUND BALANCES	\$ 60,700	\$ 108,684	\$ 157,684
EMERGENCY RESERVE	\$ 8,000	\$ 10,200	\$ 11,100
TOTAL RESERVE	\$ 8,000	\$ 10,200	\$ 11,100

No assurance provided. See summary of significant assumptions.

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/31/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 632,572	\$ 508,429	\$ 517,614
REVENUES			
Property taxes	588,979	765,507	829,399
Specific ownership taxes	31,702	30,514	33,176
Interest income	542	2,200	10,425
Total revenues	621,223	798,221	873,000
Total funds available	1,253,795	1,306,650	1,390,614
EXPENDITURES			
Debt Service			
Bond interest - Senior Bond	709,893	709,893	708,020
Bond principal Senior Bonds	-	35,000	85,000
County Treasurer's Fee	29,473	38,143	41,470
Paying Agent Fees	6,000	6,000	6,000
Contingency	-	-	2,510
Total expenditures	745,366	789,036	843,000
Total expenditures and transfers out requiring appropriation	745,366	789,036	843,000
ENDING FUND BALANCES	\$ 508,429	\$ 517,614	\$ 547,614
SENIOR REQUIRED RESERVE	546,719	546,719	546,719
TOTAL RESERVE	\$ 546,719	\$ 546,719	\$ 546,719

No assurance provided. See summary of significant assumptions.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is authorized by a Service Plan approved by the Town of Silverthorne, Colorado (the Town) on March 23, 2016. Pursuant to the Service Plan, the District shall have the power and authority provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Colorado Constitution, subject to all of the limitations set forth in the Service Plan. Property within the Service Area will be provided water and sanitation services by the Town. For so long as the Town, or other water and sanitation provider is providing water and sanitation services to the Service Area, the District shall not also operate or maintain water and sanitation improvements. Notwithstanding the foregoing limitation, the District shall be expressly permitted to undertake the construction and financing of water and sanitation improvements. Additionally, the Service Plan limits the amount of Debt to be issued to not exceed of Twenty-Two Million Dollars (\$22,000,000) in the aggregate par amount, exclusive of refunding.

On November 8, 2016 the District's voters authorized total indebtedness of \$132,000,000 for the purpose of providing Public Improvements and \$22,000,000 for the purpose of Debt for Operations and \$22,000,000 for refunding of debt. The election also approved an annual increase in property taxes of \$1,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

The Maximum Combined Mill Levy shall not exceed fifty-seven (57) mills. If, on or after January 1, 2017, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the Maximum Combined Mill Levy may be increased or decreased to reflect such changes, such increases or decreases. The adjusted maximum mill levy is 64.696 mills.

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

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

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

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

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

Specific Ownership Taxes

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

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

Expenditures

Administrative Expenses

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

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

County Treasurer's Fees

County Treasurer's fees have been computed at 5% of property tax collections.

Town O&M Payment

In return for the Town agreeing to accept ownership and maintenance responsibilities of the public improvements, the District is to impose a mill levy, not to exceed 12 mills (subject to adjustment) to help defray the Town's maintenance costs. The adjusted mill levy is 13.620 mills.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2018A General Obligation Bonds and Series 2018B Subordinate General Obligation Limited Tax Bonds (discussed under Debt and Leases).

Debt and Leases

On April 26, 2018, the District issued \$12,755,000 General Obligation (Limited Tax Convertible to Unlimited Tax) Series 2018A Bonds (the "Series 2018A Bonds"). The Bonds were issued for the purposes of funding or reimbursing the costs of public improvements for the District, paying the costs of issuing the Bonds and funding the reserves and capitalized interest on the Series 2018A Bonds. The Series 2018A Bonds bear interest at a rate of 5.350%-5.625%, with interest payable on June 1 and December 1, and principal payable on December 1st, with the 5.350% bonds totaling \$2,755,000 maturing on December 1, 2033 and the 5.625% bonds totaling \$10,000,000 maturing on December 1, 2047. The Series 2018A Bonds are subject to redemption prior to maturity, at the option of the District as follows:

Date of Redemption	Redemption Premium
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The Bonds are secured by and payable from Pledged Revenue, consisting of monies derived by the District from the following sources, net of any costs of collection: 1) the Required Mill Levy; 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and 3) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee application as Pledged Revenue. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to fund the Bond Fund for the relevant Bond Year and pay the Bonds as they come due, and if necessary, an amount sufficient to replenish the Reserve Fund to the

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

amount of the Required Reserve of \$546,719, but (i) not in excess of 40 mills (as adjusted), and (ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount of \$1,000,000, not less than 40 mills as adjusted, or such lesser mill levy which will fund the Bond Fund for the relevant Bond Year and pay the Bonds as they come due. The maximum adjusted Debt Service Mill Levy was 45.401 mills.

On April 26, 2018, the District issued \$1,950,000 Subordinate General Obligation (Limited Tax) Series 2018B Bonds (the "Series 2018B Bonds"). The Bonds were issued for the purposes of funding or reimbursing the costs of public improvements for the District and paying the costs of issuing the Bonds. The Series 2018B Bonds bear interest at a rate of 8%, payable to the extent of Subordinate Pledged Revenue available therefor on each December 15, commencing on December 15, 2018 and shall mature on December 15, 2047:

Date of Redemption	Redemption Premium
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The Series 2018B Bonds are secured by and payable from Subordinate Pledged Revenue, consisting of monies derived by the District from the following sources, net of any costs of collection: 1) the Subordinate Required Mill Levy; 2) The Subordinate Capital Fee Revenue, if any; 3) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Subordinate Required Mill Levy; 4) the amounts, if any, in the Series 2018A Senior Bond Surplus Fund after the termination of such fund pursuant to the Series 2018A Senior Bond Indenture; and 5) any other legally available monies which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue. Subordinate Required Mill Levy means an ad valorem mill levy imposed on all taxable property of the District each year in the amount of 40 mills (as adjusted) less the amount of the Senior Bond Mill Levy, or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal and interest on the Series 2018B Bonds. At this time, the schedule of repayments on the Series 2018B Bonds is unknown and will be made when cash flow is available. The Series 2018B Bonds bear interest at a rate of 8%, payable annually on December 15, commencing December 15, 2026, to the extent of Subordinate Pledged Revenue available therefor, and mature on December 15, 2047, subject to optional and mandatory redemption prior to maturity.

The District has no outstanding operating or capital leases.

**SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Developer Advances

The District also has operating and capital developer advances, which are estimated through 2023 as shown below:

	Balance - December 31, 2021	Additions	Retirement of Long-Term Obligations	Balance - December 31, 2022
Developer Advance				
- Capital	\$ 9,925,088	\$ -	\$ -	\$ 9,925,088
Accrued Interest -				
Developer Advances				
- Capital	2,902,753	794,007	-	3,696,760
Developer Advance				
- Operations	9,164	-	9,164	-
Accrued Interest -				
Developer Advances				
- Operations	694	641	1,335	-
	<u>\$ 12,837,699</u>	<u>\$ 794,648</u>	<u>\$ 10,499</u>	<u>\$ 13,621,848</u>
	Balance - December 31, 2022	Additions	Retirement of Long-Term Obligations	Balance - December 31, 2023
Developer Advance				
- Capital	\$ 9,925,088	\$ -	\$ -	\$ 9,925,088
Accrued Interest -				
Developer Advances				
- Capital	3,696,760	794,007	-	4,490,767
Developer Advance				
- Operations	-	-	-	-
Accrued Interest -				
Developer Advances				
- Operations	-	-	-	-
	<u>\$ 13,621,848</u>	<u>\$ 794,007</u>	<u>\$ -</u>	<u>\$ 14,415,855</u>

Reserves

Emergency Reserves

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds. In 2023, the District will fulfill the Required Reserve.

This information is an integral part of the accompanying budget.

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2018

\$12,755,000 General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds
Series 2018A

Dated April 26, 2018

Principal due December 1

Interest Rate Varying from 5.350% - 5.625% Payable

Year Ended December 31,	Principal	Interest	Total
2023	\$ 85,000	\$ 708,020	\$ 793,020
2024	155,000	703,473	858,473
2025	195,000	695,180	890,180
2026	210,000	684,748	894,748
2027	220,000	673,513	893,513
2028	250,000	661,743	911,743
2029	265,000	648,368	913,368
2030	295,000	634,190	929,190
2031	310,000	618,408	928,408
2032	350,000	601,823	951,823
2033	385,000	583,098	968,098
2034	405,000	562,500	967,500
2035	430,000	539,719	969,719
2036	475,000	515,531	990,531
2037	500,000	488,813	988,813
2038	550,000	460,688	1,010,688
2039	580,000	429,750	1,009,750
2040	635,000	397,125	1,032,125
2041	670,000	361,406	1,031,406
2042	725,000	323,719	1,048,719
2043	770,000	282,938	1,052,938
2044	830,000	239,625	1,069,625
2045	880,000	192,938	1,072,938
2046	950,000	143,438	1,093,438
2047	1,600,000	90,000	1,690,000
	<u>\$ 12,720,000</u>	<u>\$ 12,240,754</u>	<u>\$ 24,960,754</u>

No assurance provided. See summary of significant assumptions.

SOUTH MARYLAND CREEK RANCH METROPOLITAN DISTRICT

RESOLUTION TO ADOPT 2023 BUDGET

WHEREAS, the Board of Directors (the “**Board**”) of South Maryland Creek Ranch Metropolitan District (the “**District**”) has appointed a budget committee to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board on or before October 15, 2022 for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 29, 2022, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of South Maryland Creek Ranch Metropolitan District:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$ 320,000
Debt Service Fund:	843,000
Total	<u>\$1,163,000</u>

2. That estimated revenues are as follows:

<u>General Fund:</u>	
From unappropriated surpluses	\$108,684
From sources other than general property tax	16,513
From general property tax	<u>352,487</u>
Total	<u>\$477,684</u>

Debt Service Fund:

From unappropriated surpluses	\$ 517,614
From general property tax	829,399
From sources other than general property tax	<u>43,601</u>
Total	\$1,390,614

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the District for the 2023 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$103,673; and

WHEREAS, the amount of money from property taxes necessary to balance the budget for contractual obligation expenses is \$248,814; and

WHEREAS, the amount of money necessary to balance the budget for debt service expenses is \$829,399; and

WHEREAS, the 2022 valuation for assessment of the District, as certified by the County Assessor, is \$18,268,300.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of South Maryland Creek Ranch Metropolitan District:

1. That for the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 5.675 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$103,673.

2. That for the purpose of meeting all contractual obligation expenses of the District during the 2023 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 13.620 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$248,814.

3. That for the purpose of meeting all debt service expenses of the District during the 2023 budget year, there is hereby levied a property tax of 45.401 mills upon each dollar of total valuation for assessment of all taxable property within the District to raise \$829,399.

4. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Summit County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of South Maryland Creek Ranch Metropolitan District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:


General Fund:	\$ 320,000
Debt Service Fund:	843,000
Total	<u>\$1,163,000</u>

Adopted this 29th day of November, 2022.

**SOUTH MARYLAND CREEK RANCH
METROPOLITAN DISTRICT**

By: 
Paul L. Books, Chair

ATTEST:

By: 
Timothy R. Welland, Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO:** County Commissioners¹ of SUMMIT COUNTY, Colorado.**On** behalf of the SOUTH MARYLAND CREEK RANCH METRO DISTRICT,
(taxing entity)^Athe BOARD OF DIRECTORS
(governing body)^Bof the SOUTH MARYLAND CREEK RANCH METRO DISTRICT
(local government)^C**Hereby** officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 18,268,300
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)**Note:** If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 18,268,300
calculated using the NET AV. The taxing entity's total (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
property tax revenue will be derived from the mill levy **USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED
BY ASSESSOR NO LATER THAN DECEMBER 10**
multiplied against the NET assessed valuation of:**Submitted:** 12/12/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>5.675</u> mills	\$ <u>103,673</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>5.675</u> mills	\$ <u>103,673</u>
3. General Obligation Bonds and Interest ^J	<u>45.401</u> mills	\$ <u>829,399</u>
4. Contractual Obligations ^K	<u>13.620</u> mills	\$ <u>248,814</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>64.696</u> mills	\$ <u>1,181,886</u>

Contact person:
(print)Tim WellandDaytime
phone: (734) 945-9304

Signed:

Tim WellandTitle: Board Member

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

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

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

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

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | Financing of public improvements |
| | Series: | 2018A General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds |
| | Date of Issue: | April 26, 2018 |
| | Coupon Rate: | 5.35%– 5.625% |
| | Maturity Date: | December 1, 2047 |
| | Levy: | 45.401 |
| | Revenue: | \$829,399 |
| 2. | Purpose of Issue: | Financing of public improvements |
| | Series: | 2018B Subordinate General Obligation Limited Tax Bonds |
| | Date of Issue: | April 26, 2018 |
| | Coupon Rate: | 8.00% |
| | Maturity Date: | December 15, 2047 |
| | Levy: | 0.000 |
| | Revenue: | \$0 |

CONTRACTS^κ:

- | | | |
|----|----------------------|---|
| 3. | Purpose of Contract: | Assist Town with maintenance costs |
| | Title: | Intergovernmental Agreement with the Town of Silverthorne |
| | Date: | March 23, 2016 |
| | Principal Amount: | N/A |
| | Maturity Date: | N/A |
| | Levy: | 13.620 |
| | Revenue: | \$248,814 |
| 4. | Purpose of Contract: | |
| | Title: | |
| | Date: | |
| | Principal Amount: | |
| | Maturity Date: | |
| | Levy: | |
| | Revenue: | |

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

EXHIBIT C

Certification Pursuant to Section 4-10-5, Silverthorne Municipal Code

The Board of Directors of the South Maryland Creek Ranch Metropolitan District hereby certifies that no action, event or condition enumerated in Section 4-10-5 of the Silverthorne Municipal Code as set forth below has occurred in 2022:

- (1) The development of any capital facility in excess of one hundred thousand dollars (\$100,000.00) in cost, which is not either identified in the service plan or authorized by the Town in the course of a separate development approval, excluding bona fide cost projection miscalculations; and state or federally mandated improvements, particularly water or sanitation facilities.
- (2) The failure of the District to develop, cause to be developed, or consent to the development by others of any capital facility proposed in its service plan when necessary to service approved development within the District that is actually occurring.
- (3) The occurrence of any event or condition which is defined under the service plan or intergovernmental agreement as necessitating a service plan amendment.
- (4) The material default by the District under any intergovernmental agreement with the Town.
- (5) Any of the events or conditions enumerated in Section 32-1-207(2), C.R.S., as amended.

EXHIBIT D

Contact Information and Board Meeting Information

Board of Directors:

Paul Books

2700 South Broadway, Suite 200
Englewood, Colorado 80113
605-929-6483

Lacey Books

2700 South Broadway, Suite 200
Englewood, Colorado 80113
303-502-6564

Matthew Mueller

2700 South Broadway, Suite 200
Englewood, Colorado 80113
720-202-1998

Timothy Welland

2700 South Broadway, Suite 200
Englewood, Colorado 80113
303-578-2096

Catherine Siegel Hamlin

43 Quartz Circle
Breckenridge, Colorado 80424
970-471-0963

General Counsel:

Matthew P. Ruhland

Cockrel Ela Glesne Greher & Ruhland, P.C.
44 Cook Street, Suite 620
Denver, Colorado 80206
Phone: 303-218-7200

Chief Administrative Officer:

None

Regular Board Meetings:

Special Meetings of the Board of Directors are held as needed following proper notice.