

**NP125 METROPOLITAN DISTRICT
TOWN OF FIRESTONE, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2022

Pursuant to the Service Plan for NP125 Metropolitan District (the "District"), the District is required to provide an annual report to the Town of Firestone, Colorado (the "Town").

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

a. Boundary changes of the District.

No boundary changes were made or proposed during the reporting period.

b. Intergovernmental Agreements entered into or proposed.

No Intergovernmental Agreements were entered into during the reporting period.

c. Changes or proposed changes in the District's policies.

No changes or proposed changes in the District's policies occurred during the reporting period.

d. Changes or proposed changes in the District's operations.

No changes or proposed changes in the District's operations occurred during the reporting period.

e. Any changes in the financial status of the District including any issuance of financial obligations or any change in revenue projections or operating costs.

On July 8, 2016, the District Board authorized the issuance of Limited Tax General Obligation Bonds, Series 2016 in the amount of \$3,465,000 for the purpose of financing the costs of public improvements, paying the cost of issuing the bonds, authorizing the execution of an indenture trust, and approving other documents relating to the bonds.

There were no changes to the District's financial status in 2022.

A copy of the District's 2023 Budget is attached hereto as **Exhibit A**.

f. A summary of any litigation and notices of claim involving the District.

There is no litigation, notices of claim, pending or threatened, against the District of which we are aware.

g. Proposed plans for the year immediately following the year summarized in the annual report.

There are no changes to proposed plans for the upcoming year.

h. Status of construction of public improvements.

Public improvements constructed by the Developer have been substantially completed according to approved development plans. No improvements were dedicated to the District during the reporting period.

i. The current assessed valuation in the District.

The current gross assessed valuation of the District is \$5,235,450. Due to a Tax Increment Financing Area, the assessor also certified a net assessed valuation of \$3,011,763.90.

j. A schedule of all fees, charges, and assessments imposed in the report year and proposed to be imposed in the following year and the revenues raised or proposed to be raised therefrom.

No fees, charges or assessments were imposed by the District during the reporting period. The District does not anticipate the imposition of fees, charges or assessments in 2023. The District imposed a mill levy of 57.445 mills in 2022 (for collection in 2023).

The District hereby certifies that the information provided herein is true and accurate and, as of the date hereof, the District is in full compliance with the District's Service Plan.


Respectfully submitted this 19 day of July, 2023.

NP125 METROPOLITAN DISTRICT



Marcus Palkowitsh, President

ATTEST:



John Will, Assistant Secretary/
Assistant Treasurer

EXHIBIT A

2023 BUDGET FOR NP125 METROPOLITAN DISTRICT

LETTER OF BUDGET TRANSMITTAL

Date: January 26, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for NP125 METROPOLITAN DISTRICT in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 7, 2022. If there are any questions on the budget, please contact:

Cathy Fromm, CPA
Fromm & Company LLC
9227 E. Lincoln Ave #200
Lone Tree, CO 80124
303-912-8401

I, John Will, as Secretary of the NP125 Metropolitan District, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: John Will

**RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
NP125 METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE NP125 METROPOLITAN DISTRICT, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the NP125 Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 7, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$17,300; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$155,711; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 NET valuation for assessment for the District as certified by the County Assessor of Weld County is \$3,011,764; and

WHEREAS, at an election held on May 5, 2014, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NP125 METROPOLITAN DISTRICT OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the NP125 Metropolitan District for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 5.744 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation

indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 51.701 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 7th day of December, 2022.

NP125 METROPOLITAN DISTRICT

Marcus S Palkowitsch

President

ATTEST:

John Will

Secretary

NP125 METROPOLITAN DISTRICT

2023 BUDGET MESSAGE

The NP125 Metropolitan District (the District) is a quasi-municipal political subdivision of the State of Colorado. The District was formed by order of the District Court for the County of Weld, Colorado. The District, as a metropolitan district, derives its power from the State statutes. The District is governed by a five-member Board.

Basis of Accounting

The District prepares its budget on the modified accrual basis of accounting and uses Governmental funds to budget and report on its financial position.

Revenues

Taxes

The District imposes a mill levy of 57.445 mills. Of the total mill levy 5.744 mills are for operations of the District and 51.701 mills are pledged to the redemption of the District's General Obligation Bonds (GO Bonds) Series 2016.

Specific ownership taxes are set by the State and collected by the County Clerk, 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, and including, the District.

TIF Revenue

TIF revenue is received per an IGA with the Town of Firestone.

Funds

General Fund

The General Fund is the government's general operating fund. Revenue received by this Fund is comprised of property taxes, specific ownership taxes, TIF revenue from the Town of Firestone and interest income.

Debt Service Fund

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and related expenses on the long-term general obligation debt.

NP125 METROPOLITAN DISTRICT
ADOPTED 2023 BUDGET

**NP125 METROPOLITAN DISTRICT
GENERAL FUND
ADOPTED 2023 BUDGET
with 2021 Actual and 2022 Estimated**

	<u>2021 Actual</u>	<u>2022 Estimated</u>	<u>Adopted 2023 Budget</u>
REVENUE			
Property Tax			
Property Tax	\$ 19,204	\$ 17,590	\$ 17,300
URA TIF - (By IGA)	9,549	12,275	12,772
Specific Ownership Tax	1,445	1,700	1,700
Interest Income	28	1,200	2,000
Total Revenue	<u>\$ 30,226</u>	<u>\$ 32,765</u>	<u>\$ 33,772</u>
EXPENDITURES			
General Government			
Accounting	\$ 3,336	\$ 4,000	\$ 5,000
Directors' Fees	100	200	300
Dues and Subscriptions	311	311	1,000
Election	-	1,050	3,000
Insurance	2,032	2,032	2,500
Legal	3,443	5,000	10,000
Treasurer's Fees	399	450	250
TIF Weld County	-	-	200
Developer Advance Reimbursement	40,000	24,000	24,000
Contingency	-	2,000	500
Total Expenditures	<u>\$ 49,621</u>	<u>\$ 39,043</u>	<u>\$ 46,750</u>
NET CHANGE IN FUND BALANCE	<u>\$ (19,395)</u>	<u>\$ (6,278)</u>	<u>\$ (12,978)</u>
FUND BALANCE - BEGINNING	<u>\$ 39,007</u>	<u>\$ 19,612</u>	<u>\$ 13,334</u>
FUND BALANCE - ENDING	<u><u>\$ 19,612</u></u>	<u><u>\$ 13,334</u></u>	<u><u>\$ 356</u></u>

		<u>Residential Rate Adjustment</u>	<u>6.95%</u>
2023 Budget			
Assessed Valuation - Final	\$ 3,011,764	\$ 3,011,764	5.583
Mill Levy	5.583	5.744	*1.02877
Property Taxes	<u>\$ 16,814</u>	<u>\$ 17,300</u>	<u>5.744</u>
TIF District Increment	\$ 2,223,686	\$ 2,223,686	
Mill Levy	5.583	5.744	
TIF Revenue	<u>\$ 12,414</u>	<u>\$ 12,772</u>	
Total Property Tax and TIF	<u><u>\$ 29,228</u></u>	<u><u>\$ 30,071</u></u>	

**NP125 METROPOLITAN DISTRICT
DEBT SERVICE FUND
ADOPTED 2023 BUDGET
with 2021 Actual and 2022 Estimated**

	<u>2021 Actual</u>	<u>2022 Estimated</u>	<u>Adopted 2023 Budget</u>
REVENUE			
Property Tax			
Property Tax	\$ 172,856	\$ 158,338	\$ 155,711
URA TIF - (By IGA)	85,960	110,491	114,967
Specific Ownership Tax	13,004	16,000	16,000
Interest Income	20	20	20
Total Revenue	<u>\$ 271,840</u>	<u>\$ 284,849</u>	<u>\$ 286,698</u>
EXPENDITURES			
Debt Service	\$ 265,000	\$ 277,000	\$ 280,000
Treasurer's Fees	3,591	4,030	4,060
Trustee Fee	1,500	1,500	1,500
Total Expenditures	<u>\$ 270,091</u>	<u>\$ 282,530</u>	<u>\$ 285,560</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,749</u>	<u>\$ 2,319</u>	<u>\$ 1,138</u>
FUND BALANCE - BEGINNING	<u>\$ 930</u>	<u>\$ 2,679</u>	<u>\$ 4,998</u>
FUND BALANCE - ENDING	<u><u>\$ 2,679</u></u>	<u><u>\$ 4,998</u></u>	<u><u>\$ 6,136</u></u>
		Residential Rate	
<u>2023 Budget</u>		<u>Adjustment</u>	<u>6.95%</u>
Assessed Valuation - Final	\$ 3,011,764	\$ 3,011,764	50.255
Mill Levy	50.255	51.701	*1.02877
Property Taxes	<u>\$ 151,356</u>	<u>\$ 155,711</u>	<u>51.701</u>
TIF District Increment	\$ 2,223,686	\$ 2,223,686	
Mill Levy	50.255	51.701	
TIF Revenue	<u>\$ 111,750</u>	<u>\$ 114,967</u>	
Total Property Tax and TIF	<u><u>\$ 263,108</u></u>	<u><u>\$ 270,678</u></u>	

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.
 On behalf of the NP125 METRO,
 (taxing entity)^A
 the Board of Directors,
 (governing body)^B
 of the NP125 METRO,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$5,235,450.00 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 calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ \$3,011,763.90 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/15/2022 for budget/fiscal year 2023
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	5.744 mills	\$ 17299.57
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 0.000 > mills	\$ < 0.0 >
SUBTOTAL FOR GENERAL OPERATING:	5.744 mills	\$ 17299.57
3. General Obligation Bonds and Interest ^J	51.701 mills	\$ 155711.21
4. Contractual Obligations ^K	0.000 mills	\$ 0.0
5. Capital Expenditures ^L	0.000 mills	\$ 0.0
6. Refunds/Abatements ^M	0.000 mills	\$ 0.0
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	57.445 mills	\$ 173010.78

Contact person: (print) Cathy Fromm Daytime phone: (970) 875-7047
 Signed: Cathy Fromm Title: CPA

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:	<u>Developer Reimbursement</u>
	Series:	<u>2016</u>
	Date of Issue:	<u>07/08/2016</u>
	Coupon Rate:	<u>6%</u>
	Maturity Date:	<u>12/01/2046</u>
	Levy:	<u>51.701</u>
	Revenue:	<u>155711.21</u>
2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

CONTRACTS^K:

3.	Purpose of Contract:	_____
	Title:	_____
	Date:	_____
	Principal Amount:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____
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.