

YARROW GARDENS METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
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<https://yarrowgardensmd.colorado.gov/>

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
Stephen Myers	President	2023/May 2023
Jeffrey Seibold	Treasurer	2025/May 2025
William “Bill” Rectanus	Assistant Secretary	2023/May 2023
John “Jay” Garcia	Assistant Secretary	2025/May 2025
Vacant	Assistant Secretary	2025/May 2025

DATE: Monday, April 10, 2023

TIME: 11:00 A.M.

PLACE: Zoom Meeting

<https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUIZZc1VMWTJFZjFHdz09>

Phone: 1 (719) 359-4580
Meeting ID: 862 6755 0643
Password: 987572

I. PUBLIC COMMENT

A. _____

II. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest, call to order, and confirm quorum.

B. Approve Agenda confirm location of the meeting and posting of meeting notices and designate 24-hour posting location.

C. Review and consider approval of Minutes from the December 13, 2022 Regular Meeting (enclosure).

III. FINANCIAL MATTERS

- A. Review and ratify approval of payment of claims as follows (enclosure):

Fund	Period ending March 13, 2023
Total	\$ 26,518.18

- B. Review and accept unaudited financial statements through the period ending December 31, 2022 (enclosure).
-

- C. Discuss refinancing options.
-

1. Presentation by Piper Sandler & Co. (enclosure).
-

2. Presentation by D.A. Davidson & Co. (Refinancing Option – enclosed, presentation – to be distributed).
-

IV. LEGAL MATTERS

- A. May 2, 2023 Election Update
-

V. COVENANTS, OPERATION, AND MAINTENANCE MATTERS

- A. Community Manager's Report.
-

- B. Discuss status of the towing operations.
-

VI. OTHER BUSINESS

- A. _____

- VII. ADJOURNMENT: **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 13, 2023**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE YARROW GARDENS METROPOLITAN DISTRICT HELD DECEMBER 13, 2022

A Regular Meeting of the Board of Directors of the Yarrow Metropolitan District (referred to hereafter as the “District”) was convened on Tuesday, the 13th day of December, 2022, at 2:00 p.m. This District Board Meeting was held by teleconference without any individuals (neither District Representatives nor the general public) attending in person. The meeting was open to the public by teleconference.

ATTENDANCE

Directors In Attendance Were:

Jeffrey Seibold
William “Bill” Rectanus
John “Jay” Garcia

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the absence of Director Myers was excused.

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Jeffrey Erb, Esq.; Seter & Vander Wall, P.C.

John Simmons; Simmons & Wheeler, PC

Mike Nabhan, Gina Lux, Kara Landau Nepomuceno, and Ed; Residents

PUBLIC COMMENTS

A resident expressed concerns about speed limits on Yarrow and in the community, homes being repainted without approval, and solar panel letters.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Ms. Ripko noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in

RECORD OF PROCEEDINGS

accordance with statute. Attorney Erb noted that Conflict of Interest Disclosure Statements were filed for all directors at least 72-hours before the meeting.

ADMINISTRATIVE E MATTERS

Agenda: Ms. Ripko distributed for the Board's review and approval, a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Agenda was approved, as presented.

Minutes: The Board reviewed the Minutes of the June 14, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Minutes from June 14, 2022 Regular Meeting were approved, as presented.

Resignation of Director: The resignation of Director Nathan Aragon, effective November 29, 2022, was acknowledged.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of David Solin and considered the appointment of Peggy Ripko as Secretary to the Board.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board accepted the resignation of David Solin as Secretary to the Board and appointed Peggy Ripko as Secretary to the Board.

Annual Administrative Resolution: Attorney Erb reviewed Resolution No. 2022-12-01: 2023 Annual Administrative Resolution with the Board.

Following discussion, upon motion duly made by Director Seibold, seconded by Director Seibold and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-12-01: 2023 Annual Administrative Resolution.

2023 Regular Meeting Dates: The Board entered into discussion regarding setting dates for 2023 Regular Meetings.

Following discussion, the Board determined to schedule Regular Meetings on March 14, June 13, and December 12, 2023. The Meetings will be held at 2:00 p.m., via teleconference.

RECORD OF PROCEEDINGS

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2023: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2023 and directed staff to post the Transparency Notice on the Special District Association’s website and the District website.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending Dec. 13, 2022
Total	\$ 35,048.88

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified the payment of claims, as presented.

2021 Audit Representations Letter: The Board reviewed a 2021 Audit Representations Letter.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified approval of the execution of the 2021 Audit Representations Letter.

2022 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2022 Audit.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2022 Audit, for an amount not to exceed \$5,000.

2022 Budget Amendment Hearing: It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to or at this public hearing. No public comments were received and the President closed the public hearing.

The Board determined that an amendment to the 2022 Budget was not necessary and thus no public hearing was held.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues at 2:39 p.m.

RECORD OF PROCEEDINGS

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

Mr. Simmons reviewed the estimated 2022 expenditures and the proposed 2023 expenditures with the Board. No public comments were received, and the public hearing was closed at 2:59 p.m.

Following discussion, the Board considered the adoption of Resolution No. 2022-12-02 to Adopt the 2023 Budget and Appropriate Sums of Money (for the General Fund at 56.972 mills and the Debt Service Fund at 60.000 mills, for a total of 116.972 mills). Upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Ms. Ripko was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Jefferson County and the Division of Local Government not later than December 15, 2022. Ms. Ripko was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Cost Certification No. 5 from Independent District Engineering Services, dated March 10, 2022: The Board reviewed the Cost Certification No. 5 from Independent District Engineering Services, dated March 10, 2022 for the amount of \$978,761.94

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board approved the Cost Certification No. 5 from Independent District Engineering Services, dated March 10, 2022 for the amount of \$978,761.94

RECORD OF PROCEEDINGS

Resolution Regarding Acceptance of Fire Service Lines: The Board reviewed a Resolution regarding Acceptance of Fire Service Lines.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board adopted the Resolution regarding Acceptance of Fire Service Lines.

LEGAL MATTERS **Engagement of Erb Law, LLC as District’s General Legal Counsel:** The Board entered into discussion regarding the engagement of Erb Law, LLC as District’s general legal counsel.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified approval of the engagement of Erb Law, LLC as District’s general legal counsel.

Election Resolution: The Board discussed Resolution No. 2022-12-04; Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-12-04; Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Special Warranty Deed between the District and THB Westridge LLC for Open Scape Tracts and Alley Tract C: The Board reviewed a Special Warranty Deed between the District and THB Westridge LLC for Open Scape Tracts and Alley Tract C.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified approval of the Special Warranty Deed between the District and THB Westridge LLC for Open Scape Tracts and Alley Tract C.

COVENANTS, OPERATION AND MAINTENANCE MATTERS **Community Manager’s Report:** Ms. Ripko discussed with the Board the Community Manager’s Report.

Resolution Regarding Adoption of District Covenant Enforcement Policy and Fine Schedule: The Board discussed a Resolution regarding Adoption of District Covenant Enforcement Policy and Fine Schedule.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board adopted the Resolution regarding Adoption of District Covenant Enforcement Policy and Fine Schedule.

Agreements with Landtech Landscape and Maintenance for (1) 2023 Landscape Maintenance Services; and (2) 2022-2023 Snow Removal: The Board reviewed agreements with Landtech Landscape and Maintenance for (1) 2023 landscape maintenance services; and (2) 2022-2023 snow removal.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board approved the agreements with Landtech Landscape and Maintenance for (1) 2023 landscape maintenance services; and (2) 2022-2023 snow removal.

Proposal from Landtech Landscape and Maintenance for Fall Aeration: The Board reviewed a proposal from Landtech Landscape and Maintenance for fall aeration.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified approval of the proposal from Landtech Landscape and Maintenance for fall aeration.

Proposal from CAM Services for Striping: The Board reviewed a proposal from CAM Services for striping.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board approved the proposal from CAM Services for striping, in the amount of \$950.

Towing Agreement between the District and Wyatts Parking Management for Parking Enforcement: The Board reviewed a Towing Agreement between the District and Wyatts Parking Management for parking enforcement.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board ratified approval of the Towing Agreement between the District and Wyatts Parking Management for parking enforcement.

Parking Signs: The Board entered into discussion regard parking signs in the District.

Following discussion, upon motion duly made by Director Rectanus, seconded by Director Seibold and, upon vote, unanimously carried, the Board approved the purchase of parking signs, in an amount not to exceed \$2,000.

RECORD OF PROCEEDINGS

OTHER BUSINESS There was no other business at this time.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Rectanus, seconded by Director Seibold and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

Account	PO/Cont	Check #	Invoice	Date	Date Paid	Description	Amount
01-000-09050	0	1091	34496	11/30/2022	12/27/2022	11 Accounting	509.50
	**** TOTAL ****			Simmons & Wheeler PC			509.50
01-000-09100	0	1092	113515	11/30/2022	12/27/2022	11 District Management	1,687.71
	**** TOTAL ****			Special District Management Svcs, I			1,687.71
01-000-09600	0	1093	2004	12/01/2022	12/27/2022	12 Landscape	1,015.00
	**** TOTAL ****			Landtech Contractors, Inc			1,015.00
01-000-09100	0	1094	73322	12/02/2022	12/27/2022	12 Public Notice	26.12
	**** TOTAL ****			Colorado community media			26.12
01-000-09300	0	1095	109	12/02/2022	12/27/2022	11 Legal	2,291.72
	**** TOTAL ****			ERB Law LLC			2,291.72
01-000-09050	0	1096	34747	12/31/2022	01/16/2023	12 Accounting	469.50
	**** TOTAL ****			Simmons & Wheeler PC			469.50
01-000-09200	0	1097	23PL-61691	09/06/2022	01/16/2023	2023 Insurance	2,076.00
	**** TOTAL ****			Colorado Special District P&L			2,076.00
01-000-09200	0	1098	11746	10/04/2022	01/16/2023	2023 Renewal	495.00
	**** TOTAL ****			T Charles Wilson			495.00
01-000-09100	0	1099	116485	12/31/2022	01/16/2023	12 District Management	2,286.12
	**** TOTAL ****			Special District Management Svcs, I			2,286.12
01-000-09650	0	1100	2290	12/28/2022	01/16/2023	12 Snow Removal	1,567.56
01-000-09650	0	1100	2992	01/10/2023	01/16/2023	01 10 Snow Removal	406.83
	**** TOTAL ****			Landtech Contractors, Inc			1,974.39
01-000-09300	0	1101	128	01/04/2023	01/16/2023	12 Legal	1,636.00
	**** TOTAL ****			ERB Law LLC			1,636.00
01-000-09200	0	1102	02 07 23	02/07/2023	02/21/2023	2023 Due	400.19
	**** TOTAL ****			Special District Association of Col			400.19
01-000-09100	0	1103	118383	01/31/2023	02/21/2023	01 Distict Management	2,626.94
	**** TOTAL ****			Special District Management Svcs, I			2,626.94
01-000-09650	0	1104	2830	01/10/2023	02/21/2023	01 Snow Removal	406.83
01-000-09650	0	1104	2991	01/23/2023	02/21/2023	01 Snow Removal	2,566.79
01-000-09650	0	1104	2992	01/23/2023	02/21/2023	01 Snow Removal	415.00
01-000-09600	0	1104	3169	02/02/2023	02/21/2023	02 Landscape	1,015.00
01-000-09650	0	1104	3215	02/03/2023	02/21/2023	02 Snow Removal	201.30
01-000-09650	0	1104	3349	02/20/2023	02/21/2023	02 Snow Removal	2,428.02
	**** TOTAL ****			Landtech Contractors, Inc			7,032.94
01-000-09300	0	1105	149	01/31/2023	02/21/2023	01 Legal	1,966.20
	**** TOTAL ****			ERB Law LLC			1,966.20

Account	PO/Cont	Check #	Invoice	Date	Date Paid	Description	Amount
01-000-03500	0	1106	458315	01/31/2023	02/21/2023	01 Dog Station	24.85
	**** TOTAL ****			Pet Scoop			24.85
	*** GRAND TOTAL ***						26,518.18

Yarrow Gardens Metropolitan District
Financial Statements

December 31, 2022

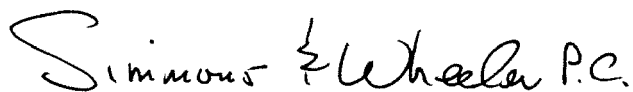
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Yarrow Gardens Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Yarrow Gardens Metropolitan District, as of and for the period ended December 31, 2022, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Yarrow Gardens Metropolitan District because we performed certain accounting services that impaired our independence.



March 9, 2023
Englewood, Colorado

Yarrow Gardens Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
December 31, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Debt Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets				
Current assets				
Cash in checking	\$ 34,157	\$ -	\$ -	\$ 34,157
Cash in Colotrust	112,286	167,206	-	279,492
Cash with Trustee	-	217,955	-	217,955
Taxes Receivable	571	601	-	1,172
	147,014	385,762	-	532,776
Other assets				
Improvements	-	-	-	-
Amount available in debt service fund	-	-	385,762	385,762
Amount to be provided for retirement of debt	-	-	3,326,338	3,326,338
	-	-	3,712,100	3,712,100
	\$ 147,014	\$ 385,762	\$ 3,712,100	\$ 4,244,876
Liabilities and Equity				
Current liabilities				
Accounts payable	\$ 12,270	\$ -	\$ -	\$ 12,270
	12,270	-	-	12,270
Bonds Payable 2018A	-	-	2,200,000	2,200,000
Bonds Payable 2018B	-	-	292,000	292,000
Note Payable - Developer (Gen)	-	-	57,325	57,325
Note Payable - Developer (Cap)	-	-	988,403	988,403
Note Payable - Dev interest (Gen)	-	-	7,176	7,176
Note Payable - Dev interest (Cap)	-	-	167,196	167,196
Total liabilities	12,270	-	3,712,100	3,724,370
Fund Equity				
Investment in improvements	-	-	-	-
Fund balance (deficit)	134,744	385,762	-	520,506
	134,744	385,762	-	520,506
	\$ 147,014	\$ 385,762	\$ 3,712,100	\$ 4,244,876

Yarrow Gardens Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Budget and Actual
For the 12 Months Ended December 31, 2022
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 129,101	\$ 129,102	\$ 1
Specific ownership taxes	9,038	8,863	(175)
Interest income	-	5,260	5,260
	<u>138,139</u>	<u>143,225</u>	<u>5,086</u>
Expenditures			
Community Management	14,400	-	14,400
District Management	15,000	22,986	(7,986)
Insurance	7,500	2,910	4,590
Accounting	7,000	5,808	1,192
Elections	5,000	48	4,952
Legal	15,000	13,889	1,111
Audit	5,000	4,200	800
Miscellaneous	1,500	52	1,448
Website Review/Updates	1,000	-	1,000
Treasurer's Fees	1,936	1,937	(1)
Detention Pond	1,500	-	1,500
Irrigation Repairs	2,500	-	2,500
Landscape Maintenance	25,000	9,875	15,125
Tree Care	2,500	-	2,500
Snow Removal	25,000	13,641	11,359
Landscape Enhancements	2,500	-	2,500
Irrigation/Water	10,000	-	10,000
Electric-Irrigation & Lighting	350	14,137	(13,787)
Winter Watering/Irrigation	2,500	-	2,500
Entrance Monuments	1,500	-	1,500
Mailbox - Cluster Boxes	2,500	-	2,500
Graffiti Removal	2,500	-	2,500
Contingency	43,265	-	43,265
Emergency Reserve	4,144	-	4,144
	<u>199,095</u>	<u>89,483</u>	<u>109,612</u>
Excess (deficiency) of revenues over expenditures	(60,956)	53,742	114,698
Fund balance - beginning	<u>60,956</u>	<u>81,002</u>	<u>20,046</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 134,744</u>	<u>\$ 134,744</u>

Yarrow Gardens Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Budget and Actual
For the 12 Months Ended December 31, 2022
Debt Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 135,964	\$ 135,964	\$ -
Specific ownership taxes	9,517	9,334	(183)
Interest income	300	3,629	3,329
	<u>145,781</u>	<u>148,927</u>	<u>3,146</u>
Expenditures			
Series 2018 A Bond Principal	-	-	-
Series 2018 A Bond Interest	129,250	129,250	-
Treasurer's Fees	2,039	2,039	-
Trustee/Paying Agent Fees	6,000	6,000	-
	<u>137,289</u>	<u>137,289</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	8,492	11,638	3,146
Fund balance - beginning	<u>374,694</u>	<u>374,124</u>	<u>(570)</u>
Fund balance - ending	<u>\$ 383,186</u>	<u>\$ 385,762</u>	<u>\$ 2,576</u>

Yarrow Gardens Metropolitan District

Summary of Refinancing Scenarios

January 5, 2023

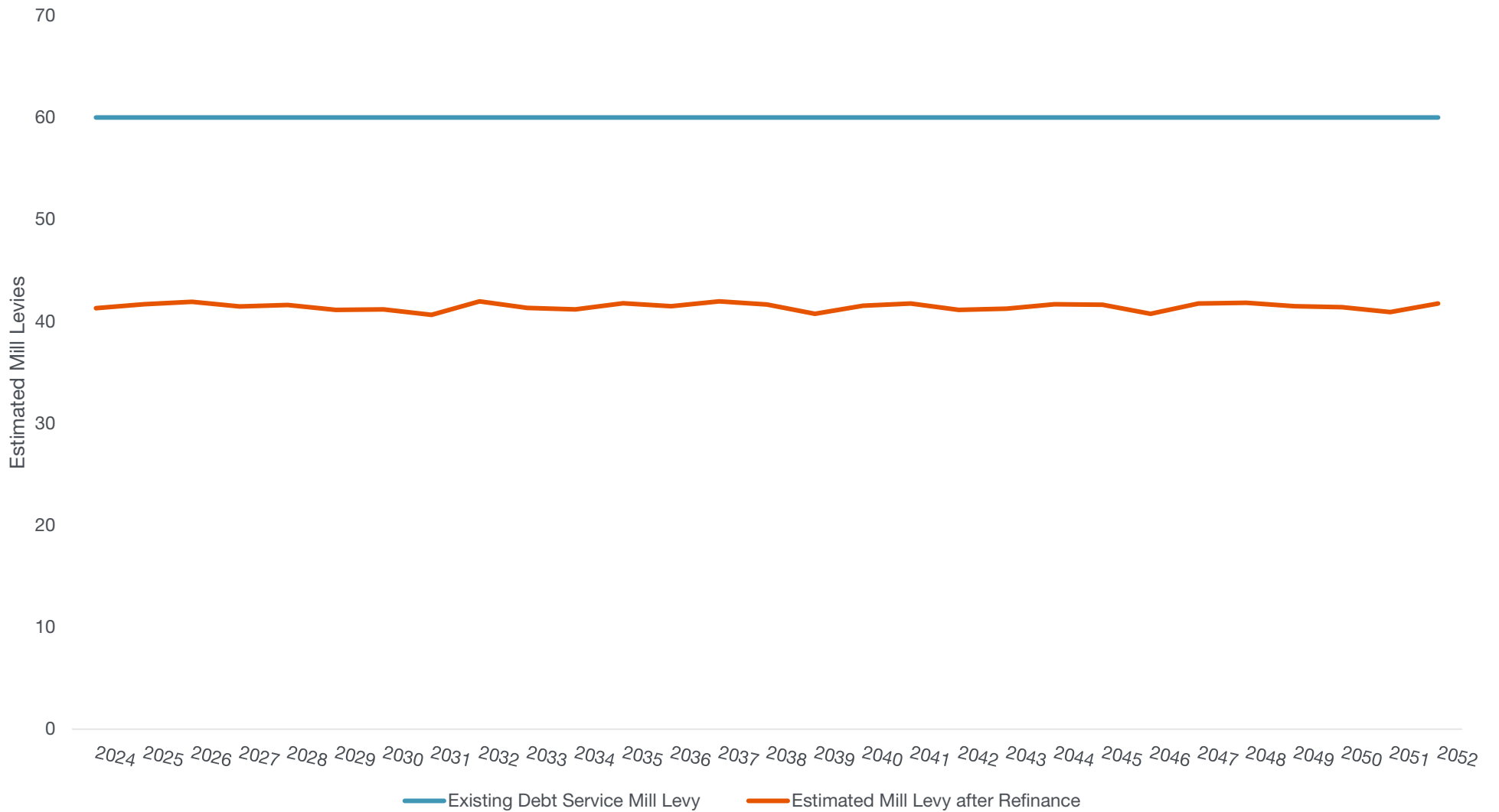
	<u>Existing Debt</u>	<u>Refinancing: Bank Loan</u>
Outstanding Debt	2018A and 2018B	Series 2023
Maturity	Series 2018A: 12/1/2048 Series 2018B: 12/15/2048	December 1, 2037
Amortization	Series 2018A: 12/1/2048 Series 2018B: 12/15/2048	December 1, 2052
Tax Status	Tax-Exempt	Taxable Converting to Tax-Exempt
Taxable Rate¹	N/A	5.600%
Tax-Exempt Rate¹	Series 2018A: 5.875% Series 2018B: 8.125%	4.480%
Prepayment Features	Callable in December 2023 @ 103%	TBD
Annual Inflation in Home Values	1%	One-time 10% reassessment in 2023, 1% thereafter
<i>Savings:</i>		
Existing Debt Service Mill Levy	60.0 mills	60.0 mills
2024 Mill Levy	60.0 mills	41.3 mills
2024 Annual Estimated Savings per \$500k home	\$0	\$669
Average Mill Levy through Maturity	60.0 mills	41.4 mills
Present Value Savings	\$0	\$288k (11.6% of refunded bonds)

¹Estimated based off current market rates (subject to rate lock)

Yarrow Gardens Metropolitan District

Estimated Mill Levies

January 5, 2023





Yarrow Gardens Metropolitan District

April 2023

PIPER | SANDLER

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Special District Group

A Proven Team on a Powerful Platform

26 special district professionals, No. 1 in special district finance in the nation ¹

BANKING TEAM



QUANTITATIVE TEAM



OPERATIONS TEAM



¹Refinitiv: Principle amount and number of non-rated transactions, sole managed, 2 years or longer in maturity

Colorado Special District Banking Team

Ranked No. 1 in Colorado by principal amount and number of special district bonds issued ¹



Zach Bishop
Managing Director
+1 303 405-0879
zach.bishop@psc.com



Jonathan Heroux
Managing Director
+1 303 405-0848
pjonathan.heroux@psc.com



Michael Lund
Senior Vice President
+1 303 405-0842
michael.lund@psc.com



Shelby Noble
Managing Director
+1 303 405-0878
shelby.noble@psc.com



Mike Sullivan
Managing Director
+1 303 405-0876
mike.sullivan@psc.com



Akio Ohtake-Gordon
Senior Associate
+1 303 405-0859
akio.ohtake-gordon@psc.com



Blaine Hawkins
Associate
+1 720 610-7577
blaine.hawkins@psc.com



Katie McVey
Senior Associate
+1 720 355-6702
katie.mcvey@psc.com

¹Refinitiv: Negotiated sales of Metro Districts, GIDs, SIDs, and CABs. January 1, 2021 – December 31, 2022.

By the Numbers

Industry-leading expertise on a proven platform

No. 1

in the nation for
special district
bonds issued.¹

No. 1

in Utah for special
district bonds
issued.²

No. 1

in Colorado for
special district
bonds issued.³

\$4.1B

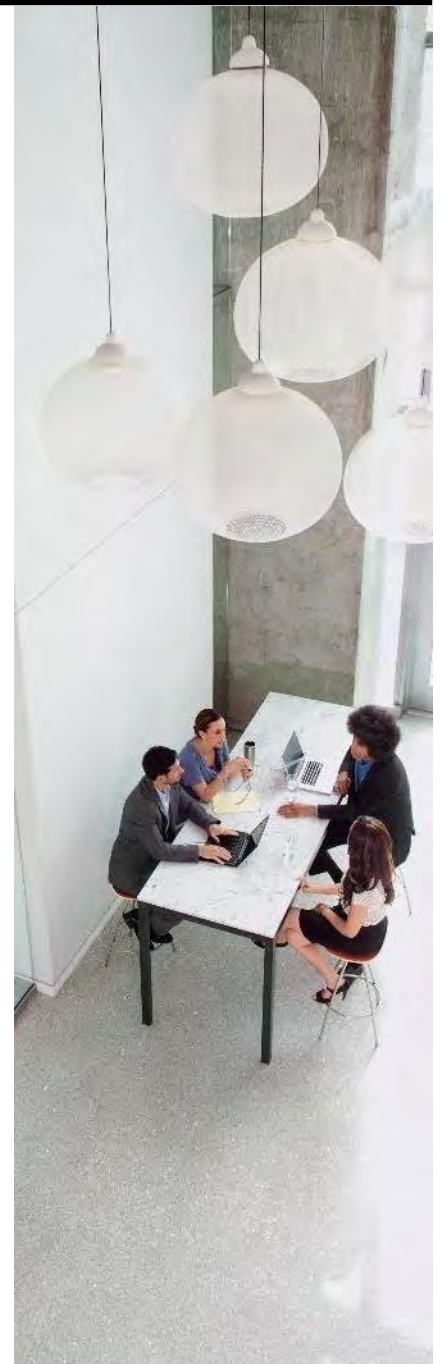
in special district
debt underwritten
nationally.¹

209

special district
transactions
nationally.

26

dedicated
special district
professionals.



¹Refinitiv: Principal amount non-rated transactions, sole managed, 2 years or longer in maturity. January 1, 2021 – December 31, 2022.

²Refinitiv: Principal amount of negotiated sales of PIDs and Development Authorities. January 1, 2021 – December 31, 2022.

³Refinitiv: Principal amount and number of negotiated sales of Metro Districts, GIDs, SIDs, and CABs. January 1, 2021 – December 31, 2022.

Piper Sandler is the Private Placement Leader

Piper Sandler creates competition for direct placements by selectively utilizing our network of more than 2,000 potential lenders throughout the U.S.

- Over 400 different banks and alternative investors have participated in our loan programs.
- Piper Sandler coordinates the loan process and serves as placement agent for loans.
- Tax-exempt direct placements with 1 to 25 year terms.
- Taxable direct placements with 1-40 year terms.

As placement agent on a typical transaction, we solicit 30 to 40 banks across the country, specifically chosen to match their investment objectives including geographical location, sector and security and often receive nearly a dozen proposals.

- This competitive process is thorough, free of conflict and importantly, gives comfort to clients and their boards that the process results in the most favorable rates and aggressive terms.

During 2022, we completed 189 direct placements with a par amount over \$2.6 billion

2022 Rankings by Number of Issues				
National Private Placement Long-Term Transactions				
Rank	Lead Manager	Number of Issues	Mkt. Share	Par Amount (US\$ mil)
1	Piper Sandler & Co	189	15.3	2,657.0
2	Stifel Nicolaus & Co Inc	158	12.8	1,568.2
3	Robert W Baird & Co Inc	136	11.0	726.4
4	Private Investor	83	6.7	3,795.0
5	Citi	62	5.0	1,726.9
6	BofA Securities Inc	40	3.2	2,843.8
7	Hilltop Securities	38	3.1	453.6
8	Truist Financial Corp	36	2.9	1,792.5
9	D A Davidson & Co	35	2.8	226.6
10	Raymond James	26	2.1	303.6
11	KeyBanc Capital Markets	24	2.0	451.3
12*	J P Morgan Securities LLC	22	1.8	892.6
12*	Bank of New York Mellon Corp	22	1.8	902.3
14*	PNC Financial Services Group	21	1.7	909.2
14*	Government Sponsored Entities	21	1.7	1,557.3
	Industry Total	1,233	100.0	29,588.6

Summary of Refinancing

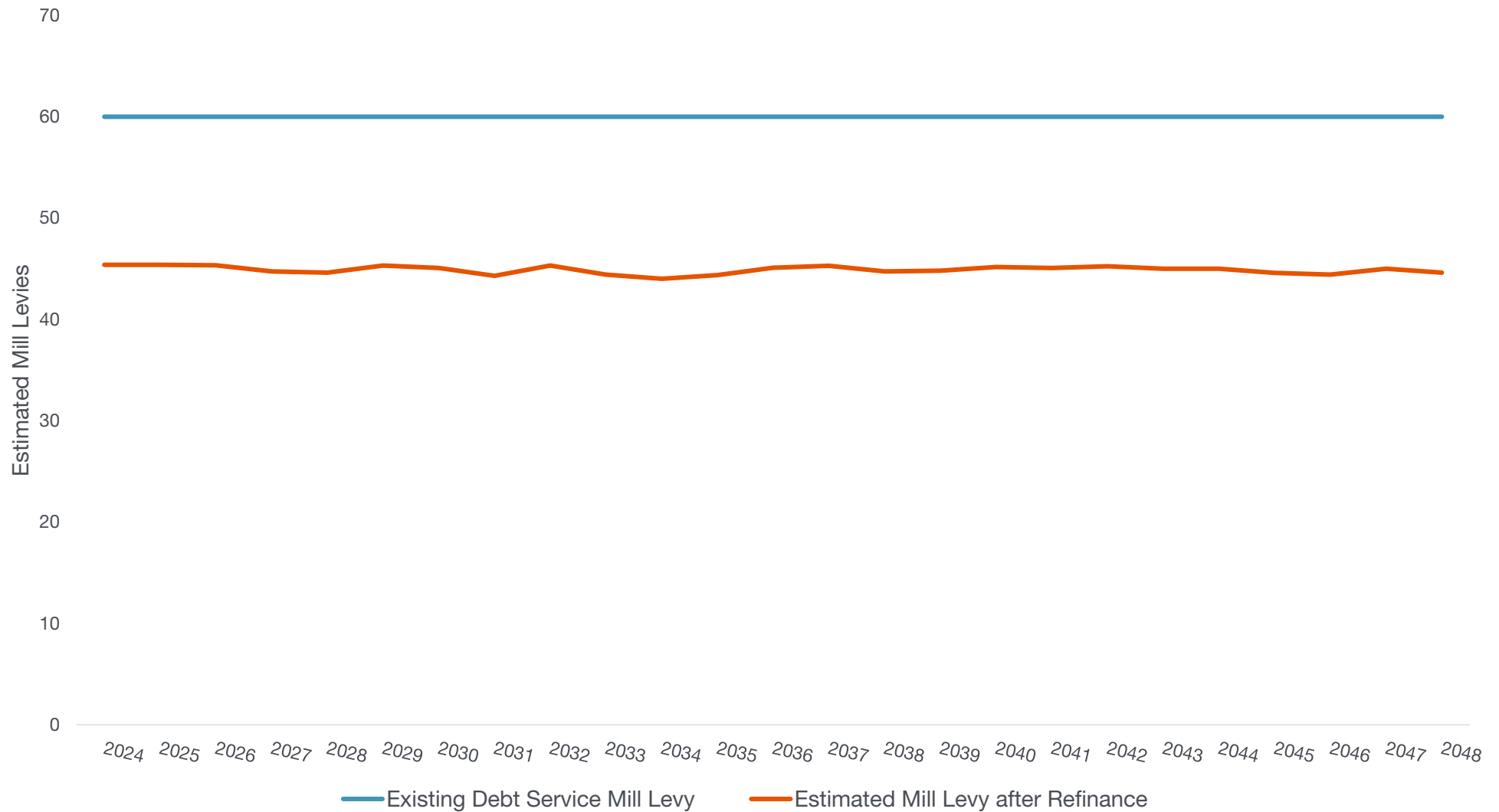
Yarrow Gardens Metropolitan District

Summary of Refinancing

	Existing Debt	Refinancing: Bank Loan
Transaction Goal	--	Refinance Series 2018A & Series 2018B
Outstanding Debt	Series 2018A & Series 2018B	Series 2023
Maturity	2018A: 12/1/2048 2018B: 12/15/2048	12/1/2037
Amortization	2018A: 12/1/2048 2018B: 12/15/2048	12/1/2048
Tax Status	Tax-Exempt	Tax-Exempt
Tax-Exempt Rate¹	2018A: 5.875% 2018B: 8.125%	4.45%
Prepayment Features	2018A: 12/1/2023 2018B: 12/15/2023	TBD
<i>Savings Analysis:</i>		
Existing Debt Service Mill Levy	60.0 mills	60.0 mills
Estimated 2024 Mill Levy	60.0 mills	45.4 mills
Average Mill Levy through Maturity	60.0 mills	44.9 mills
Present Value Savings	\$0	\$196k (7.9% of refunded bonds)

¹Estimated based off current market rates (subject to final pricing)

Estimated Mill Levies through Maturity

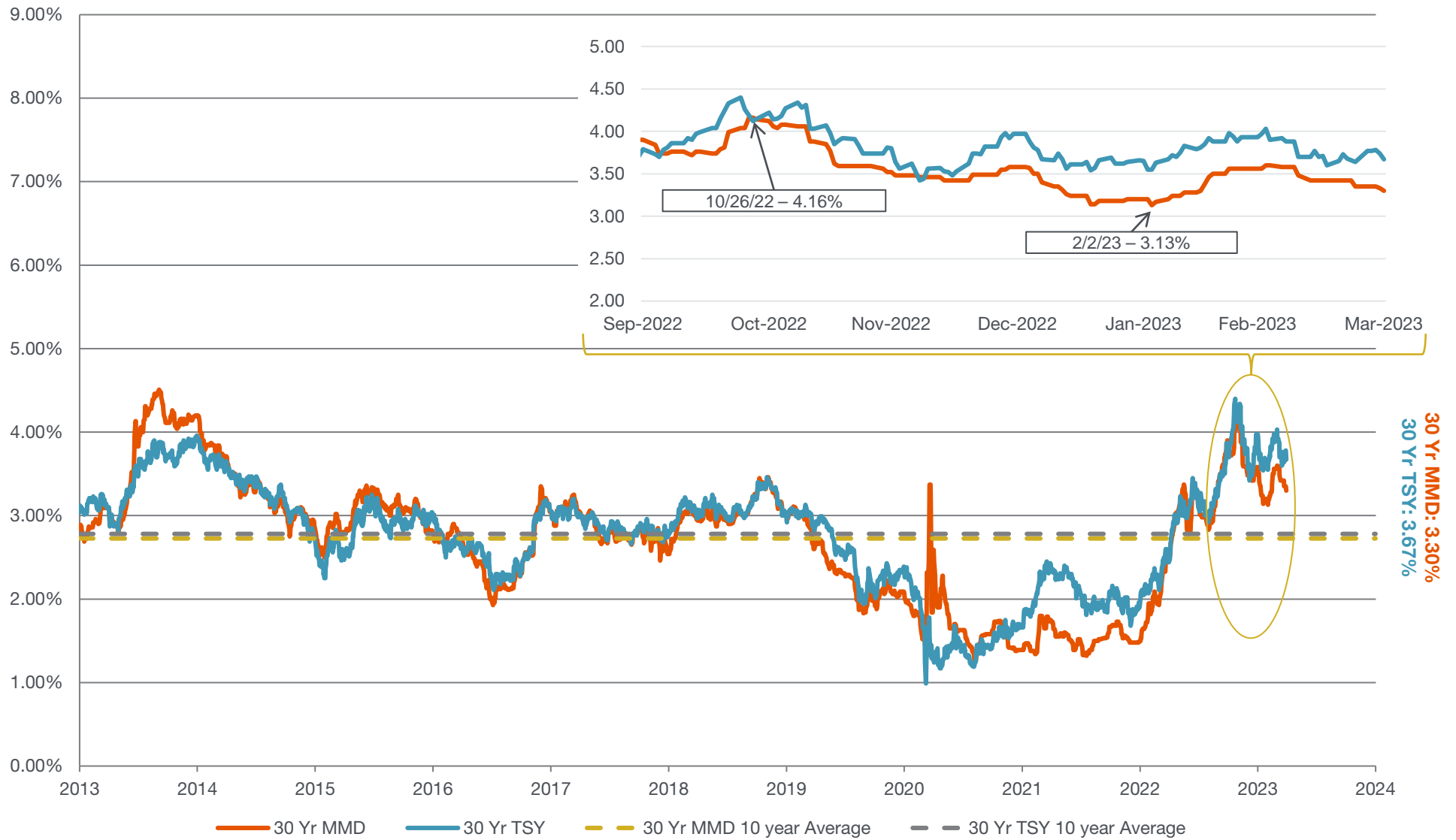


Estimated 2024 Tax Savings

Bank Loan	
Estimated Mill Levy for 2024	45.4 mills
<i>Home Market Value:</i>	<i>Tax Savings per Home:</i>
\$400,000	\$406
\$500,000	\$508
\$600,000	\$610
\$700,000	\$711
\$800,000	\$813

Market Update

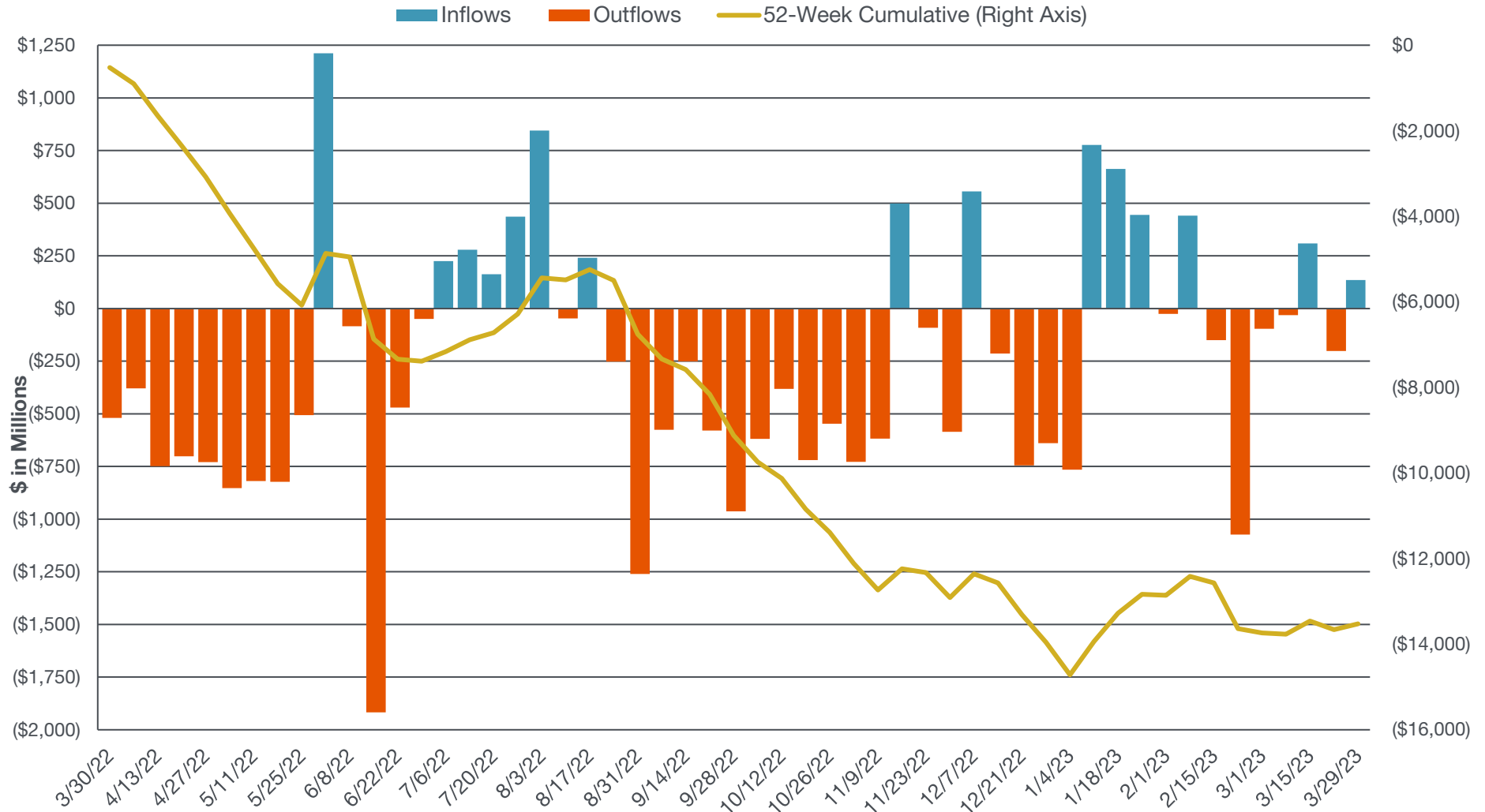
Interest Rates¹



1. Source: TM3 and Treasury Data. As of 4/3/2023.

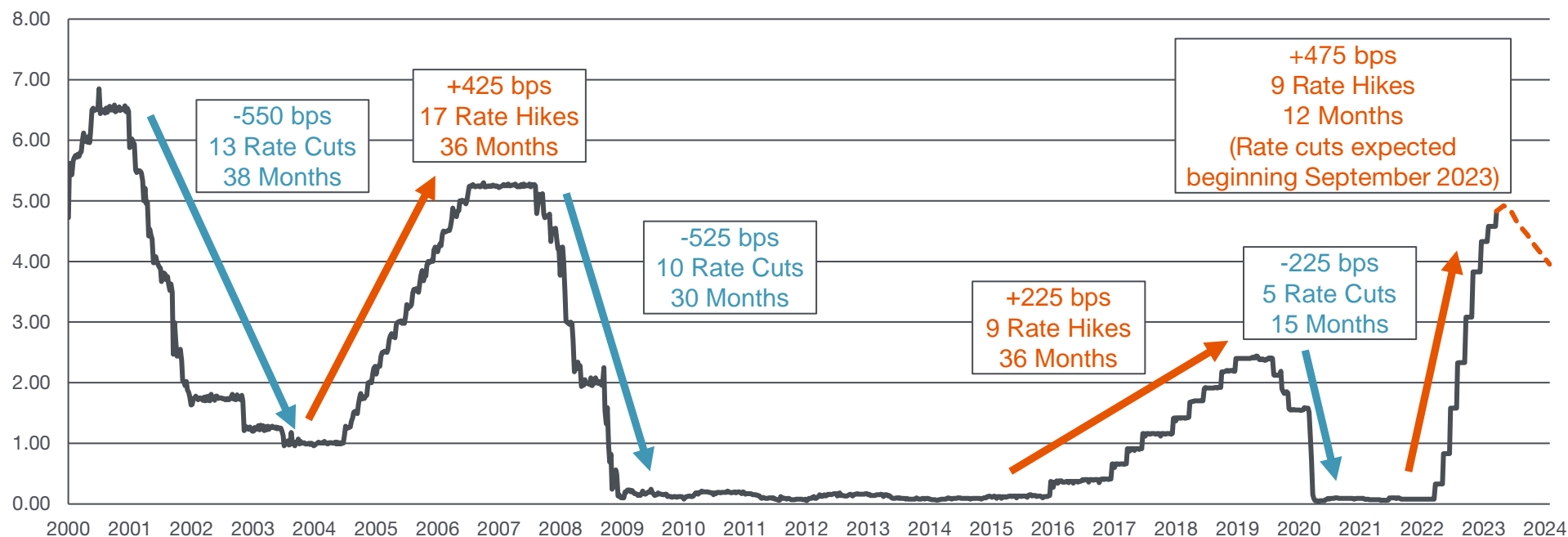
Weekly High-Yield Fund Flows¹

High-Yield funds turned positive with \$135 million of inflows last week



1. Source: EPFR. As of 4/3/2023.

Historical Federal Funds Rate Movements¹



- On November 2nd, the FOMC raised its Fed funds target by another 75 bps in the range of 3.75% to 4.00%, this vote was unanimous. This is the Fed's fourth consecutive 75 bp increase. The Fed's tone regarding the health of the economy was unchanged from its prior statement and reiterated its view that the Fed will continue to hike rates.
- On December 14th, the FOMC raised its Fed funds target by 50 bps in the range of 4.25% to 4.50%, the vote was unanimous. The Fed's tone regarding the health of the economy was unchanged from its prior statement and reiterated its view that it will continue to hike rates.
- On February 1st, the FOMC raised its Fed funds target by 25 bps in the range of 4.50% to 4.75% with a unanimous vote, which was to be expected. The Fed's tone regarding the health of the economy was unchanged from its prior statement, but acknowledged that "inflation has eased somewhat" from elevated levels. The more important language change in the statement was that they're now focusing on the "extent" rather than the "pace" of future increases, hinting the end of the hiking cycle is near
- On March 22nd, the FOMC raised its Fed funds target by 25 bps in the range of 4.75% to 5.00% with a unanimous vote, which was to be expected. Due to the recent banking developments, the FOMC has the expectation of tighter credit conditions for households and businesses which will weigh on economic activity, hiring and inflation

1. Source: FRED. As of Q1 2023.

Next Steps

Yarrow Gardens Metropolitan District

Next Steps

- Discuss District specific goals
- Send RFP out to lenders
- Analyze RFP results
- Select lender and assemble financing team

Questions?

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Piper Sandler & Co., Member SIPC and NYSE

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Yarrow Gardens Metropolitan District Refunding Summary - 1/11/2023			
EXISTING DEBT: 2018A Limited Tax General Obligation Bond; 2018B Subordinate Limited Tax General Obligation Bond		REFUNDING & NEW MONEY: 2023A Limited Tax General Obligation Refunding Loan; 2023B Subordinate Limited Tax General Obligation Bond	
Structure	Senior and subordinate bond issues outstanding at 5.875% and 8.125%; Structured with term maturities in 2048		15-Year Term/30-Year AM Senior Bank Loan; 15-Year Subordinate Term Bond
Objective	N/A		Refund the 2018A and 2018B Bonds for savings; Pay off a portion of the 2018 Infrastructure Acquisition and Reimbursement Agreement
Estimated Principal	2018A Bond 2018B Bond Total Principal Outstanding	\$2.200mm <u>\$0.292mm</u> \$2.492mm	2023A Loan 2023B Bond Total Principal
			\$2.670mm <u>\$0.516mm</u> \$3.186mm
Estimated Uses	N/A		Refunding Escrow Project Fund Deposit Total Proceeds
			\$2.745mm <u>\$0.450mm</u> \$3.195mm
Estimated Interest Rates	2018A Bond 2018B Bond	5.875% 8.125%	2023A Loan 2023B Bond
			4.66% (TIC) ¹ 8.00% (Coupon) ¹
Estimated Debt Service Mill Levy	60.000		60.000
Estimated PV Savings	N/A		\$232,000 (9.30%)
Comments	<p>2018 Bonds</p> <ul style="list-style-type: none"> - Structured as term bonds with maturities on 12/1/2048 (2018A) and 12/15/2048 (2018B) - Annual sinking fund redemptions beginning in 2024 (interest-only payments until that time) - Callable beginning on 12/1/2023 - Requirement to levy at the mill levy cap as long as the 2018 Bonds remain outstanding 		<p>2023A Loan</p> <ul style="list-style-type: none"> - Advance refunds the 2018A and 2018B Bonds outstanding at 5.875% and 8.125% - The Loan will initially be issued with a taxable rate and convert to a tax-exempt interest rate in September 2023 when the 2018 Bonds become currently callable - Refinance required prior to term maturity on 12/1/2038 - Privately placed with a commercial lender - District selects lender term sheet via a competitive RFP process <p>2023B Bond</p> <ul style="list-style-type: none"> - Partial payoff of the 2018 Infrastructure Acquisition and Reimbursement Agreement in the amount of ~\$450,000 - Subordinate cash flow bond with a 15-year term, maturing on 12/15/2038 - Privately placed bond likely requiring a disclosure document

¹Interest rates based on current market conditions; subject to change