



ICENOGLE SEAVER POGUE

June 1, 2023

Board of County Commissioners
Douglas County
100 Third Street
Castle Rock, CO 80104
(Via E-Mail: bocc@douglas.co.us)

State of Colorado
Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203
(Via E-Filing)

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203
(Via E-Filing)

Douglas County Clerk & Recorder
301 Wilcox Street
Castle Rock, CO 80104
(Via E-Mail: clerk@douglas.co.us)

Re: Highfield Metropolitan District - Filing of 2023 Annual Report

Dear Sir or Madam:

Enclosed for your information and records is a copy of the 2023 Annual Report for Highfield Metropolitan District.

Should you have any questions regarding the enclosed, please do not hesitate to contact our office. Thank you.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Alexandra L. Mejia

/s/Alexandra L. Mejia

/ALM
Enclosure

Alexandra L. Moore | AMoore@isp-law.com | Direct 303.867.3016

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HIGHFIELD METROPOLITAN DISTRICT
2023 ANNUAL REPORT

The Highfield Metropolitan District (the “District”) hereby submits this annual report¹, as required pursuant to Section VII of the Service Plan of the District approved by Douglas County (the “County”). Additionally, pursuant to Section 32-1-207(3)(c), C.R.S., the District is required to submit an annual report for the preceding calendar year commencing in 2023 for the 2022 calendar year to the County, the Division of Local Government, the state auditor, and the Douglas County Clerk and Recorder. The District hereby submits this annual report to satisfy the above reporting requirements for the year 2022.

The District makes the following report pursuant to Section VII of the District’s Service Plan:

I. District Description - General Information.

a. Board members, officers’ titles, and terms.

<u>Board Member</u>	<u>Office</u>	<u>Term Ending</u>
Thomas Bradbury, Jr.	President	May 2025
Stephanie Stewart	Secretary	May 2025
Hugh Smith	Treasurer	May 2027
Michael Stefanski	Assistant Secretary	May 2027
Vacant		May 2025

b. Changes in board membership in past year.

On September 21, 2022, the District’s Board of Directors (the “Board”) appointed Director Michael Stefanski to the Board. Additionally, the District held an election on May 2, 2023 (the “Election”). At the Election, Directors Hugh Smith and Michael Stefanski were reelected by acclamation to the Board. There remains one vacancy on the District’s Board.

c. Name and address for official District contact.

Hugh Smith
Bradbury Properties
5050 S. Syracuse St., Ste. 785
Denver, CO 80237
(303) 708-1105

d. Elections past year and their purpose.

An election for director terms ending in 2023 was held on May 2, 2023.

¹ For activities completed June 1, 2022 through June 1, 2023, and with information about prospective years.

II. Boundary changes for the report year and proposed changes for the coming year.

No boundary changes occurred in the report year. No boundary changes are proposed for the coming year at this time.

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements.

1. List of intergovernmental agreements

a. Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool

Contracting Parties: Highfield Metropolitan District
Members of the Colorado Special Districts Property and Liability Pool

Execution Date: January 27, 2011

Subject Matter: Intergovernmental agreement to participate in self-insurance pool for property, liability, and/or workers' compensation coverages

Expiration Date: Upon termination of coverage

b. Public Improvements Agreement

Contracting Parties: Highfield Metropolitan District
Board of County Commissioners of the County of Douglas

Execution Date: July 11, 2019

Subject Matter: To provide for the completion of certain public improvements

Expiration Date: Final acceptance of the public improvements

2. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts.

None.

3. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District.

Advance and Reimbursement and Facilities Acquisition Agreement between the Highfield Metropolitan District and Highfield Business Park, LLC, dated January 21, 2008, as amended by that certain Outstanding Advance & Reimbursement Obligation Form Number One and First Amendment to Advance and Reimbursement Agreement dated as of December 11, 2014, and that certain Outstanding Advance & Reimbursement Obligation Form Number Two and Second Amendment to Advance and Reimbursement Agreement dated as of July 23, 2019. As of December 31, 2022, no amounts were owed under this agreement.

IV. Service Plan.

a. List and description of services authorized in Service Plan.

Street and Roadway Improvements - power and authority to finance, design, construct, acquire, install, operate, maintain and provide for arterial and collector streets and roadway improvements, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Traffic and Safety Control - power and authority to finance, design, construct, acquire, install, operate, maintain and provide for traffic and safety services and facilities through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto.

Parks and Recreation – power and authority to finance, design, construct, acquire, install, operate, maintain and provide for public park and public recreation centers and other recreation facilities, services or programs, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Water – power and authority to design, finance, construct, acquire, install, operate, maintain and provide for potable water and irrigation water facilities and systems, including, but not limited to, water rights, water supply, treatment, storage, transmission and distribution systems for domestic, irrigation and other public or private purposes, together with all necessary and proper reservoirs, treatment facilities, wells, water rights, equipment and appurtenances incident thereto, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Sanitation and Wastewater Treatment – power and authority to finance, design, construct, acquire, install, operate, maintain, assess tap or other facilities fees, and provide for sanitary sewers and to transport wastewater to ACWWA’s wastewater treatment facility.

Drainage – power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for flood and surface drainage improvements and all necessary and proper equipment and appurtenances incident thereto with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Television Relay and Translation - power and authority to design, finance, construct, acquire, install, operate, maintain and provide for television relay and translator facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

Mosquito Control - power and authority to design, finance, construct, acquire, install, operate, maintain, and provide for systems and methods for elimination and control of mosquitoes.

b. List and description of facilities authorized in Service Plan.

See list in Section IV(a) above.

c. List and description of any extraterritorial services, facilities, and agreements.

Regional Sanitary Sewer Interceptor Line for ACWWA Service and Chambers/E-470 Interchange-Cost Recovery Payment as more fully described in Section V(C)(2)(a) and (c) of the District's Service Plan.

V. Development Progress.

a. Indicate the estimated year of build-out, as set forth in the Service Plan.

The estimated year of build out in the Service Plan was 2018.

b. List the services provided with the date service began compared to the date authorized by the Service Plan.

The District is providing maintenance and repair services for stormwater improvements on Tract B and for a retaining wall and signage located on Lot 13-A, Highfield Business Park, pursuant to that certain Maintenance Easement Agreement (Lot 13-A) dated March 1, 2016 by and between the District and Highfield Building 3, LLC.

c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented.

No changes have been made to the Service Plan.

- d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan.**

On November 16, 2010, the District acquired the detention facility located on Tract A, Highfield Business Park, Douglas County, Colorado, and associated storm water improvements. The Tract A detention facilities were conveyed to Southeast Metro Stormwater Authority on or about November 28, 2012. On February 22, 2016, the District acquired Tract B, Highfield Business Park, 6th Amendment, Douglas County, Colorado, and the detention facilities located thereon. On or about June 15, 2021, the District completed the widening of Compark Boulevard and related facilities, for which the District received 2-year probationary acceptance from the County on September 23, 2021.

- e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any.**

All facilities have been completed.

- f. List facilities currently under construction with the percentage complete and an anticipated date of completion.**

There are currently no facilities under construction.

- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years.**

There are no residences within the District and there is currently no population in the District. There has not been any population within the District in the past five years. No population projections are available for the next five years.

- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.**

Prior to June 1, 2013, Gordon Holdings completed construction of a 114,475 square foot office/industrial warehouse within the District boundaries. Prior to June 1, 2015, Applied Controls completed construction of 63,891 square feet of office/warehouse space, and Highfield Building 3, LLC completed construction of a 98,875 square foot office/warehouse space which is now owned by BC Wyatts Torch, LLC. Garvin Grounds, LLC completed 39,877 square feet of office/industrial warehouse. After June 1, 2016, Highfield Building 5, LLC completed a 101,000 square foot office/industrial warehouse building. After June 1, 2017, Highfield Building 6, LLC completed a 92,000 SF distribution warehouse

building. Additionally, after June 1, 2017, Highfield Building 7, LLC completed a 115,500 SF building (primarily data center use). On May 15, 2020, construction was completed on a 202,000 square foot office/industrial warehouse which is now used by FedEx. On July 17, 2020, a 160,000 square foot building located at 8452 Highfield Parkway and a 132,000 square foot building located at 8450 Highfield Parkway were completed within the District boundaries.

- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each.**

None.

VI. Financial Plan and Financial Activities.

- a. Provide a copy of the audit or exemption from the audit for the reporting year.**

A copy of the District's 2022 audit is attached hereto as **Exhibit A**.

- b. Provide a copy of the budget, showing the reporting and previous years.**

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

- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).**

Please see the previously submitted budgets for 2018, 2018 (amended), 2019, 2019 (first amendment), 2019 (second amendment) 2020, 2021, 2021 (amended) and 2022, for information regarding revenues, expenditures, fees, tolls, mill levies, etc., of the District for the previous five years, and the 2023 budget included herewith. Please see the 2023 budget for revenues and expenditures expected in 2023, including the anticipated miscellaneous tax revenue. The District does not currently impose any fees, rates, or tolls. Besides the 2023 Budget, submitted in response to VI(b), no other projections are available for revenues and expenditures of the District for the next five years. In 2018 and 2019, the District certified a mill levy of 5.000 mills for general operating expenses and 20.000 mills for general obligation bonds and interest. In 2020, 2021 and 2022, the District certified a mill levy of 10.000 mills for general operating expenses and 15.000 mills for general obligation bonds and interest. In 2023, the District certified a mill levy of 6.000 mills for general operating expenses and 15.000 mills for general obligation bonds and interest. The Service Plan contemplated that the District would certify for

general obligation bonds and interest a mill levy of 12.63 mills in 2018, 12.64 mills in 2019, 12.57 mills in 2020, 12.61 mills in 2021, 12.56 mills in 2022 and 12.63 in 2023. The Service Plan contemplated that the District would certify for general operating expenses a mill levy of 4.26 mills in 2018, 4.18 mills in 2019, 3.87 mills in 2020, 3.79 mills in 2021, 3.83 mills in 2022 and 3.76 in 2023.

d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired.

Principal Amount Outstanding: \$5,280,000
Highfield Metropolitan District
General Obligation Refunding Loan 2021

Please see the enclosed 2022 budget for the Schedule of Debt Service Requirements to Maturity. The proceeds of the General Obligation Refunding Loan 2021 were used to refund the District's Limited Tax General Obligation Loan 2014 originally issued in the amount of \$4,250,000 and the District's Limited Tax General Obligation Loan 2019 originally issued in the amount of \$2,262,382, which are no longer outstanding.

e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued.

Ballot Issue C:

Purpose – Reimbursing, Financing or Refinancing District's Operating Costs and Debt
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue D:

Purpose – Storm Sewer and Drainage System
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue E:

Purpose – Potable and Non-Potable Water Systems
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$13,558,331

Ballot Issue F:

Purpose – Sanitation System
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$13,969,386

Ballot Issue G:

Purpose – Street Improvements
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$11,959,902

Ballot Issue H:

Purpose – Television Relay and Translation System
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue I:

Purpose – Traffic Safety and Protection System
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue J:

Purpose – Parks and Recreation Facilities
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue K:

Purpose – Public Transportation System
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue L:

Purpose – Mosquito and Pest Control
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue M:

Purpose – Multi-Fiscal Year Intergovernmental Agreements, Contracts or Leases for Refunding, Refinancing, or Defeasing District Debt or Obligations
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

Ballot Issue N:

Purpose – Multi-Fiscal Year Intergovernmental Agreements for Public Improvements
Election Date – November 6, 2007
Amount of Authorized and yet Unissued Debt – \$15,000,000

- f. List the total amount of debt issued and outstanding as of the date of the Annual Report and compare to the maximum authorized debt level as set forth in the Service Plan.**

\$5,758,000
Highfield Metropolitan District
General Obligation Refunding Loan 2021

Amount currently outstanding: \$5,280,000

Pursuant to the Service Plan the District may issue up to \$15,000,000 in debt.

g. Enterprises of the District.

- i. Include revenues of the enterprise, showing both direct support from the District and all other sources.**

There are currently no enterprises of the District.

- ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations.**

There are currently no enterprises of the District.

h. Detail Contractual Obligations.

See Section III above.

- i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments.**

In 2023, the District will make interest payments in the amount of \$118,800 and will make a principal payment in the amount of \$540,000 for the General Obligation Refunding Loan 2021 described herein. The District has routine payments due for the loan as described in the loan documents and as indicated in the 2023 budget submitted herewith.

- ii. Report any inability of the District to pay current obligations that are due within the current budget year.**

The District has not had any inability to pay current obligations that are due in the current budget year.

- iii. Describe any District financial obligations in default.**

The District currently has no financial obligations in default.

i. Actual and Assessed Valuation History.

i. Report the assessed valuation for the current year and for each of seven (7) years prior to current year.

The assessed valuation for the District for 2015 was \$9,366,170.

The assessed valuation for the District for 2016 was \$10,454,000.

The assessed valuation for the District for 2017 was \$13,944,130.

The assessed valuation for the District for 2018 was \$15,564,410.

The assessed valuation for the District for 2019 was \$29,536,630.

The assessed valuation for the District for 2020 was \$34,140,200.

The assessed valuation for the District for 2021 was \$43,432,350.

The assessed valuation for the District for 2023 was \$42,702,000.

ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.

The estimated assessed valuation set forth in the Service Plan for the District for 2015 was \$31,957,017.

The estimated assessed valuation set forth in the Service Plan for the District in 2016 was \$38,482,017.

The estimated assessed valuation set forth in the Service Plan for the District in 2017 was \$44,711,478.

The estimated assessed valuation set forth in the Service Plan for the District in 2018 was \$48,626,478.

The estimated assessed valuation set forth in the Service Plan for the District in 2019 was \$51,716,522.

The estimated assessed valuation set forth in the Service Plan for the District in 2020 was \$51,716,522.

The estimated assessed valuation set forth in the Service Plan for the District in 2021 was \$58,016,768.

The estimated assessed valuation set forth in the Service Plan for the District in 2022 was \$59,757,271.

j. Mill Levy History.

- i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance).**

A mill levy of 5 mills for general operating expenses and 20 mills for general obligation bonds and interest were levied for 2016.

A mill levy of 5 mills for general operating expenses and 20 mills for general obligation bonds and interest were levied for 2017.

A mill levy of 5 mills for general operating expenses and 20 mills for general obligation bonds and interest were levied for 2018.

A mill levy of 5 mills for general operating expenses and 20 mills for general obligation bonds and interest were levied for 2019.

A mill levy of 10 mills for general operating expenses and 15 mills for general obligation bonds and interest were levied for 2020.

A mill levy of 10 mills for general operating expenses and 15 mills for general obligation bonds and interest were levied for 2021.

A mill levy of 10 mills for general operating expenses and 15 mills for general obligation bonds and interest were levied for 2022.

A mill levy of 6 mills for general operating expenses and 15 mills for general obligation bonds and interest were levied for 2023.

- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.**

The Service Plan contemplates that the initial debt service mill levy will be 25 mills. The maximum total mill levy shall not exceed 50 mills. At no time will the debt service and operational levies, in combination, exceed the maximum total mill levy.

A mill levy of 5 mills for general operating expenses was projected to be levied in 2016, 2017, and 2018, a mill levy of 4.84 mills for general operating expenses was projected be levied in 2019, a mill levy of 4.49 mills for general operating expenses was projected be levied in 2020, a mill levy of 4.27 mills for general operating expenses was projected to be levied in 2021, a mill levy of 4.31 mills for general operating expenses was projected

to be levied in 2022, and a mill levy of 3.88 mills for general operating expenses was projected to be levied in 2023 in the Service Plan. A mill levy of 35 mills for general obligation bonds and interest was projected to be levied in 2016 and 2017 in the Service Plan. A mill levy of 28.49 for general obligation bonds and interest was projected to be levied in 2018. A mill levy of 14.62 for general obligation bonds and interest was projected to be levied in 2019. A mill levy of 14.60 for general obligation bonds and interest was projected to be levied in 2020. A mill levy of 14.18 for general obligation bonds and interest was projected to be levied in 2021. A mill levy of 14.14 for general obligation bonds and interest was projected to be levied in 2022. A mill levy of 13.04 for general obligation bonds and interest was projected to be levied in 2023.

k. Miscellaneous Taxes History.

i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other).

The miscellaneous tax revenue budgeted for the District for 2016 was:

- General Operations:
 - Property Tax: \$46,831
 - Specific Ownership Tax: \$4,215
- Debt Service on Taxable General Obligation Loan, Series 2014:
 - Property Taxes: \$187,323
 - Specific Ownership Tax: \$16,859

The miscellaneous tax revenue budgeted for the District for 2017 was:

- General Operations:
 - Property Tax: \$55,270
 - Specific Ownership Tax: \$4,704
- Debt Service on Taxable General Obligation Loan, Series 2014:
 - Property Tax: \$209,080
 - Specific Ownership Tax: \$18,817

The miscellaneous tax revenue budgeted for the District for 2018 was:

- General Operations:
 - Property Tax: \$69,721
 - Specific Ownership Tax: \$6,972
- Debt Service on Taxable General Obligation Loan, Series 2014:
 - Property Tax: \$278,883
 - Specific Ownership Tax: \$27,888

The miscellaneous tax revenue budgeted for the District for 2019 was:

- General Operations:

- Property Tax: \$77,822
- Specific Ownership Tax: \$7,782
- Debt Service on Taxable General Obligation Loan, Series 2014:
 - Property Tax: \$311,288
 - Specific Ownership Tax: \$31,129

The miscellaneous tax revenue budgeted for the District for 2020 was:

- General Operations:
 - Property Tax: \$295,366
 - Specific Ownership Tax: \$26,583
- Debt Service on Taxable General Obligation Loan, Series 2014 and Series 2019:
 - Property Tax: \$443,049
 - Specific Ownership Tax: \$39,875

The miscellaneous tax revenue budgeted for the District for 2021 is:

- General Operations:
 - Property Tax: \$341,402
 - Specific Ownership Tax: \$27,312
- Debt Service on Taxable General Obligation Loan, Series 2014 and Series 2019:
 - Property Tax: \$512,103
 - Specific Ownership Tax: \$40,968

The miscellaneous tax revenue budgeted for the District for 2022 is:

- General Operations:
 - Property Tax: \$434,324
 - Specific Ownership Tax: \$34,746
- Debt Service on General Obligation Refunding Loan, Series 2021:
 - Property Tax: \$651,485
 - Specific Ownership Tax: \$52,119

The miscellaneous tax revenue budgeted for the District for 2023 is:

- General Operations:
 - Property Tax: \$256,212
 - Specific Ownership Tax: \$23,059
- Debt Service on General Obligation Refunding Loan, Series 2021:
 - Property Tax: \$640,530
 - Specific Ownership Tax: \$57,648

- ii. **For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.**

The specific ownership tax projected in the Service Plan in 2016 for debt was \$65,150. The specific ownership tax projected in the Service Plan in 2016 for operations was \$9,307.

The specific ownership tax projected in the Service Plan in 2017 for debt was \$86,795. The specific ownership tax projected in the Service Plan in 2017 for operations was \$12,399.

The specific ownership tax projected in the Service Plan in 2018 for debt was \$85,085. The specific ownership tax projected in the Service Plan in 2018 for operations was \$14,931.

The specific ownership tax projected in the Service Plan for 2019 for debt was \$50,737. The specific ownership tax projected in the Service Plan in 2019 for operations was \$16,790.

The specific ownership tax projected in the Service Plan for 2020 for debt was \$55,089. The specific ownership tax projected in the Service Plan in 2020 for operations was \$16,958.

The specific ownership tax projected in the Service Plan for 2021 for debt was \$56,917. The specific ownership tax projected in the Service Plan in 2020 for operations was \$17,128.

The specific ownership tax projected in the Service Plan for 2022 for debt was \$56,732. The specific ownership tax projected in the Service Plan in 2022 for operations was \$17,299.

The specific ownership tax projected in the Service Plan for 2023 for debt was \$58,723. The specific ownership tax projected in the Service Plan in 2023 for operations was \$17,472.

l. Estimated Assessed Valuation of District at 100% Build-Out.

i. Provide an updated estimate and compare this with the Service Plan estimate.

The estimated assessed valuation of the District at 100% build-out as set forth in the Service Plan is \$52,286,275. No updated estimate is available at this time.

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

Please see response above in Section VI(e) regarding District authorized and unissued debt.

i. Provide an updated estimate based on current events. Do not include refunding bonds.

No updated estimate is available at this time.

For the year ending December 31, 2022, the District makes the following report pursuant to Section 32-1-207(3)(c), C.R.S.:

(A) Boundary changes made.

The District had no boundary changes in 2022.

(B) Intergovernmental agreements entered into or terminated with other governmental entities.

Please see Section III(1) above for a list of intergovernmental agreements entered into with other governmental entities by the District. No intergovernmental agreements were terminated in 2022.

(C) Access information to obtain a copy of rules and regulations adopted by the board.

For information concerning rules and regulations adopted by the Districts please contact the District's official contact:

Hugh Smith
Bradbury Properties
5050 S. Syracuse St., Ste. 785
Denver, CO 80237
(303) 708-1105

(D) A summary of litigation involving public improvements owned by the special district.

In 2022, the District was not involved in any litigation involving public improvements owned by the District.

(E) The status of the construction of public improvements by the special district.

The construction of public improvements by the District has been completed.

(F) A list of facilities or improvements constructed by the special district that were conveyed or dedicated to the county or municipality.

In 2022, no facilities or improvements constructed by the District were conveyed or dedicated to the County.

(G) The final assessed valuation of the special district as of December 31 of the reporting year.

The final assessed valuation of the District in 2023 was \$42,702,000.

(H) A copy of the current year's budget.

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

(I) A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

A copy of the District's 2022 audited financial statements is attached hereto as **Exhibit A**.

(J) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

As of December 31, 2022, the District did not receive any notices of uncured defaults existing for more than ninety (90) days under any debt instrument.

(K) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

As of December 31, 2022, the District did not have any inability to pay their obligations as they come due under any obligation which continued beyond a ninety (90) day period.

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Exhibit A

2022 Audit

**HIGHFIELD METROPOLITAN DISTRICT
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022

**HIGHFIELD METROPOLITAN DISTRICT
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Board of Directors
Highfield Metropolitan District
Douglas County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Highfield 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Highfield Metropolitan District as of December 31, 2022, and the respective changes in financial position and the respective 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for 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 the 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 opinions. 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 GAAS 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 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 GAAS, 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 the 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 the 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.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States 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 opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

The other information, as listed in the table of contents, 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 them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Wipfli LLP

Wipfli LLP
Lakewood, Colorado

April 25, 2023

BASIC FINANCIAL STATEMENTS

**HIGHFIELD METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

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	Governmental Activities
ASSETS	
Cash and Investments	\$ 400,313
Cash and Investments - Restricted	692,081
Receivable from County Treasurer	6,889
Property Taxes Receivable	896,742
Prepaid Expense	3,213
Security Deposit	72,707
Capital Assets, Net	279,167
Total Assets	2,351,112
LIABILITIES	
Accounts Payable	6,399
Accrued Interest Payable	9,764
Noncurrent Liabilities:	
Due in One Year	540,000
Due in More Than One Year	4,740,000
Total Liabilities	5,296,163
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	896,742
Total Deferred Inflows of Resources	896,742
NET POSITION	
Restricted for:	
Emergency Reserves	14,100
Debt Service	347,350
Unrestricted	(4,203,243)
Total Net Position	\$ (3,841,793)

See accompanying Notes to Basic Financial Statements.

**HIGHFIELD METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS					
Primary Government:					
Government Activities:					
General Government	\$ 89,376	\$ -	\$ -	\$ -	\$ (89,376)
Interest and Related Costs on Long-Term Debt	140,628	-	-	-	(140,628)
Total Governmental Activities	\$ 230,004	\$ -	\$ -	\$ -	(230,004)
General Revenues:					
Property Taxes					1,081,283
Specific Ownership Taxes					89,199
Net Investment Income					9,048
Total General Revenues					1,179,530
CHANGE IN NET POSITION					949,526
Net Position - Beginning of Year					(4,791,319)
NET POSITION - END OF YEAR					\$ (3,841,793)

See accompanying Notes to Basic Financial Statements.

**HIGHFIELD METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 400,313	\$ -	\$ 400,313
Cash and Investments - Restricted	14,100	677,981	692,081
Receivable from County Treasurer	2,756	4,133	6,889
Property Taxes Receivable	256,212	640,530	896,742
Prepaid Expense	3,213	-	3,213
Security Deposit	72,707	-	72,707
Total Assets	\$ 749,301	\$ 1,322,644	\$ 2,071,945
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Accounts Payable	\$ 6,399	\$ -	\$ 6,399
Total Liabilities	6,399	-	6,399
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	256,212	640,530	896,742
Total Deferred Inflows of Resources	256,212	640,530	896,742
FUND BALANCES			
Nonspendable:			
Prepaid Expense	3,213	-	3,213
Restricted for:			
Emergency Reserves	14,100	-	14,100
Debt Service	-	682,114	682,114
Unassigned	469,377	-	469,377
Total Fund Balances	486,690	682,114	1,168,804
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 749,301	\$ 1,322,644	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds.

Capital Assets 279,167

Long-term liabilities, including developer advances and accrued interest, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Loans Payable (5,280,000)
Accrued Interest Payable (9,764)

Net Position of Governmental Activities \$ (3,841,793)

See accompanying Notes to Basic Financial Statements.

**HIGHFIELD 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	\$ 432,513	\$ 648,770	\$ 1,081,283
Specific Ownership Taxes	35,680	53,519	89,199
Net Investment Income	21	9,027	9,048
Total Revenues	<u>468,214</u>	<u>711,316</u>	<u>1,179,530</u>
EXPENDITURES			
Current:			
Accounting	21,139	-	21,139
Auditing	4,700	-	4,700
County Treasurer's Fees	6,448	9,672	16,120
District Management	12,000	-	12,000
Dues and Membership	328	-	328
Election expense	2,233	-	2,233
Insurance	3,076	-	3,076
Legal	15,629	-	15,629
Miscellaneous	295	-	295
SE Detention Maintenance	4,035	-	4,035
Debt Service:			
Loan Principal	-	505,000	505,000
Loan Interest	-	126,185	126,185
Total Expenditures	<u>69,883</u>	<u>640,857</u>	<u>710,740</u>
NET CHANGE IN FUND BALANCES	398,331	70,459	468,790
Fund Balances - Beginning of Year	<u>88,359</u>	<u>611,655</u>	<u>700,014</u>
FUND BALANCES - END OF YEAR	<u>\$ 486,690</u>	<u>\$ 682,114</u>	<u>\$ 1,168,804</u>

See accompanying Notes to Basic Financial Statements.

**HIGHFIELD 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 Change in Fund Balances - Governmental Funds \$ 468,790

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

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. During the current period there were no depreciable assets.

Depreciation Expense (19,493)

Long-term debt (e.g., 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.

Current Year Loan Principal Payments 505,000

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 Loan - Change in Liability (4,771)

Change in Net Position of Governmental Activities \$ 949,526

**HIGHFIELD 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 Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 434,324	\$ 432,513	\$ (1,811)
Specific Ownership Taxes	34,746	35,680	934
Net Investment income	-	21	21
Total Revenues	<u>469,070</u>	<u>468,214</u>	<u>(856)</u>
EXPENDITURES			
General and Administration:			
Accounting	22,000	21,139	861
Auditing	5,000	4,700	300
County Treasurer's Fees	6,515	6,448	67
District Management	13,200	12,000	1,200
Dues and Membership	590	328	262
Election expense	3,000	2,233	767
Insurance	3,500	3,076	424
Legal	11,000	15,629	(4,629)
Miscellaneous	500	295	205
Contingency	2,195	-	2,195
Operations and Maintenance:			
Lot 13A Maintenance	2,500	-	2,500
SE Detention Maintenance	10,000	4,035	5,965
Total Expenditures	<u>80,000</u>	<u>69,883</u>	<u>10,117</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	389,070	398,331	9,261
OTHER FINANCING SOURCES (USES)			
Transfer To Other Funds	(25,000)	-	25,000
Total Other Financing Sources (Uses)	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	364,070	398,331	34,261
Fund Balance - Beginning of Year	<u>75,049</u>	<u>88,359</u>	<u>13,310</u>
FUND BALANCE - END OF YEAR	<u>\$ 439,119</u>	<u>\$ 486,690</u>	<u>\$ 47,571</u>

See accompanying Notes to Basic Financial Statements.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 DEFINITION OF REPORTING ENTITY

Highfield Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court on November 21, 2007, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is within the boundaries of Douglas County, Colorado. The District was organized to provide financing for the construction of streets, safety control, transportation, water systems, drainage systems, television relay and translator, parks and recreation facilities, mosquito control, and operation and maintenance of the District. The District held its organizational meeting on January 21, 2008.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. 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.

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

Separate financial statements are provided for the 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.

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. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has 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 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 general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**HIGHFIELD 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, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures 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 and investments.

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.

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

Capital Assets

Capital assets, which include infrastructure (e.g., storm drainage, streets, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful life:

Traffic and Safety	30 Years
Streets	20 Years
Storm Sewer	15 Years

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 position 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.

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.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

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	\$ 400,313
Cash and Investments - Restricted	692,081
Total Cash and Investments	\$ 1,092,394

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

Deposits with Financial Institutions	\$ 428,474
Investments	663,920
Total Cash and Investments	\$ 1,092,394

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.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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

At December 31, 2022, the District's cash deposits had a bank balance of \$430,278 and a carrying balance of \$428,474.

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.

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>
First American Funds - U.S. Treasury Obligations Money Market - Class D	Weighted-Average Under 60 Days	\$ <u>663,920</u>

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

First American Funds - U.S. Treasury Obligations - Money Market - Class D

The trust accounts at U.S. Bank were invested in the First American Treasury Obligations Fund (Class D). This portfolio is a money market fund that is managed by First American Funds and each share is equal in value to \$1.00. The Fund is rated AAAM by Standard & Poor's and Aaa-mf by Moody's and Fitch. The Fund invests in high quality short-term debt obligations, including repurchase agreements and U.S. Treasury securities. The average maturity of the underlying securities is less than 60 days.

The Fund records its investments at amortized cost and the District records its investments in the Fund at net asset value as determined by amortized cost with \$1 per share approximating net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Governmental Activities				
Capital Assets, Being Depreciated:				
Traffic and Safety	\$ 90,506	\$ -	\$ -	\$ 90,506
Storm Sewer	247,140	-	-	247,140
Less Accumulated Depreciation For:				
Traffic and Safety	(6,034)	(3,017)	-	(9,051)
Storm Sewer	(32,952)	(16,476)	-	(49,428)
Total Capital Assets, Being Depreciated, Net	<u>298,660</u>	<u>(19,493)</u>	<u>-</u>	<u>279,167</u>
Governmental Activities Capital Assets, Net	<u>\$ 298,660</u>	<u>\$ (19,493)</u>	<u>\$ -</u>	<u>\$ 279,167</u>

At completion and acceptance, all of the governmental activities fixed assets were conveyed by the District to other local governments and the District will not be responsible for maintenance of those fixed assets.

Depreciation expense of \$19,493 for the year ended December 31, 2022, was charged to general government activities.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's 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
Loans from Direct Borrowings and Direct Placements:					
Series 2021 G.O. Limited Tax Loan	\$ 5,785,000		\$ 505,000	\$ 5,280,000	\$ 540,000
Subtotal of Loans from Direct Borrowings and Direct Placements	5,785,000	-	505,000	5,280,000	540,000
 Total Long-Term Obligations	<u>\$ 5,785,000</u>	<u>\$ -</u>	<u>\$ 505,000</u>	<u>\$ 5,280,000</u>	<u>\$ 540,000</u>

The details of the District's long-term obligations are as follows:

Series 2021 Loan Agreement

The District entered into a General Obligation Refunding Loan Agreement with U.S. Bank N.A. (Lender) in the amount of \$5,785,000 on December 17, 2021 (2021 Loan).

Proceeds from the 2021 Loan, along with other District funds, were used to pay and cancel the entire outstanding balance of the District's 2014 Loan, in the amount of \$3,780,000, and the District's 2019 Loan, in the amount of \$2,198,820.

The 2021 Loan bears interest at 2.25%, payable semi-annually on June 1 and December 1, commencing on June 1, 2022. Annual payments of principal are due on December 1, commencing on December 1, 2022. The 2021 Loan matures on December 1, 2031. Interest is calculated on the basis of a 360-day year and actual number of days elapsed. Interest not paid when due shall compound on each Interest Payment Date at the rate of interest then borne by the 2021 Loan.

The District may prepay the 2021 Loan at any time upon payment of all or any portion of the Loan Balance, accrued interest, and a Prepayment Fee, as described in the Loan Agreement.

The District's long-term obligation will mature as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 540,000	\$ 118,800	\$ 658,800
2024	550,000	106,650	656,650
2025	560,000	94,275	654,275
2026	575,000	81,675	656,675
2027	585,000	68,738	653,738
2028 - 2031	2,470,000	140,288	2,610,288
Total	<u>\$ 5,280,000</u>	<u>\$ 610,425</u>	<u>\$ 5,890,425</u>

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 6, 2007, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$180,000,000 at an interest rate not to exceed 12% per annum. At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 6, 2007 Election	Authorization Used 12/19/2014	Authorization Used 10/20/2015	Authorization Used 09/29/2016	Authorization Used 08/29/2017	Authorization Used 08/09/2019	Authorization Used 12/17/2021	Remaining at December 31, 2022
Streets	\$ 15,000,000	\$ 777,717	\$ -	\$ -	\$ -	\$ 2,262,381	\$ -	\$ 11,959,902
Water	15,000,000	1,441,669	-	-	-	-	-	13,558,331
Sanitary Sewer	15,000,000	1,030,614	-	-	-	-	-	13,969,386
Storm Sewer	15,000,000	-	-	-	-	-	-	15,000,000
Parks and Recreation	15,000,000	-	-	-	-	-	-	15,000,000
Traffic and Safety	15,000,000	-	-	-	-	-	-	15,000,000
Mosquito Control	15,000,000	-	-	-	-	-	-	15,000,000
Public Transportation	15,000,000	-	-	-	-	-	-	15,000,000
Television Relay and Translation	15,000,000	-	-	-	-	-	-	15,000,000
Operations and Maintenance	15,000,000	-	-	-	-	-	-	15,000,000
Debt Refunding	15,000,000	-	-	-	-	-	5,785,000	9,215,000
Reimbursements	15,000,000	-	436,400	242,340	321,260	-	-	14,000,000
Total	<u>\$ 180,000,000</u>	<u>\$ 3,250,000</u>	<u>\$ 436,400</u>	<u>\$ 242,340</u>	<u>\$ 321,260</u>	<u>\$ 2,262,381</u>	<u>\$ 5,785,000</u>	<u>\$ 167,702,619</u>

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$15,000,000 at a maximum interest rate of 12% and the maximum underwriting discount is 2%. The Service Plan also limits the total mill levy (debt service and operations combined) to 50.000 mills, as adjusted for changes in the ratio of actual value to assessed value of property within the District.

In the future, the District may issue a portion of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 6 NET POSITION

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

Restricted net position includes 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 legislations. The District had a restricted net position as of December 31, 2022 as follows:

Restricted Net Position:	
Emergency Reserves	\$ 14,100
Debt Service	347,350
Total Restricted Net Position	<u>\$ 361,450</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of debt issued for public improvements which were conveyed to other entities and which costs were removed from the District's financial records.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Highfield Business Park, LLC (Developer). The members of the Board of Directors of the District are owners of or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

Developer Advances

Advance and Reimbursement and Facilities Acquisition Agreement

The District and the Developer have entered into an Advance and Reimbursement and Facilities Acquisition Agreement (the Agreement) dated January 21, 2008, and subsequently amended on December 11, 2014 and on July 23, 2019. Pursuant to the Agreement as amended, the Developer has agreed to advance funds for financing the costs associated with the formation of the District, District operations, and construction of District improvements after formation. Advances made by the Developer shall accrue interest at the Prime Rate plus a margin of 1.00% per annum.

The District shall make payments for the advances, subject to annual appropriation and budget approval, from funds available within any fiscal year and not otherwise required for operations, capital improvements, or debt service costs.

At December 31, 2022, no amounts were owed under this agreement.

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.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. 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.

**HIGHFIELD METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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.

On November 6, 2007, the District voters passed an election question allowing the District to increase property taxes up to \$1,000,000 annually, with a maximum mill levy of 50 mills, to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, retain, and spend all revenue annually without regard to limitations under TABOR.

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.

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

**HIGHFIELD 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 Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 651,485	\$ 648,770	\$ (2,715)
Specific Ownership Taxes	52,119	53,519	1,400
Net Investment Income	680	9,027	8,347
Total Revenues	<u>704,284</u>	<u>711,316</u>	<u>7,032</u>
EXPENDITURES			
Debt Service:			
County Treasurer's Fees	9,772	9,672	100
Loan Principal	505,000	505,000	-
Loan Interest	124,378	126,185	(1,807)
Paying Agent/Trustee Fees	4,000	-	4,000
Contingency	1,254	-	1,254
Total Expenditures	<u>644,404</u>	<u>640,857</u>	<u>3,547</u>
NET CHANGE IN FUND BALANCE	59,880	70,459	10,579
Fund Balance - Beginning of Year	<u>602,256</u>	<u>611,655</u>	<u>9,399</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 662,136</u></u>	<u><u>\$ 682,114</u></u>	<u><u>\$ 19,978</u></u>

**HIGHFIELD METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Projects:			
Phase 3 Improvements	25,000	-	25,000
Total Expenditures	<u>25,000</u>	<u>-</u>	<u>25,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(25,000)	-	(25,000)
OTHER FINANCING SOURCES (USES)			
Transfers from Other Fund	25,000	-	25,000
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>-</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OTHER INFORMATION

**HIGHFIELD METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2022**

	\$5,785,000		
	General Obligation Refunding Loan, Series 2021		
	Dated 12/17/2021		
	Principal due December 1		
	Interest Rate 2.250%		
	Payable June 1 and December 1		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Bonds and	\$ 540,000	\$ 118,800	\$ 658,800
Interest	550,000	106,650	656,650
Maturing	560,000	94,275	654,275
in the	575,000	81,675	656,675
Years Ending	585,000	68,738	653,738
December 31,	600,000	55,575	655,575
2023	610,000	42,075	652,075
2024	625,000	28,350	653,350
2025	635,000	14,288	649,288
2026	5,280,000	610,425	5,890,425
2027			
2028			
2029			
2030			
2031			
Total	\$ 5,280,000	\$ 610,425	\$ 5,890,425

**HIGHFIELD 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 Tax Levy	Mills Levied for		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2018	\$ 13,944,130	5.000	20.000	\$ 348,604	\$ 348,595	100.00 %
2019	15,564,410	5.000	20.000	389,110	382,585	98.32
2020	29,536,630	10.000	15.000	738,415	738,415	100.00
2021	34,140,200	10.000	15.000	853,505	853,505	100.00
2022	43,432,350	10.000	15.000	1,085,809	1,081,283	99.58
Estimated for the Year Ending December 31, 2023	\$ 42,702,000	6.000	15.000	\$ 896,742		

Exhibit B

2023 Budget

STATE OF COLORADO
COUNTY OF DOUGLAS
HIGHFIELD METROPOLITAN DISTRICT
2023 BUDGET RESOLUTION

The Board of Directors of the Highfield Metropolitan District, Douglas County, Colorado held a regular meeting on Wednesday, November 9, 2022, at the hour of 11:00 A.M., at 5050 S. Syracuse Street, Suite 785, Denver, Colorado.

The following members of the Board of Directors were present:

President:	Thomas Bradbury Jr.
Treasurer:	Hugh Smith
Secretary:	Stephanie Stewart
Assistant Secretary:	Michael Stefanski

Also present were: Alicia J. Corley, Icenogle Seaver Pogue, P.C. (via telephone); and Carrie Beacom, CliftonLarsonAllen LLP.

Ms. Corley reported that proper notice was made to allow the Board of Directors of the Highfield Metropolitan District to conduct a public hearing on the 2023 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a regular meeting of the Board of Directors of the District and that a notice of regular meeting was posted in the designated public place within the boundaries of the District, at Upland Drive and Grasslands Drive, Lone Tree, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director Smith introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE HIGHFIELD METROPOLITAN DISTRICT, DOUGLAS 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 (the "Board") of the Highfield Metropolitan District (the "District") has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2022; and

WHEREAS, the proposed budget is more than fifty thousand dollars (\$50,000.00), due and proper notice was published on Thursday, October 27, 2022 in the *Douglas County News-Press*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District's increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher's Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Wednesday, November 9, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

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

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2023. In the event the final assessed valuation provided by the Douglas County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Stephanie Stewart, Secretary of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$256,212 and that the 2022 valuation for assessment, as certified by the Douglas County Assessor, is \$42,702,000. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 6.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$640,530 and that the 2022 valuation for assessment, as certified by the Douglas County Assessor, is \$42,702,000. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 15.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 7. 2023 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Section 2 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Douglas County on or before December 15, 2022, for collection in 2023.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Douglas County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director Bradbury.

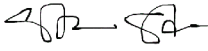
RESOLUTION APPROVED AND ADOPTED THIS 9TH DAY OF NOVEMBER 2022.

HIGHFIELD METROPOLITAN DISTRICT

DocuSigned by:
Thomas H Bradbury Jr.
AEC961BF12A7411...

By: Thomas Bradbury, Jr.
Its: President

ATTEST:

DocuSigned by:

F3B9C29C1DB6492...

By: Stephanie Stewart
Its: Secretary

STATE OF COLORADO
COUNTY OF DOUGLAS
HIGHFIELD METROPOLITAN DISTRICT

I, Stephanie Stewart, hereby certify that I am a director and the duly elected and qualified Secretary of the Highfield Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a regular meeting of the Board of Directors of the Highfield Metropolitan District held on Wednesday, November 9, 2022, at 5050 S. Syracuse Street, Suite 785, Denver, Colorado, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 9th day of November 2022.

DocuSigned by:

F3B9C29C1DB6492...

Stephanie Stewart, Secretary

[SEAL]



EXHIBIT A

Affidavit
Notice as to Proposed 2023 Budget

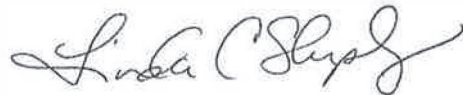
Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Highfield Metropolitan District (ISP) **
C/O Icenogle | Seaver | Pogue
4725 South Monaco Street, Suite 360
Denver CO 80237

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss


This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/27/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/27/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.



Carla Bethke
Notary Public
My commission ends April 11, 2026

CARLA BETHKE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20004025550
MY COMMISSION EXPIRES APRIL 11, 2026

Public Notice
**NOTICE AS TO
PROPOSED 2023 BUDGET
AND HEARING
HIGHFIELD METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the HIGHFIELD METROPOLITAN DISTRICT for the ensuing year of 2023. A copy of such proposed budget has been filed in the office of CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the regular meeting of the Highfield Metropolitan District to be held at 11:00 A.M., on **Wednesday, November 9, 2022**. The meeting will be held at 5050 S. Syracuse Street, Suite 785, Denver, Colorado. Any interested elector within the Highfield Metropolitan District may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2023 budget.

**BY ORDER OF THE BOARD OF DIRECTORS:
HIGHFIELD METROPOLITAN DISTRICT**

By: /s/ ICENOGLER | SEAVER | POGUE
A Professional Corporation

Legal Notice No. 944053
First Publication: October 27, 2022
Last Publication: October 27, 2022
Publisher: Douglas County News-Press

**NOTICE AS TO PROPOSED 2023 BUDGET AND HEARING
HIGHFIELD METROPOLITAN DISTRICT**

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**BY ORDER OF THE BOARD OF DIRECTORS:
HIGHFIELD METROPOLITAN DISTRICT**

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: *Douglas County News-Press*
Publish On: Thursday, October 27, 2022

EXHIBIT B

Budget Document
Budget Message

HIGHFIELD METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

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

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 801,604	\$ 700,014	\$ 1,151,655
REVENUES			
Property taxes	853,505	1,081,169	896,742
Specific ownership tax	82,310	86,865	80,707
Interest income	311	3,500	25,690
Loan refunding	5,785,000	-	-
Total revenues	<u>6,721,126</u>	<u>1,171,534</u>	<u>1,003,139</u>
TRANSFERS IN	<u>90,706</u>	-	-
Total funds available	<u>7,613,436</u>	<u>1,871,548</u>	<u>2,154,794</u>
EXPENDITURES			
General and administrative	267,529	69,243	80,000
Operations and maintenance	963	7,500	25,000
Debt service	6,298,309	643,150	675,000
Capital projects	255,915	-	-
Total expenditures	<u>6,822,716</u>	<u>719,893</u>	<u>780,000</u>
TRANSFERS OUT	<u>90,706</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>6,913,422</u>	<u>719,893</u>	<u>780,000</u>
ENDING FUND BALANCES	<u>\$ 700,014</u>	<u>\$ 1,151,655</u>	<u>\$ 1,374,794</u>
EMERGENCY RESERVE	\$ 11,300	\$ 14,100	\$ 8,400
AVAILABLE FOR OPERATIONS	77,059	464,730	644,701
DEBT SERVICE RESERVE	325,000	325,000	325,000
TOTAL RESERVE	<u>\$ 413,359</u>	<u>\$ 803,830</u>	<u>\$ 978,101</u>

No assurance provided. See summary of significant assumptions.

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

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Commercial	\$ -	\$ 1,870,040	\$ 1,870,040
Industrial	24,383,260	32,183,280	31,726,350
Agricultural	2,020	980	900
State assessed	-	-	100
Personal property	9,754,910	9,378,040	9,104,600
Other	10	10	10
	<u>34,140,200</u>	<u>43,432,350</u>	<u>42,702,000</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 34,140,200</u>	<u>\$ 43,432,350</u>	<u>\$ 42,702,000</u>
MILL LEVY			
General	10.000	10.000	6.000
Debt Service	15.000	15.000	15.000
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>21.000</u>
PROPERTY TAXES			
General	\$ 341,402	\$ 434,324	\$ 256,212
Debt Service	512,103	651,485	640,530
Levied property taxes	853,505	1,085,809	896,742
Adjustments to actual/rounding		-	-
Refunds and abatements		(4,640)	-
Budgeted property taxes	<u>\$ 853,505</u>	<u>\$ 1,081,169</u>	<u>\$ 896,742</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 341,402</u>	<u>\$ 432,468</u>	<u>\$ 256,212</u>
Debt Service	<u>512,103</u>	<u>648,701</u>	<u>640,530</u>
	<u>\$ 853,505</u>	<u>\$ 1,081,169</u>	<u>\$ 896,742</u>

No assurance provided. See summary of significant assumptions.

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

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 73,115	\$ 88,359	\$ 478,830
REVENUES			
Property taxes	341,402	432,468	256,212
Specific ownership tax	32,924	34,746	23,059
Interest income	116	-	-
Total revenues	374,442	467,214	279,271
Total funds available	447,557	555,573	758,101
EXPENDITURES			
General and administrative			
Accounting	19,995	22,000	25,300
Auditing	4,500	4,700	5,200
County Treasurer's fee	5,121	6,515	3,843
Contingency	-	-	3,157
District management	12,000	13,200	15,000
Dues and membership	535	328	500
Election expense	-	500	3,000
Insurance and bonds	3,049	3,500	4,000
Legal services	8,647	18,000	19,500
Miscellaneous	31	500	500
Repay developer advance - principal	144,511	-	-
Repay developer advance - interest	69,140	-	-
Operations and maintenance			
Lot 13A maintenance	-	2,500	5,000
SE Detention maintenance	963	5,000	20,000
Total expenditures	268,492	76,743	105,000
TRANSFERS OUT			
Transfers to other funds	90,706	-	-
Total expenditures and transfers out requiring appropriation	359,198	76,743	105,000
ENDING FUND BALANCE	\$ 88,359	\$ 478,830	\$ 653,101
EMERGENCY RESERVE	\$ 11,300	\$ 14,100	\$ 8,400
AVAILABLE FOR OPERATIONS	77,059	464,730	644,701
TOTAL RESERVE	\$ 88,359	\$ 478,830	\$ 653,101

No assurance provided. See summary of significant assumptions.

**HIGHFIELD METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31, 2022**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 563,288	\$ 611,655	\$ 672,825
REVENUES			
Property taxes	512,103	648,701	640,530
Specific ownership tax	49,386	52,119	57,648
Interest income	187	3,500	25,690
Loan refunding	5,785,000	-	-
Total revenues	6,346,676	704,320	723,868
Total funds available	6,909,964	1,315,975	1,396,693
EXPENDITURES			
Debt Service			
Contingency	-	-	2,592
County Treasurer's fee	7,685	9,772	9,608
Loan principal	5,978,820	505,000	540,000
Loan interest	171,026	124,378	118,800
Paying agent fees	4,000	4,000	4,000
Loan issue costs	136,778	-	-
Total expenditures	6,298,309	643,150	675,000
Total expenditures and transfers out requiring appropriation	6,298,309	643,150	675,000
ENDING FUND BALANCE	\$ 611,655	\$ 672,825	\$ 721,693
DEBT SERVICE RESERVE	\$ 325,000	\$ 325,000	\$ 325,000
TOTAL RESERVE	\$ 325,000	\$ 325,000	\$ 325,000

No assurance provided. See summary of significant assumptions.

**HIGHFIELD METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31, 2022**

1/19/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 165,201	\$ -	\$ -
REVENUES			
Interest income	8	-	-
Total revenues	<u>8</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from general fund	<u>90,706</u>	<u>-</u>	<u>-</u>
Total funds available	<u>255,915</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Projects			
Phase 3 improvements	<u>255,915</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>255,915</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>255,915</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**HIGHFIELD 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, was organized by order and decree of the District Court on November 21, 2007, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is within the boundaries of Douglas County, Colorado.

The District was organized to provide financing for the construction of streets, safety control, transportation, water systems, sewer systems, drainage systems, television relay and translator, parks and recreation facilities, mosquito control, and operation and maintenance of the District. The District held its organizational meeting on January 21, 2008.

At its formation election held on November 6, 2007, the District's voters authorized general obligation indebtedness of \$15,000,000 for street improvements, \$15,000,000 for parks and recreation, \$15,000,000 for water supply system, \$15,000,000 for sanitary sewer system, \$15,000,000 for storm sewer & drainage, \$15,000,000 for public transportation system, \$15,000,000 for television relay & translation, \$15,000,000 for mosquito control, \$15,000,000 for traffic & safety controls, \$15,000,000 for refinancing of District debt, and \$15,000,000 for general operations & maintenance. The election also approved an annual increase in taxes of \$1,000,000 for general operations and maintenance. Additionally, the District's voters authorized the District to collect, spend, and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

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 the 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.

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.

**HIGHFIELD METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

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%.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes the District's share will be equal to approximately 9% of the property taxes collected by the General Fund.

Interest Income

Interest to be earned on the District's debt service funds has been estimated based on an average interest rate of approximately 4%.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and meeting expense. Estimated expenditures related to SE Detention maintenance were also included in the General Fund budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt and Leases

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Taxable General Obligation Loan, Series 2021 loan.

**HIGHFIELD METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

On December 17, 2021 the District issued a Taxable General Obligation Refunding Loan 2021, in the principal amount of \$5,785,000 for the purpose of reimbursing the Developer for all outstanding advances plus accrued interest as well as funding future capital improvements. This loan has a maturity date of December 1, 2031 and carries a fixed interest rate of 2.250%. At maturity, the entire loan will be renewed with a new interest rate determined based on current market value at that time.

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

	Balance at December 31, 2021	Additions	Retirement of Long-Term Obligations	Balance at December 31, 2022
Series 2021 G.O Limited Tax Loan	\$ 5,785,000	\$ -	\$ 505,000	\$ 5,280,000
Total	<u>\$ 5,785,000</u>	<u>\$ -</u>	<u>\$ 505,000</u>	<u>\$ 5,280,000</u>
	December 31, 2022	Additions	Long-Term Obligations	December 31, 2023
Series 2021 G.O Limited Tax Loan	\$ 5,785,000	\$ -	\$ 540,000	\$ 5,245,000
Total	<u>\$ 5,785,000</u>	<u>\$ -</u>	<u>\$ 540,000</u>	<u>\$ 5,245,000</u>

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

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

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the Taxable General Obligation Loan.

This information is an integral part of the accompanying budget.

**HIGHFIELD METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$5,785,000 General Obligation Refunding Loan, Series 2021 Dated 12/17/2021 Principal due December 1 Interest Rate 2.250% on \$5,785,000 Payable June 1 and December 1		
	Principal	Interest	Total
2023	\$ 540,000	\$ 118,800	\$ 658,800
2024	550,000	106,650	656,650
2025	560,000	94,275	654,275
2026	575,000	81,675	656,675
2027	585,000	68,738	653,738
2028	600,000	55,575	655,575
2029	610,000	42,075	652,075
2030	625,000	28,350	653,350
2031	635,000	14,288	649,288
	\$ 5,280,000	\$ 610,425	\$ 5,890,425

No assurance provided. See summary of significant assumptions.

EXHIBIT C

Certification of Tax Levy

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DOUGLAS COUNTY, Colorado.

On behalf of the HIGHFIELD METROPOLITAN DISTRICT,
 (taxing entity)^A

the BOARD OF DIRECTORS,
 (governing body)^B

of the HIGHFIELD METROPOLITAN DISTRICT,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 42,702,000 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: \$ 42,702,000 (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: 12/05/2022 for budget/fiscal year 2023.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> ²	<u>REVENUE</u> ²
1. General Operating Expenses ^H	<u>6.000</u> mills	\$ <u>256,212</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	6.000 mills	\$ 256,212
3. General Obligation Bonds and Interest ^J	<u>15.000</u> mills	\$ <u>640,530</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
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]	21.000 mills	\$ 896,742

Contact person: (print) Jason Carroll Daytime phone: (303) 779-5710
 Signed: Jason Carroll Title: Accountant for the District

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>Funding for future capital improvements</u> |
| | Series: | <u>Limited Tax General Obligation Refunding Loan, Series 2021</u> |
| | Date of Issue: | <u>12/17/2021</u> |
| | Coupon Rate: | <u>2.25%</u> |
| | Maturity Date: | <u>12/01/2031</u> |
| | Levy: | <u>15.00</u> |
| | Revenue: | <u>\$640,530</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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Highfield Metropolitan District of Douglas County, Colorado on this 9th day of November 2022.

DocuSigned by:

E3B8C28C1DB6492

Stephanie Stewart, Secretary

SEAL

