BROMLEY PARK METROPOLITAN DISTRICT NO. 6
Adams County, Colorado

BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Bromley Park Metropolitan District No. 6
Adams County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Bromley Park Metropolitan District No. 6 (the District), as of and for the year ended December 31, 2021, 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 the Bromley Park Metropolitan District No. 6, as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison schedule 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 Auditors' 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, 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.

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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 going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 judgement, 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.

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our 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 basic financial statements. The budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises the schedule of debt service requirements to maturity and the schedule of assessed valuation, mill levy, and property taxes collected, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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.

The Adams Group, LLC

Denver, Colorado
March 7, 2022

BASIC FINANCIAL STATEMENTS

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities
Assets	
Cash and investments - unrestricted	$ 742,867
Cash and investments - restricted	846,180
Receivable from county treasurer	6,469
Prepaid items	495
Property taxes receivable	1,652,963
Capital assets, net of depreciation	629,538
Total Assets	3,878,512
Liabilities	
Accounts payable	4,806
Accrued interest on bonds	32,264
Noncurrent liabilities:	
Due within one year	472,500
Due in more than one year	
Accrued interest developer advances	421,276
Loans and developer advances	13,566,614
Total Liabilities	14,497,460
Deferred Inflows of Resources	
Unavailable property taxes	1,652,963
Total Deferred Outflows of Resources	1,652,963
Net Position	
Net investment in capital assets	(3,891,851)
Restricted	
Emergencies	5,200
Debt service	398,185
Unrestricted	(8,783,445)
Total Net Position	$ (12,271,911)

The accompanying notes are an integral part of the financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
General government	$ 96,095	$ -	$ -	$ -	$ (96,095)
Interest and expenses on long-term debt	613,472	-	-	-	(613,472)
Total Governmental Activities	$ 709,567	$ -	$ -	$ -	(709,567)
GENERAL REVENUES:					
Property taxes					1,142,810
Specific ownership taxes					63,040
Investment earnings					139
Total General revenues					1,205,989
Change in net position					496,422
Net Position, Beginning					(12,768,333)
Net Position, Ending					$ (12,271,911)

The accompanying notes are an integral part of the financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
GOVERNMENTAL FUNDS – BALANCE SHEET
DECEMBER 31, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and investments - unrestricted	$ 283,225	$ -	$ 459,642	$ 742,867
Cash and investments - restricted	-	846,180	-	846,180
Receivable with county treasurer	924	5,545	-	6,469
Property taxes receivable	300,477	1,352,486	-	1,652,963
Prepaid items	495	-	-	495
Total Assets	$ 585,121	$ 2,204,211	$ 459,642	$ 3,248,974
Liabilities, deferred inflows of resources and fund balance				
Liabilities:				
Accounts payable	$ 4,806	$ -	$ -	$ 4,806
Total Liabilities	4,806	-	-	4,806
Deferred inflows of resources				
Unavailable property taxes	300,477	1,352,486	-	1,652,963
Total Deferred Inflows of Resources	300,477	1,352,486	-	1,652,963
Fund balance:				
Nonspendable				
Prepaid items	495	-	-	495
Restricted				
Emergencies	5,200	-	-	5,200
Debt service	-	851,725	-	851,725
Assigned				
Capital projects	-	-	459,642	459,642
Unassigned	274,143	-	-	274,143
Total Fund Balances	279,838	851,725	459,642	1,591,205
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 585,121	$ 2,204,211	$ 459,642	$ 3,248,974

The accompanying notes are an integral part of the financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total fund balance, governmental fund	$ 1,591,205
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	629,538
Long-term liabilities, including loans payable are not due and payable in the current period, and therefore, are not reported in governmental funds.	
Bonds payable	(11,030,000)
Developer advances payable	(3,009,114)
Accrued interest on bonds	(32,264)
Accrued interest on developer advances	(421,276)
Total net position of governmental activities	$ (12,271,911)

The accompanying notes are an integral part of the financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Taxes:				
Property taxes	$ 163,260	$ 979,550	$ -	$ 1,142,810
Specific ownership taxes	9,059	53,981	-	63,040
Earnings on investments	101	38	-	139
Total revenues	172,420	1,033,569	-	1,205,989
Expenditures				
Current:				
Audit	9,100	-	-	9,100
County treasury fees	2,530	15,177	-	17,707
Director's fees	1,600	-	-	1,600
District management and accounting	6,301	-	-	6,301
Dues and subscriptions	905	-	-	905
Insurance and bonds	3,065	-	-	3,065
Legal	24,525	-	-	24,525
Repairs and maintenance	7,503	-	-	7,503
Support services	4,782	-	-	4,782
Utilities	265	-	-	265
Other expenditures	477	-	-	477
Debt service:				
Principal	-	442,500	-	442,500
Interest and fiscal charges	-	404,222	-	404,222
Total expenditures	61,053	861,899	-	922,952
Net change in fund balances	111,367	171,670	-	283,037
Fund balances - beginning	168,471	680,055	459,642	1,308,168
Fund balances - ending	$ 279,838	$ 851,725	$ 459,642	$ 1,591,205

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

Net change in fund balance - total governmental fund:	$ 283,037
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays to purchase or construct capital assets are reported in governmental fund as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Depreciation expense	(19,865)
The issuance of long-term debt provides current financial resources to fund, while the repayment of the principal of long-term debt consumes the current financial resources of governmental fund. Neither transaction, however, has any effect on net position.	
Principal payments	442,500
Some expenses in the statement of activities do not require the use of current financial resources and are, therefore, not reported as expenditures in the governmental fund.	
Change in accrued interest on developer advances	(210,638)
Change in accrued interest	1,388
Change in net position of governmental activities	$ 496,422

The accompanying notes are an integral part of the financial statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes:			
Property taxes	$ 161,456	$ 163,260	$ 1,804
Specific ownership taxes	9,687	9,059	(628)
Earnings on investments	2,500	101	(2,399)
Total revenues	173,643	172,420	(1,223)
Expenditures			
Current:			
Audit	4,600	9,100	(4,500)
County treasury fees	2,422	2,530	(108)
Director's fees	2,400	1,600	800
District management and accounting	48,000	6,301	41,699
Dues and subscriptions	2,000	905	1,095
Engineering	10,000	-	10,000
Insurance and bonds	7,500	3,065	4,435
Legal	25,000	24,525	475
Repairs and maintenance	25,000	7,503	17,497
Support services	25,000	4,782	20,218
Utilities	5,000	265	4,735
Other expenditures	5,000	477	4,523
Contingency reserve	5,300	-	5,300
Total expenditures	167,222	61,053	106,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,421	111,367	104,946
Other Financing Sources			
Transfers in	2,500	-	(2,500)
Total other financing sources	2,500	-	(2,500)
Net change in fund balances	8,921	111,367	102,446
Fund balances - beginning	168,471	168,471	-
Fund balances - ending	$ 177,392	$ 279,838	$ 102,446

The accompanying notes are an integral part of the financial statements.

NOTE 1 – DEFINITION OF REPORTING ENTITY

Bromley Park Metropolitan District No. 6 (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized on November 27, 2000 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado, and almost entirely within the City of Brighton (City), with the exception of a few parcels. The District is one of six contiguous districts: South Beebe Draw Metropolitan District, Bromley Park Metropolitan Districts Nos. 2, 3, 5 and 6 and Brighton Crossing Metropolitan District No. 4 (the Districts, or SBD, BPMD Nos. 2, 3, 5, 6 and BC, respectively). As of December 31, 2021, all the Districts, with the exception of BPMD No. 2 and BC, have substantially the same membership of their respective Boards of Directors. SBD, BPMD Nos. 2 and 3 and BC were participants in the Annexation Agreement, as amended, between the City of Brighton and the then current developer of the majority of the property within the District, BPK Holdings, LLC (BPK). The District and BPMD No. 5 were formed in 2000 and both are participating in the Annexation Agreement, as amended.

Pursuant to the Intergovernmental Agreement Regarding sales and use taxes (Sales and Use Tax IGA) entered into on August 4, 1995, between BPK, SBD, BPMD Nos. 2 and 3 and BC, SBD was designated by BPK to receive and administer all sales and use taxes remitted under the Annexation Agreement, as amended, by the City and to apply the receipts to the common benefit of BPMD Nos. 2 and 3, and BC, and later, under separate agreements, to the benefit of BPMD Nos. 5 and 6 and Adams East Metropolitan District (Adams East) as revenue pledged for debt service on bonds which funded improvements within those districts and benefitted all Districts. The property within the boundaries of BPMD Nos. 5 and 6 and Adams East is within the boundaries of the property described in the Annexation Agreement, as amended.

On August 24, 2010, the District consented to the formation of Adams East upon property located within the boundaries of the District. The initial boundaries of the property are located north of Bromley Lane and east of Interstate 76. The initial boundaries of the property were excluded from the District.

The District was established principally to provide for the construction, acquisition and installation of streets and safety control, street lighting, landscaping, storm drainage, television relay, water, sanitary sewer, transportation, mosquito control and park and recreation improvements and facilities, and for the ongoing maintenance of street lighting, street landscaping and park and recreation facilities within and without the boundaries of the District.

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

NOTE 1 – DEFINITION OF REPORTING ENTITY (CONTINUED)

SBD, BPMD Nos. 2 and 3, and BC entered into an Inter-district Regional Facilities Intergovernmental Agreement (Inter-district IGA, as amended) on March 21, 2000, to expand the responsibilities of SBD to include coordination of construction, operation, and maintenance of regional facilities with ownership retained by SBD and to provide for the funding of such regional facilities and infrastructure. On July 21, 2004, the Inter-district IGA was amended by the First Amendment to Inter-district Regional Facilities Intergovernmental Agreement between SBD, BPMD Nos. 2 and 3 and BC, which consented to the reimbursement of certain infrastructure improvement expenses incurred by BPMD No. 2 and BC. The Inter-district IGA was further amended on October 18, 2005, through the Agreement and Second Amendment to Inter-district Regional Facilities Intergovernmental Agreement for the purpose of addressing only those certain provisions concerning the sewer line connection fee to include the District, BPMD No. 5 and Silver Peaks Metropolitan District Nos. 1-5 (SPMD Nos. 1-5) as they, along with BPMD Nos. 2 and 3, and BC, benefit from the improvement and extension of sewer lines to the Town of Lochbuie (Town) wastewater treatment plant (see Note 9). The District, BPMD No. 5 and SPMD Nos. 1-5 were not made a party to all terms of the Inter-district IGA, as amended. Funding for the regional facilities and maintenance are from certain fees collected by BPMD Nos. 2, 3, 5 and 6, BC, and SPMD Nos. 1-5 and transferred to SBD (see Note 8).

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

The District is not financially accountable for any other District organization (including SBD, BPMD Nos. 2, 3 and 5, BC and Adams East), 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

These financial statements include all of the activities of the District. For the most part, the effect of inter-fund 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 assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position.

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

Separate financial statements are provided for governmental funds. 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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds, notes and developer advances are recorded as a reduction in liabilities.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 other funds.

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

The *Capital Projects Fund* is used to account for the financial resources to be used for the acquisition and construction of infrastructure in conjunction with the bond financing terms.

Budgets

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

Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance / Net Position

Pooled Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments are reported at fair value.

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 account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the county assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the county commissioners to put the tax lien on the individual properties as of January 1 of the following year. The county treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The county treasurer remits the taxes collected monthly to the District.

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

Capital Assets

Capital assets, which include equipment and infrastructure assets (e.g. wells, storm drainage and similar items), are reported as a governmental activity in the government-wide financial statements. Such assets are recorded at acquisition value or estimated acquisition value if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. It is the District's policy to capitalize those assets with a cost or value of $5,000 or more.

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 that will be dedicated to other governmental entities are not depreciated. Improvements to be owned by the District, with the exception of certain landscaping improvements (e.g. trees, sod, and similar items), are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Railrod extension	50 years
Vehicles	5 years

Certain capital assets constructed by the District have been conveyed to other governmental entities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Deferred Inflows of Resources

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

Fund Balances – Governmental Funds

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

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

Restricted fund balance – the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation. See Note 6 for additional information.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Colorado Constitution. A total of $5,200 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of $851,725 is restricted for the payment of the costs associated with the Series 2015 and Series 2019 Refunding Loans (See Note 5).

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority. As of December 31, 2021, $459,642 was assigned in the capital projects fund for future capital projects.

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

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

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report up to three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying statement of net position as follows:

Cash and investments - unrestricted	$	742,867
Cash and investments - restricted		846,180
Total cash and investments	$	1,589,047

Cash and investments as of December 31, 2021, consist of the following:

Deposits with financial institutions	$	1,578,840
Investments		10,207
Total cash and investments	$	1,589,047

Cash Deposits

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

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

At December 31, 2021, the District's cash deposits had a bank balance of $1,584,000.

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 (*) above, 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 disclosure requirements or subject to investment custodial risk 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.

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

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

As of December 31, 2021, the District had the following investments:

Investment	Maturity	Carrying Amount
Colorado Local Government Liquid Asset Trust	Weighted average under 60 days	$ 10,207

COLOTRUST

During 2021, the District invested in Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing Colotrust. Colotrust operates similarly to a money market fund and each share is equal in value to $1.00. Colotrust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and repurchase agreements collateralized by certain obligations of U.S. government agencies.

A designated custodial bank serves as custodian for ColoTrust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for ColoTrust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals.

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Investment Valuation

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

However, the District's investments are not measured at fair value and are therefore not categorized within the fair value hierarchy. These investments include 2a7-like external investment pools. The District is permitted in certain circumstances to establish the fair value of an investment that does not have a readily determinable fair value by using the net asset value (NAV) per share (or its equivalent) of the investment.

Colotrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of Colotrust, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with GASB guidance. It is the goal of Colotrust to maintain a NAV of $1.00 per share, however changes in interest rates may affect the fair value of the securities held by Colotrust and there can be no assurance that the NAV will not vary from $1.00 per share. 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, 2021, follows:

	Balances December, 31 2020	Additions	Deletions	Balances December, 31 2021
Capital Assets, being depreciated				
Rail extension	$ 993,239	$ -	$ -	$ 993,239
Vehicles	1,504	-	-	1,504
Total capital assets, being depreciated	994,743	-	-	994,743
Accumulated depreciation				
Rail extension	(343,836)	(19,865)	-	(363,701)
Vehicles	(1,504)	-	-	(1,504)
Total accumulated depreciation	(345,340)	(19,865)	-	(365,205)
Total capital assets, net	$ 649,403	$ (19,865)	$ -	$ 629,538

In accordance with the District's service plan, it is anticipated that, except for certain park, landscaping and local storm drainage infrastructure improvements, the District will dedicate the improvements and facilities to the County or its designee. Upon acceptance by the County or its designee for maintenance or ownership, the capital assets will be removed from the District's property records. Depreciation expense is charged to the general government function/program in the Statement of Activities.

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2021:

	Balances December 31, 2020	Additions	Deletions	Balances December 31, 2021	Due In One Year
Direct Placement Loans/Advances:					
General Obligation Refunding Loan, Series 2015	$ 5,912,500	$ -	$ (347,500)	$ 5,565,000	$ 372,500
General Obligation Refunding Loan, Series 2019	5,560,000	-	(95,000)	5,465,000	100,000
Developer advances - Principal	3,009,114	-	-	3,009,114	-
Total	$ 14,481,614	$ -	$ (442,500)	$ 14,039,114	$ 472,500

The detail of the District's long-term obligations is as follows:

General Obligation Refunding Loan, Series 2015

On December 1, 2015, the District entered into a $7,320,000 General Obligation Refunding Loan Agreement (Series 2015 Loan) with Key Government Finance, Inc.

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)

The Series 2015 Loan bears an interest rate of 3.52% payable semiannually on June 1 and December 1, with annual principal payments beginning December 1, 2016. The Series 2015 Loan matures on December 1, 2025. The Series 2015 Loan may be prepaid at the option of the District, upon payment of the entire outstanding principal balance of the Series 2015 Loan, plus accrued interest to the date of prepayment, plus any other amounts due and the applicable prepayment fee. The prepayment fee will be one of the following based on the payment date: 1) 3% of the outstanding principal balance if prepayment occurs on or before January 1, 2019, 2) 2% of the outstanding principal balance if prepayment occurs after January 1, 2019, and on or before January 1, 2020, 3) 1% of the outstanding principal balance if prepayment occurs after January 1, 2020 and on or before January 1, 2021 and 4) 0% thereafter. The Series 2015 Loan is secured by pledged revenue consisting of property taxes to be levied by the District on all taxable property in the District.

The net proceeds of the Series 2015 Loan were used to 1) pay the costs of issuance of the refunding loan, 2) refund general obligation bonds dated March 30, 2010, 3) pay the outstanding amount due on the Series 2010A general obligation subordinate note dated January 26, 2010 plus accrued interest, 4) reimburse SBD the amount due under a designation agreement and 5) provide funds in order to advance refund the Series 2006 bonds on or after December 1, 2016.

Significant events of default under the Series 2015 Loan include: (i) failure to pay principal and interest when due on any obligation of the District, (ii) failure to impose required mill levy or failure to apply pledged revenue thereof as required by the terms of the Series 2015 Loan, (iii) failure to meet financial or custodial agreement covenants where such failure is not remedied within 30 days, (iv) qualified audit opinion with respect to the District's status as an on-going concern, (v) judgments against the District as described in the Series 2015 Loan agreement, (vi) proceedings to dissolve the District or consolidate the District where the District would cease to exist and (vii) filing a petition under federal or other applicable bankruptcy laws seeking to adjust the District's debts.

Upon the occurrence and continuance of an event of default, the Series 2015 Loan balance shall bear interest at the 6.52% through June 1, 2025, and at the then current five-year U.S. Treasury bond rate plus 8% thereafter. In addition, the holder of the 2015 Loan may proceed to protect and enforce the rights available under the loan and custodial agreements.

The District's Series 2015 Loan matures as follows:

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)

Year ended December 31,	Principal	Interest	Total
2022	$ 372,500	$ 195,888	$ 568,388
2023	392,500	182,776	575,276
2024	423,500	168,960	592,460
2025	4,376,500	154,053	4,530,553
Total	$ 5,565,000	$ 701,677	$ 6,266,677

General Obligation Refunding Loan, Series 2019

On December 30, 2019, the District entered into a $5,650,000 General Obligation Refunding Loan Agreement (Series 2019 Loan) with Key Government Finance, Inc. The Series 2019 Loan bears an interest rate of 3.50% with interest and principal due annually on December 1.

The Series 2019 Loan matures on December 1, 2029. The Series 2019 Loan may be prepaid at the option of the District, upon payment of the entire outstanding principal balance of the Series 2019 Loan, plus accrued interest to the date of prepayment, plus any other amounts due and any applicable prepayment fee. The prepayment fee due will be 2% of the outstanding principal balance if prepayment occurs on or before December 30, 2021, and 0% thereafter. The Series 2019 Loan is secured by pledged revenue consisting of property taxes to be levied by the District on all taxable property in the District.

The net proceeds of the Series 2019 Loan were used to 1) refund the developer obligation, 2) reimburse SBD for the cost of regional infrastructure that benefits the District and 3) pay the costs of issuance of the refunding loan.

Significant events of default under the Series 2019 Loan include: (i) failure to pay principal and interest when due on any obligation of the District, (ii) failure to impose required mill levy or failure to apply pledged revenue thereof as required by the terms of the Series 2019 Loan, (iii) failure to meet financial or custodial agreement covenants where such failure is not remedied within 30 days, (iv) qualified audit opinion with respect to the District's status as an on-going concern, (v) judgments against the District as described in the Series 2019 Loan agreement, (vi) proceedings to dissolve the District or consolidate the District where the District would cease to exist and (vii) filing a petition under federal or other applicable bankruptcy laws seeking to adjust the District's debts.

Upon the occurrence and continuance of an event of default, the Series 2019 Loan balance shall bear interest at the loan rate plus 4% In addition, the holder of the 2019 Loan may proceed to protect and enforce the rights available under the loan and custodial agreements.

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)

The District's Series 2019 Loan matures as follows:

Year ended December 31,	Principal	Interest	Total
2022	$ 100,000	$ 191,275	$ 291,275
2023	105,000	187,775	292,775
2024	125,000	184,100	309,100
2025	135,000	179,725	314,725
2026	145,000	175,000	320,000
2027 - 2029	4,855,000	492,975	5,347,975
Total	$ 5,465,000	$ 1,410,850	$ 6,875,850

Advances and Reimbursement Agreements

On October 24, 2017, the District entered into an advance and reimbursement agreement (2017 Agreement) between and among the District and King Paul 1, LLC (King Paul), Jacobs Colorado LLC (Jacobs), IVE Colorado LLC (IVE) and 76 Commerce Center LLC (76 Commerce Center). King Paul, Jacobs and IVE are collectively referred to as the Owners. The Owners and 76 Commerce Center are collectively referred to as the Developers. Construction costs of public improvements furnished by the Developers that are within the District's boundaries, or outside the District's boundaries if the board of directors determines a benefit accrues to the District from their construction, shall be acknowledged as advances to the District if the improvements meet certain criteria as described in the 2017 Agreement.

76 Commerce Center or the Owners shall have the right to request reimbursement for advances from the District under the 2017 Agreement and specifies simple interest to accrued on amounts certified and accepted for reimbursement at an annual rate of 7.00%. Upon recognition by the District of an advance from either 76 Commerce Center or the Owners, but no more often than once a year, the District shall enter into an infrastructure reimbursement agreement to provide the terms for repayment of the advances plus simple interest. On December 27, 2019, the District entered into an Infrastructure Reimbursement Agreement with 76 Commerce Center (2019 IRA). The 2019 IRA terminates on December 31, 2042. At December 31, 2021, the District owed 76 Commerce Center $3,009,114 in principal and $421,276 of accrued interest.

Authorized Debt

On November 7, 2000 and May 4, 2004 (re-authorization) a majority of the eligible electors of the District authorized the issuance of indebtedness in an amount not to exceed $59,750,000 at an interest rate not to exceed 18% per annum.

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED)

On November 4, 2008, a majority of the eligible electors of the District authorized the issuance of indebtedness in the amount of $5,000,000 for transportation related purposes at an interest rate not to exceed 18% per annum for a total authorization amount not to exceed $64,750,000. On November 4, 2014, the eligible electors of the District re-voted the authorizations, in part, with some increases for a new total authorization amount not to exceed $68,500,000.

At December 31, 2021, the District had authorized but unissued indebtedness from these elections in the following amounts allocated for the following purposes:

	Total Authorized	Remaining at December 31, 2021
Street improvements	$ 13,000,000	$ 10,300,186
Park and recreation facilities	1,500,000	1,500,000
Water supply improvements	3,500,000	2,114,271
Sanitary sewer system	8,000,000	1,880,543
Television relay	2,750,000	2,750,000
Mosquito control	500,000	500,000
Public transportation	5,000,000	3,946,761
Operations and maintenance	2,500,000	2,500,000
Debt refunding	31,750,000	25,483,239
Total	$ 68,500,000	$ 50,975,000

NOTE 6 – NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

The net investment in capital assets consists of capital assets that will be owned by the District, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. As of December 31, 2021, the District had a deficit net investment in capital assets in the amount of $3,891,851

Restricted net position includes amounts that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments, or as imposed by law through constitutional provisions or enabling legislation. The District's restricted net position at December 31, 2021, consists of $5,200 for emergency reserves and $398,185 for debt service.

NOTE 6 – NET POSITION (CONTINUED)

As of December 31, 2021, the District had a deficit unrestricted balance of $8,783,445 and a deficit net position of $12,271,911. This deficit amount is the result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities.

NOTE 7 – RELATED PARTIES

The members of the Board of Directors of the District, SBD, BPMD No. 3, BPMD No. 5 and Adams East are employees of, owners of, or otherwise associated with BPK and/or the Bromley Companies, and/or Bromley Park Industrial Land Company, LLC, (referred to herein as the Affiliates) and may have conflicts of interest in dealing with the District. BPK is the current owner of part of the property previously owned in the District by Bromley Park Associates, LLC. Specific details of transactions with the Affiliates regarding organization, advances, and debt are described elsewhere in these notes.

NOTE 8 – INTERGOVERNMENTAL AGREEMENTS

The agreements listed below relate to one or more of the Districts and are not all-inclusive. Per the District's service plan, the District will be subject to the terms of the Beebe Draw Wastewater Management Agreement regarding provision of sanitary sewer service. The District shall also be subject to the terms of the Storm Drainage Agreement with the City.

Intergovernmental Agreement Regarding Funding of Regional Storm Drainage Infrastructure

Effective December 24, 2019, the District and SBD entered into an Intergovernmental Agreement Regarding Funding of Regional Storm Drainage Infrastructure Agreement (Storm Drainage IGA) to set forth the terms upon which the District will remit funds to SBD for the purpose of helping SBD recover the costs of completed and future regional storm drainage infrastructure and facilities that benefit the District.

Under the Storm Drainage IGA, the District agreed to remit to SBD, on an annual basis, 30% of its net revenue defined as District monies available after payment of: (a) all bonds and debt obligations now in existence or hereafter created; (b) all contractual obligations that are not Infrastructure Reimbursement Agreements entered into by the District pursuant to the 2017 Agreement; (c) all operations and maintenance costs of the District and (d) all monies not appropriated or pledged for other purposes by the District. The Storm Drainage IGA shall remain in effect until terminated by mutual agreement of the District and SBD.

NOTE 8 – INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

City of Brighton

Pursuant to (1) the Annexation Agreement, as amended by the first, second, third and fourth amendments, among BPK, the City, SBD, BPMD Nos. 2 and 3 and BC, (2) Agreement 2, among BPK, the City, Adams County, SBD, BPMD Nos. 2 and 3, and BC; and (3) the Inter-district IGA, as amended, among SBD, BPMD Nos. 2 and 3 and BC (see Note 1), the parties have the following mutual responsibilities:

In general, the Districts and BPK or assignees are to install improvements and transfer the installed facilities, except for certain specified improvements, to the City for ownership, maintenance, and operation.

Streets - Bromley Lane was improved by funding from the City, BPK and the Districts. The City is to reimburse BPK for certain sections over a five-year period or require landowners to pay their pro rata share plus interest to the Districts when annexed to the City. The Districts are to pay for their certain sections when development dictates. In 2001, BC transferred the responsibility to plant and maintain the medians to BPMD No. 5. Danube Street (or of such other designation as it may be re-named at the option of the City) is to be developed and installed, but if completed by BPK or the Districts, the City will reimburse the Districts for a portion of the costs incurred. The Districts agree to perform street reconstruction and asphalt overlays on all streets as requested from the City as long as the sales and use taxes are remitted by the City. Other streets are to be constructed by the Districts and transferred to the City for perpetual maintenance.

Water - On May 28, 1996, a third amendment to the Annexation Agreement was completed which stipulated that the City would provide water service to the Bromley Park Property to full development as determined under the Phase Master Plans under certain conditions. Of the City's water plant investment fee, $300 is paid to or retained by SBD. In consideration of BPK (assigned the role of annexor in the Annexation Agreement) designing all irrigation systems after December 8, 1998, so that they are capable of being converted to a non-potable water system, the City will provide water taps for certain public areas at no charge.

Sewer - The City is to provide sewage collection and treatment capacity to the full development of the BPK Property (also referred to as the Bromley Park Property). Pursuant to the fourth amendment to the Annexation Agreement, approved by the City on October 21, 1997, and entered into on November 4, 1997, the City has fulfilled its obligation to provide wastewater treatment facilities for the property draining into the Beebe Draw Basin by entering into the Beebe Draw Wastewater Agreement between the Town, SBD, BPMD Nos. 2 and 3, and BC, dated November 4, 1997. The Town is the Wastewater Management Agency for the Beebe Draw Service Area.

NOTE 8 – INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

The Beebe Draw Wastewater Services Agreement was amended on August 14, 2009 (see below). Pursuant to the terms of the Inter-district IGA, as amended, the District was designated as the entity to coordinate the financing, planning, construction, ownership, and maintenance of certain infrastructure including sewer for the Districts (see Note 1).

The City remains obligated to provide transmission and treatment service to the property draining into the South Platte Basin. SBD or BPK is obligated to install, at its expense, all sanitary sewer collection and transmission lines and facilities as stipulated in the Sanitary Sewer Master Plan regardless of drainage basin.

Storm Drainage - Pursuant to the second amendment to Annexation Agreement approved on November 11, 1994, and in consideration of BPK's payment of storm drainage fees, the City agreed to provide all offsite storm drainage improvements for the BPK Property. The third amendment to the Annexation Agreement entered into on May 28, 1996, provided for the ability of SBD, BPMD Nos. 2 and 3 and BC to undertake offsite storm drainage activities for property in the Beebe Draw Basin which would include being solely responsible for all offsite drainage for the Bromley Park Property within their boundaries (which is within the Beebe Draw Basin). In such event, (1) SBD, BPMD Nos. 2 and 3, and BC would pay for offsite improvements, (2) the City would forego collecting drainage fees and reimbursement, and (3) the drainage fees, as may be appropriate, would be collected by SBD, BPMD Nos. 2 and 3 and BC. As part of this undertaking, SBD, BPMD Nos. 2 and 3 and BC entered into the Inter-district IGA, as amended, for the purpose of designating SBD to coordinate the financing, planning, construction, ownership, and maintenance of certain infrastructure including storm drainage (see Note 1).The Districts and/or BPK are to construct all onsite storm drainage improvements.

Beebe Draw Wastewater Service Agreement

On November 4, 1997, SBD, BPMD Nos. 2 and 3, and BC entered into the Beebe Draw Wastewater Services Agreement with the City and the Town to provide a comprehensive program to finance, design, construct, acquire, operate, maintain and use wastewater treatment and discharge facilities serving properties within the Beebe Draw drainage basin. This agreement was amended on August 14, 2009 by the First Amended and Restated Beebe Draw Wastewater Service Agreement (2009 WSA) between the City, the Town and SBD. The terms of the 2009 WSA amended and restated the 1997 agreement in its entirety, redefined the Beebe Draw Service Area, addressed future annexations east of Interstate 76, redirected certain services to the City, outlined conditions for expansion of the treatment plant, provided general rules for wastewater treatment service, established provisions for capital funding using Plant Investment Fees (PIFs) and operation and maintenance funding, provided for the

NOTE 8 – INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Lochbuie Sewer Board outlined specific terms for the construction of additional infrastructure within the Town or City by SBD (which is not anticipated), and provided for rates and charges to be imposed and collected. SBD is responsible for constructing and financing certain sewer lines and receives fees from all areas served by the lines, including property within the District. PIFs are due for connections to the sewer system for treatment facilities within the corporate limits of the Town to be paid directly by builders to the Town. Future expansion of the facilities will be coordinated under the terms of this agreement.

Further, under the agreement, the City and Town are to collect and remit to SBD certain fees equal to the greater of $1,301.60 or 40% of the applicable PIF imposed by the Town for a sewer connection fee. SBD's sewer line connection fee at December 31, 2021 was $1,301.60.

System Development, Infrastructure, and Infrastructure Support Fees

The District can impose certain system development and infrastructure fees. As of December 31, 2021, the fees that the District can impose per single-family equivalent as follows:

System development fee - $2,345.94per unit
Infrastructure fee - $1,155.92 or $2,043.10 per unit depending upon type of unit

In addition, the District imposes system development fees for commercial, office and industrial property at $0.88, $0.72, and $0.35 per square foot of gross building area, respectively.

On February 10, 2011, the District's Board of Directors adopted a resolution authorizing the imposition of an infrastructure support fee. The fee is due and payable each year on the first day of August until a certificate of occupancy is issued for the lot. The fee shall be imposed but waived on a dollar-for-dollar basis to the extent that the owner of such undeveloped lot provides any developer advances to the District from August 2 of the year immediately preceding the imposition of the infrastructure support fee to August 1 of the year the infrastructure support fee is imposed. The District has determined that the fee is not required for fiscal year 2021 and will not be required until such time as the joint fee resolution is amended to impose an infrastructure support fee.

NOTE 9 – RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees or acts of God.

NOTE 9 – RISK MANAGEMENT (CONTINUED)

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.

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

NOTE 10 – TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations 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 District's eligible electors approve retention of such revenue.

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

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.

On November 8, 1994, a majority of the District's electors authorized the District to collect and spend or retain in reserve (1) taxes of $500,000 annually up to 40.0 mills for District operations and maintenance, (2) taxes of $28,222,100 annually without limitation of rate to pay the District's general obligation bonds or other obligations, (3) taxes of $43,700,000 annually without limitation of rate to pay the District's obligations under an agreement with SBD, BPMD No. 2 and BC for joint financing of public improvements and (4) other revenue up to $6,712,500 annually, all without regard to any spending, revenue-raising or other limitation imposed by TABOR.

SUPPLEMENTAL INFORMATION

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes:			
Property taxes	$ 968,734	$ 979,550	$ 10,816
Specific ownership taxes	58,124	53,981	(4,143)
Earnings on investments	3,000	38	(2,962)
Total revenues	1,029,858	1,033,569	3,711
Expenditures			
Current:			
County treasurer fees	14,531	15,177	(646)
Debt service:			
Principal	506,800	442,500	64,300
Interest and fiscal charges	407,720	404,222	3,498
Total expenditures	929,051	861,899	67,152
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,807	171,670	70,863
Other Financing Sources (Uses)			
Transfers out	(2,500)	-	2,500
Total other financing sources (uses)	(2,500)	-	2,500
Net change in fund balance	98,307	171,670	73,363
Fund balance - beginning	680,055	680,055	-
Fund balance - ending	$ 778,362	$ 851,725	$ 73,363

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Earnings on investments	$ -	$ -	$ -
Other revenue	-	-	-
Total revenues	-	-	-
Expenditures			
Current:			
Capital outlay	459,642	-	459,642
Total expenditures	459,642	-	459,642
Net change in fund balance	(459,642)	-	459,642
Fund balance - beginning	459,642	459,642	-
Fund balance - ending	$ -	$ 459,642	$ 459,642

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

OTHER INFORMATION

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021

$7,320,000 Series 2015
General Obligation Refunding Loan
Dated December 1, 2015
Interest Rate of 3.52 percent
Payable on June 1 and December 1
Principal Due on December 1

Year ended December 31,	Principal	Interest	Total
2022	$ 372,500	$ 195,888	$ 568,388
2023	392,500	182,776	575,276
2024	423,500	168,960	592,460
2025	4,376,500	154,053	4,530,553
Total	$ 5,565,000	$ 701,677	$ 6,266,677

$5,650,000 Series 2019
General Obligation Refunding Loan
Dated December 1, 2019
Interest Rate of 3.50 percent
Principal and Interest Due December 1

Year ended December 31,	Principal	Interest	Total	Total All Loans
2022	$ 100,000	$ 191,275	$ 291,275	$ 859,663
2023	105,000	187,775	292,775	868,051
2024	125,000	184,100	309,100	901,560
2025	135,000	179,725	314,725	4,845,278
2026	145,000	175,000	320,000	320,000
2027	155,000	169,925	324,925	324,925
2028	170,000	164,500	334,500	334,500
2029	4,530,000	158,550	4,688,550	4,688,550
Total	$ 5,465,000	$ 1,410,850	$ 6,875,850	$ 13,142,527

BROMLEY PARK METROPOLITAN DISTRICT NO. 6
ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021

Year ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied	Total Property Taxes Levied	Total Property Taxes Collected	Percentage Collected to Levied
2008	$ 6,954,720	18.000	$ 125,185	$ 125,185	100.00%
2009	8,708,970	18.000	156,761	156,761	100.00%
2010	9,031,710	18.000	162,571	162,571	100.00%
2011	8,683,770	18.000	156,308	156,308	100.00%
2012	8,398,790	18.000	151,178	148,302	98.10%
2013	8,457,390	18.000	152,233	152,233	100.00%
2014	9,560,370	18.000	172,087	163,443	94.98%
2015	9,710,230	18.000	174,784	174,785	100.00%
2016	18,699,440	26.000	486,185	486,185	100.00%
2017	18,814,260	35.000	658,499	652,317	99.06%
2018	18,797,610	35.000	657,916	657,916	100.00%
2019	18,253,630	35.000	638,877	638,877	100.00%
2020	29,679,930	35.000	1,038,798	965,637	92.96%
2021	32,291,140	35.000	1,130,190	1,142,810	101.12%
Estimated for the year ending December 31, 2022	$ 45,082,860	36.665	$ 1,652,963		

Note:

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