

**RAMPART RANGE METROPOLITAN
DISTRICT NO. 5
Douglas County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2021**

INDEPENDENT AUDITOR’S REPORT	1
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	39
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	40
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	42



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Rampart Range Metropolitan District No. 5
Douglas County, Colorado

Opinions

We have audited the financial statements of the governmental activities and each major fund of Rampart Range Metropolitan District No. 5 (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 District as of December 31, 2021, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Fiscal Focus Partners, LLC

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 to 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 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 supplementary information as identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Economic Dependency

As disclosed in Note 10 of the financial statements, the District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, the District may be dependent upon the developer for funding continued operations.

Greenwood Village,

Fiscal Focus Partners, LLC

Greenwood Village, Colorado
September 29, 2022

BASIC FINANCIAL STATEMENTS

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 58,610
Cash and Investments - Restricted	34,047,072
Prepaid Insurance	3,745
Escrow/Surety Account with Parker W&SD	7,122,124
Accounts Receivable - Reimbursement	384,964
Capital Assets, Net:	
Construction in Progress	33,509,768
Total Assets	75,126,283
LIABILITIES	
Accounts Payable	1,614,657
Retainage Payable	212,436
Due to District No. 1	102
Accrued Interest Payable - 2021 Bonds	400,000
Noncurrent Liabilities:	
Due Within One Year	51,582
Due in More Than One Year	121,392,312
Total Liabilities	123,671,089
DEFERRED INFLOWS OF RESOURCES	
Unearned Revenue	384,964
Total Deferred Inflows of Resources	384,964
NET POSITION	
Restricted for:	
Emergency Reserves	100
Debt Service	79,549
Unrestricted	(49,009,419)
Total Net Position	\$ (48,929,770)

See accompanying Notes to Basic Financial Statements.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	Program Revenues			Net Revenues (Expenses) and Change in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS				
Primary Government:				
Government Activities:				
General Government	\$ 71,264	\$ -	\$ -	\$ (71,264)
Public Works	825,296	-	973,865	148,569
Interest and Related Costs on Long-Term Debt	4,937,185	-	40,000	(4,897,185)
Dedication of Capital Assets to Other Entities	2,964,681	-	-	(2,964,681)
Total Governmental Activities	\$ 8,798,426	\$ -	\$ 1,013,865	(7,784,561)
				GENERAL REVENUES
				Net Investment Income
				2,371
				Total General Revenues
				2,371
				CHANGE IN NET POSITION
				(7,782,190)
				Net Position - Beginning of Year
				(41,147,580)
				NET POSITION - END OF YEAR
				\$ (48,929,770)

See accompanying Notes to Basic Financial Statements.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 58,610	\$ -	\$ -	\$ 58,610
Cash and Investments - Restricted	100	20,479,549	13,567,423	34,047,072
Prepaid Insurance	3,745	-	-	3,745
Escrow/Surety Account with Parker W&SD	-	-	7,122,124	7,122,124
Accounts Receivable - Reimbursement	-	-	384,964	384,964
	<u>\$ 62,455</u>	<u>\$ 20,479,549</u>	<u>\$ 21,074,511</u>	<u>\$ 41,616,515</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 6,693	\$ -	\$ 1,607,964	\$ 1,614,657
Retainage Payable	-	-	212,436	212,436
Due to District No. 1	-	-	102	102
Total Liabilities	<u>6,693</u>	<u>-</u>	<u>1,820,502</u>	<u>1,827,195</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue	-	-	384,964	384,964
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>384,964</u>	<u>384,964</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	3,745	-	-	3,745
Restricted for:				
Emergency Reserves	100	-	-	100
Debt Service	-	20,479,549	-	20,479,549
Capital Projects	-	-	18,869,045	18,869,045
Unassigned	51,917	-	-	51,917
Total Fund Balances	<u>55,762</u>	<u>20,479,549</u>	<u>18,869,045</u>	<u>39,404,356</u>
Total Liabilities and Fund Balances	<u>\$ 62,455</u>	<u>\$ 20,479,549</u>	<u>\$ 21,074,511</u>	

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 funds.	33,509,768
Long-term liabilities, including bonds and loans payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(121,235,593)
Accrued Interest on Bonds	(400,000)
Developer Advances Payable and Associated Accrued Interest	(208,301)
Net Position of Governmental Activities	<u>\$ (48,929,770)</u>

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
IGA Revenue #8 - Development Fees	\$ -	\$ -	\$ 343,687	\$ 343,687
Water Resource Credit Fees Revenue	-	40,000	350,000	390,000
Other Income - Reimbursements	-	-	280,178	280,178
Net Investment Income	15	862	1,494	2,371
Total Revenues	<u>15</u>	<u>40,862</u>	<u>975,359</u>	<u>1,016,236</u>
EXPENDITURES				
Current:				
Accounting	41,414	-	250,444	291,858
Directors Fees	3,700	-	-	3,700
District Management	7,419	-	127,886	135,305
Dues and Licenses	1,031	-	-	1,031
Insurance and Surety Bonds	4,260	-	-	4,260
Legal	13,132	-	114,181	127,313
Miscellaneous	308	-	8,515	8,823
Construction Management	-	-	69,205	69,205
Engineering	-	-	3,599	3,599
Operations Expenses until Final Acceptance	-	-	7,615	7,615
Planning and Design	-	-	215,703	215,703
Repairs on Existing infrastructure	-	-	28,148	28,148
Debt Service:				
Bond Interest Expense - Series 2021	-	746,667	-	746,667
Bond / Loan Issuance Costs	-	-	2,095,362	2,095,362
Capital Outlay	-	-	12,413,455	12,413,455
Total Expenditures	<u>71,264</u>	<u>746,667</u>	<u>15,334,113</u>	<u>16,152,044</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(71,249)	(705,805)	(14,358,754)	(15,135,808)
OTHER FINANCING SOURCES				
Developer Advances	75,000	-	9,750,000	9,825,000
Bond Proceeds	-	-	121,243,617	121,243,617
Repayment - Developer Advance Interest	-	-	(19,920,500)	(19,920,500)
Repayment - Developer Advance Principal	-	-	(61,642,095)	(61,642,095)
Transfer from Other Funds	-	21,185,354	-	21,185,354
Transfer to Other Funds	-	-	(21,185,354)	(21,185,354)
Total Other Financing Sources	<u>75,000</u>	<u>21,185,354</u>	<u>28,245,668</u>	<u>49,506,022</u>
NET CHANGE IN FUND BALANCES	3,751	20,479,549	13,886,914	34,370,214
Fund Balances - Beginning of Year	<u>52,011</u>	<u>-</u>	<u>4,982,131</u>	<u>5,034,142</u>
FUND BALANCES - END OF YEAR	<u>\$ 55,762</u>	<u>\$ 20,479,549</u>	<u>\$ 18,869,045</u>	<u>\$ 39,404,356</u>

See accompanying Notes to Basic Financial Statements.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Governmental Funds \$ 34,370,214

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

Governmental funds report capital outlays as expenditures. The statement of activities does not report capital outlay as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, the following are the amounts of capital outlay in the current period:

Capital Outlay 12,413,455

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

Current Year Developer Advances, Net	(9,825,000)
Bond Issuance Proceeds Including Original Issue Premium	(121,243,617)
Bond Premium Amortization	8,024
Repayments of Developer Advances Principal	61,642,095

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

Accrued Interest on Developer Advances - Change in Liability	18,217,320
Accrued Interest on Bonds - Change in Liability	(400,000)
Dedication of Assets to Other Governments	<u>(2,964,681)</u>

Change in Net Position of Governmental Activities \$ (7,782,190)

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	\$ 100	\$ 15	\$ (85)
Total Revenues	100	15	(85)
EXPENDITURES			
General and Administrative:			
Accounting	45,000	41,414	3,586
Directors Fees	5,000	3,700	1,300
District Management	10,000	7,419	2,581
Dues and Licenses	3,000	1,031	1,969
Insurance and Surety Bonds	6,000	4,260	1,740
Legal	35,000	13,132	21,868
Miscellaneous	1,000	308	692
Contingency	5,000	-	5,000
Total Expenditures	110,000	71,264	38,736
EXCESS OF REVENUES OVER EXPENDITURES	(109,900)	(71,249)	38,651
OTHER FINANCING SOURCES (USES)			
Developer Advances	75,000	75,000	-
Total Other Financing Sources (Uses)	75,000	75,000	-
NET CHANGE IN FUND BALANCE	(34,900)	3,751	38,651
Fund Balance - Beginning of Year	47,275	52,011	4,736
FUND BALANCE - END OF YEAR	\$ 12,375	\$ 55,762	\$ 43,387

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY

Rampart Range Metropolitan District No. 5 (the District or District No. 5), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the Douglas County District Court on March 12, 2001, concurrently with five other districts, Rampart Range Metropolitan District Nos. 1 - 4, and 6, and is governed pursuant to provisions of the Colorado Special Districts Act (Title 32, Article 1, Colorado Revised Statutes). In 2005, Rampart Range Metropolitan District Nos. 7 - 9 (together with District Nos. 1 – 6, the Districts) were also organized. The Districts' service area is located entirely within the City of Lone Tree (the City) in Douglas County, Colorado. Commencing on January 1, 2020, for operational purposes, the Rampart Range Districts were separated into two groups. Rampart Range Metropolitan District Nos. 1, 2, 3 and 7 (the West Side Districts) are responsible for providing the operations and funding for the service area located on the west side of Interstate I-25 (the West Side), and Rampart Range Metropolitan District Nos. 4, 5, 6, 8 and 9 (the East Side Districts) are responsible for providing the operations and funding for the service area located on the east side of Interstate I-25 (the East Side).

The District operates under an Amended and Restated Service Plan approved by the City on April 19, 2005, as amended by that First Amendment approved on March 6, 2018 (the Service Plan). The Districts were established to provide financing for the design, acquisition, installation and construction of water and irrigation systems, streets, traffic and safety controls, fire protection and emergency medical services, television relay and translator facilities, transportation systems, parks and recreation facilities, sanitation facilities and mosquito and pest control. Rampart Range Metropolitan District No. 1 (District No. 1) is the Operating District for the West Side Districts (the West Side Operating District). However, according to agreements described in Note 9 - Agreements and dated as of December 1, 2019, the District serves as the "East Side Operating District" and is responsible for managing the construction and operation of facilities and services of Rampart Range Metropolitan District Nos. 6, 8 and 9 (the East Side Taxing Districts) and for issuing debt. The East Side Taxing Districts are responsible for providing the funding and tax base needed to support the debt issued by the District for the East Side capital improvements and continuous operations. Pursuant to their respective Service Plans, the East Side Taxing Districts are obligated to impose a Regional Improvements Mill Levy, which is currently equal to 1.000 mill, and convey the revenue to the City to be used for the planning, constructing or acquiring of regional improvements. However, Rampart Range Metropolitan District No. 4 (District No. 4 or the Regional District) whose boundaries include all of the East Side properties, is obligated to impose a Contractual Debt Levy, as defined in the Mill Levy Pledge Agreement between District No. 4 and the City, dated November 7, 2017 (the Mill Levy Pledge Agreement), according to which, so long as the Contractual Debt Levy is imposed, the obligation to impose the Regional Improvements Mill Levy is eliminated for the East Side Districts. The obligation to impose the Contractual Debt Levy begins in December 2023 for collection year 2024.

As of January 1, 2020, East Side fixed assets that were capitalized by District No. 1 as of December 31, 2019, were transferred to District No. 5, and accordingly, East Side Developer advance liabilities outstanding on District No. 1's balance sheet as of December 31, 2019, as well as other applicable assets and liabilities, were assigned to and assumed by District No. 5.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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 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.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

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

Budgets

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

The District has amended its annual budget for the year ended December 31, 2021.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pooled Cash and Investments

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

Development Fee

A development fee of \$2,000 is due and payable for each single-family residential unit upon issuance of a building permit by the City. A development fee of \$1,000 is due and payable for each living unit within each multi-family residential building upon issuance of a building permit by the City. A development fee of \$1 per gross square footage of interior commercial space is due and payable on or before the date of issuance of a building permit by the City. Development Fees are incurred on each property sale within the East Side Taxing Districts and are payable to District No. 5. Development Fees of \$343,687 were received by the District from Rampart Range Metropolitan District No. 8 during 2021, this revenue was recorded in the Capital Projects Fund as it was received prior to the issuance of the Series 2021 Bonds (see Note 6 – Long-Term Obligations), but was transferred to the Surplus Fund for the Series 2021 Bonds in the Debt Service Fund before year-end.

Public Improvements Fee

On October 3, 2019, the Declaration of Covenants Imposing and Implementing the RidgeGate East Public Improvements Fee (PIF) made by the Developer was recorded in Douglas County. The PIF is imposed on each sale or exchange of goods or services for money that occurs within the East Side Districts, excluding residential property, and excluding certain properties as shown on Exhibit A of the PIF Covenants.

The PIF is to be in an amount not to exceed 1.75% of the revenue generated by the sale, with such amount to be determined by the Designated Receiving Entity in its sole discretion. The District is the Designated Receiving Entity. The District had not yet set the PIF rate during 2021, and the District recorded \$-0- in PIF revenue.

Water Resource Credit Fee

According to the PWSD IGA (see Note 9 - Agreements), District No. 1 conveyed certain water rights to Parker Water and Sanitation District (PWSD) in exchange for, among other things, the inclusion of the property within the East Side Districts into the PWSD service area boundaries, and PWSD established for District No. 1 an account of transferrable credits (Water Resource Credits or WRC), representing the volume of the water rights conveyed. PWSD allocated 8,590 Water Resource Credits to District No. 1 which may be used by developers of the property within the East Side Districts' boundaries as well as within the boundaries of Rampart Range Metropolitan District No. 3 (the East Side Property) to pay to District No. 1 a "WRC Fee" instead of paying a water tap fee to PWSD.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Water Resource Credit Fee (Continued)

Pursuant to the Joint Resolutions To Impose Water Resource Credit Fees adopted July 28, 2021 (WRC Joint Resolutions) by District No. 1, District No. 5, and each of Rampart Range Metropolitan District No. 6 (District No. 6) and Rampart Range Metropolitan District No. 8 (District No. 8), District Nos. 6 and 8 each impose a WRC Fee on the property within their respective boundaries, with certain exceptions, and pledge the revenues received therefrom for the payment of current construction costs, bonds, or other indebtedness to be issued by District No. 5. One WRC Fee is equal to the amount of a Single Family Equivalent (SFE) of the "Water Resource Toll" fixed by PWSD in the PWSD Rules and Regulations for one ¾" inch water tap (currently \$5,000), which SFE may be pro-rated based on water tap sizes for multi-family units and commercial buildings. The WRC Fee is due and payable to District No. 5 at or before the time that any building permit is granted by assignment within the WRC Joint Resolutions, as well as pursuant to the Assignment of Revenue agreement dated September 22, 2021, by and between District Nos. 1 and 5.

During 2021, the District recorded \$350,000 in Water Resource Credit Fees revenue which was recorded in the Capital Projects Fund as it was received prior to the issuance of the Series 2021 Bonds (see Note 6 – Long-Term Obligations), but such revenue was transferred to the Surplus Fund for the Series 2021 Bonds in the Debt Service Fund before year-end. The District also recorded \$40,000 in Water Resource Credit Fees revenue in the Debt Service Fund as it was received after the issuance of the Series 2021 Bonds.

Capital Assets

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

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

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

Currently, the District has assets that are only being treated as construction in progress. The District will convey its construction in progress to the City, PWSD, or to other governmental entities. The District removes the assets from its property records once final acceptance has taken place. In Note 5 – Capital Assets, the applicable portion of capital asset costs for the RidgeGate Parkway Expansion were reflected as being conveyed to the City during 2021. The remaining costs for that asset will be conveyed to PWSD in 2023.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Water Rights

The cost of water rights includes acquisition cost, legal and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, were expensed by District No. 1 in prior years. The associated Developer advances payable were transferred to District No. 5 as of January 1, 2020, and were paid in full on October 5, 2021 from proceeds of the 2021 Bonds.

Amortization

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Deferred Inflow of Resources

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

Equity

Net Position

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

Fund Balance

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

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 58,610
Cash and Investments - Restricted	<u>34,047,072</u>
Total and Cash and Investments	<u><u>\$ 34,105,682</u></u>

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

Deposits with Financial Institutions	\$ 7,167
Investments	<u>34,098,515</u>
Total Cash and Investments	<u><u>\$ 34,105,682</u></u>

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

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

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

At December 31, 2021, the District's cash deposits had a bank balance of \$89,235 and a carrying balance of \$7,167.

Investments

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

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

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

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

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

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	<u>\$ 34,098,515</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. As of December 31, 2021, CSAFE was rated AAAM by Standard & Poor’s. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

NOTE 4 RELATED PARTIES

Prior to December 31, 2007, the Developer of the property which constitutes the Districts was Colony Investments, Inc. (Colony). Effective July 1, 2007, Colony created a new corporation, RidgeGate Investments, Inc. (RGI) which, as of December 31, 2007, is the entity that is developing the property. Collectively, RGI and Colony are referred to herein as the “Developer”. Certain members of the Board of Directors of the District are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District. See Note 6 – Long-Term Obligations concerning advances made by the Developer. In addition, one member of the Board of Directors of the District is employed by a builder of residential units within the property boundaries of the East Side Districts.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 5 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021, follows:

	Balance - December 31, 2020	Increases	Conveyed to Other Entities (See Note 2 - Capital Assets)	Balance - December 31, 2021
Capital Assets, Not Being Depreciated:				
Construction in Progress				
East-Side - Planning/Design	\$ 2,249,083	\$ -	\$ -	\$ 2,249,083
Communication Systems	135,963	91,435	-	227,398
Grading - Gas Line Relocation	-	3,717,742	-	3,717,742
Grading - RG Station TOD Improvements	-	810,509	-	810,509
Parks - Larry Levin Park	-	12,921	-	12,921
Sanitary Sewer	3,904,324	-	-	3,904,324
Sewer - Badger Gulch Sanitary Outfall	2,215	-	-	2,215
Sewer - Dual Force Main Sanitary	4,311,222	800,617	-	5,111,839
Sewer - First Street Lift Station Sanitary	4,409,477	160,467	-	4,569,944
Sewer - Happy Canyon Sanitary Outfall - Meridian	1,399,785	22,701	-	1,422,486
Sewer - Happy Canyon TOD Outfall	78,330	1,550,669	-	1,628,999
Sewer - RG Station TOD Improvements	-	135,921	-	135,921
Storm Drainage - Badger Gulch Detention/WQ	283,186	-	-	283,186
Storm Drainage - Happy Canyon Detention/WQ	612,991	184,137	-	797,128
Storm Drainage - High Note Avenue	-	123,318	-	123,318
Storm Drainage - RG Station TOD Improvements	6,399	1,352,538	-	1,358,937
Streets - SkyRidge Bridge	1,870,560	-	-	1,870,560
Streets - High Note Avenue	-	489,621	-	489,621
Streets - RidgeGate Parkway Expansion	4,037,534	36,462	2,964,681	1,109,315
Streets - RG Station TOD Improvements	548,153	182,544	-	730,697
Streetscape - City Center Signals	-	742	-	742
Streetscape - Havana/SW Village Signal	11,391	3,413	-	14,804
Streetscape - Lighting Design	29,269	14,482	-	43,751
Streetscape - RidgeGate Parkway East	-	67,992	-	67,992
Streetscape - Signage	-	13,905	-	13,905
Water - High Note Avenue	-	31,750	-	31,750
Water - RG Parkway Water Main P2	160,129	2,494,527	-	2,654,656
Water - RG Station TOD Improvements	6,608	115,042	-	121,650
East-Side - Water	4,375	-	-	4,375
Subtotal - Construction in Progress	<u>24,060,994</u>	<u>12,413,455</u>	<u>2,964,681</u>	<u>33,509,768</u>
Total Capital Assets, Not Being Depreciated	<u>24,060,994</u>	<u>12,413,455</u>	<u>2,964,681</u>	<u>33,509,768</u>
Capital Assets, Net	<u>\$ 24,060,994</u>	<u>\$ 12,413,455</u>	<u>\$ 2,964,681</u>	<u>\$ 33,509,768</u>

During 2021, a portion of the capital assets constructed and/or acquired by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities have been removed from the District's financial records.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS

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

	Balance - December 31, 2020	Additions	Deletions	Balance - December 31, 2021	Due Within One Year
<u>Governmental Activities:</u>					
Limited Tax Supported and Special Revenue Bonds - Series 2021	\$ -	\$ 120,000,000	\$ -	\$ 120,000,000	\$ -
Original Issue Premium - Series 2021 Bonds	-	1,243,617	8,024	1,235,593	51,582
Total Bonds Payable	-	121,243,617	8,024	121,235,593	51,582
Developer Advances - Water Rights - A	8,143,469	-	8,143,469	-	-
Developer Advances - Water Capital Advances - A	13,187,812	-	13,187,812	-	-
Developer Advances - East-Side Capital Advances - B	30,560,814	9,750,000	40,310,814	-	-
Developer Advances - Operations - C	125,000	75,000	-	200,000	-
Accrued Interest on Developer Advances - Water Rights - A	10,071,434	416,198	10,487,632	-	-
Accrued Interest on Developer Advances - Water Capital Advances - A	6,399,738	447,561	6,847,299	-	-
Accrued Interest on Developer Advances - East-Side Capital Advances - B	1,751,674	833,895	2,585,569	-	-
Accrued Interest on Developer Advances - Operations - C	2,775	5,526	-	8,301	-
Total Governmental Activities Long-Term Obligations	<u>\$ 70,242,716</u>	<u>\$ 132,771,797</u>	<u>\$ 81,570,619</u>	<u>\$ 121,443,894</u>	<u>\$ 51,582</u>

A = Developer advances identified as "-A" refer to the Assumed 2007 PWSD Funding Agreement discussed below.

B = Developer advances identified as "-B" refer to the Amended East Side CF&R Agreement discussed below.

C = Developer advances identified as "-C" refer to the East Side Operations Funding Agreement discussed below.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

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

Limited Tax Supported and Special Revenue Bonds, Series 2021 (the Bonds)

Proceeds of the Bonds

The District issued the Bonds on October 5, 2021, in the par amount of \$120,000,000. The Bonds also had an original issuance premium of \$1,243,617, for a total bond proceeds amount of \$121,243,617. Net proceeds from the sale of the Bonds were used to: (i) reimburse the Developer for the costs of certain public improvements acquired or constructed for the benefit of the East Side RidgeGate Development (the Development); (ii) fund additional public improvements for the benefit of the Development; (iii) fund capitalized interest; (iv) fund the Initial Surplus Fund Deposit in the amount of \$8,000,000; and (v) pay certain costs in connection with the issuance of the Bonds.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on October 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
October 1, 2026, to September 30, 2027	2.00%
October 1, 2027, to September 30, 2028	1.00
October 1, 2028, and thereafter	0.00

Pledge Agreement

The Bonds are supported by a Capital Pledge Agreement dated as of October 1, 2021 (the Pledge Agreement) by and among the District, District No. 6, District No. 8, and UMB Bank, n.a. (the Trustee). District No. 6 and District No. 8 are the "Bonds Taxing Districts".

The Pledge Agreement requires the imposition of taxes by the Bonds Taxing Districts in the amount of the Required Mill Levy and the remittance by the Bonds Taxing Districts to the Trustee, on behalf of the District, for the payment of the Bonds and any Additional Obligations of the District. All Pledged Revenue is derived exclusively from property or transactions located or occurring within the Bonds Taxing Districts.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Details of the Bonds

The Bonds bear interest at 4.0000% (yield 3.9248%), payable semi-annually on June 1 and December 1, beginning on December 1, 2021. Interest on the Bonds is calculated on the basis of a 360-day year of twelve 30-day months. The Bonds were issued as three term bonds that have annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2031 and a final maturity of December 1, 2051.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and will continue to bear interest at the rate then borne by the Bonds.

To the extent interest on any Bond is not paid when due, such unpaid interest shall compound semi-annually on each June 1 and December 1 at the interest rate then borne by the Bonds.

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of "Pledged Revenue," which means the moneys derived by the District from the following sources: (a) all Property Tax Revenues; (b) all Specific Ownership Tax which is collected as a result of imposition by the Taxing Districts of the Required Mill Levy; (c) all PILOT (Payment in Lieu of Taxes) Revenues, if any; (d) all Pledged PIF (Public Improvement Fee) Revenues; (e) all Pledged Fee Revenues (Development Fees and Water Resource Credit Fees); and (f) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

Property Tax Revenues

"Property Tax Revenues" means all moneys derived from imposition by the Bonds Taxing Districts of the Required Mill Levy, and are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County. Property Tax Revenues do not include specific ownership tax revenues.

Required Mill Levy

"Required Mill Levy" is defined in the Pledge Agreement as an ad valorem mill levy imposed upon all taxable property of the applicable Taxing District each year in an amount determined by the District which, if imposed by both of the Bonds Taxing Districts for collection in the succeeding calendar year, would generate Property Tax Revenues and PILOT Revenues relating to the Required Mill Levy (if any) which, together with the Assumed Annual PIF Revenue Collections for the applicable Mill Levy Certification Date, would be equal to the Annual Financing Costs, but not in excess of 45 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2004).

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Pledged Revenue (Continued)

Required Mill Levy (Continued)

For so long as the Surplus Fund is less than the Maximum Surplus Amount (which is \$10,000,000), the Required Mill Levy shall be equal to 45 mills, as adjusted, or such lesser amount determined by the District which, if imposed by both of the Bonds Taxing Districts for collection in the succeeding calendar year, would generate Property Tax Revenues and PILOT Revenues (if any) (A) which, together with the Assumed Annual PIF Revenue Collections for the applicable Mill Levy Certification Date, would be sufficient to pay the principal of, premium if any, and interest on the Bonds when due, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, together with the Assumed Annual PIF Revenue Collections for the applicable Mill Levy Certification Date, when combined with moneys then on deposit in the Bond Fund and the Surplus Fund, and any similar funds available, will pay the 2021 Bonds in full in the year such mill levy is collected; provided that, in accordance with the Service Plans, the maximum mill levy of 45 mills, as adjusted, shall be reduced by the number of mills necessary to pay any unlimited mill levy debt of the applicable Bonds Taxing District.

PILOT Revenues

“PILOT Revenues” means all revenues derived from any tax equivalency payment or similar payment in lieu of taxes against any property that would be subject to the Required Mill Levy imposed by any Bonds Taxing District but for the fact that such property is exempt from ad valorem property taxation, which payment is payable to any of the Bonds Taxing Districts.

Pledged PIF Revenues

“Pledged PIF Revenue” means the revenue derived from the imposition of the public improvement fee imposed and collected in accordance with the Declaration of Covenants Imposing and Implementing the RidgeGate East Public Improvements Fee dated as of September 5, 2019, as amended on June 1, 2020 (the “PIF Covenant”), net of the costs of collection. The PIF Covenant imposes the PIF on all PIF Sales at a rate determined from time to time by the District, not to exceed 1.75%. Only PIF Revenue generated from the Bonds Taxing Districts is pledged to the payment of the Bonds. PIF Sales is defined in the PIF Covenant to include any exchange of goods, services, or lodging accommodations for money or other media occurring within the PIF Property upon which the Sales Tax is payable pursuant to the City’s Sales Tax Ordinance.

Pledged Fee Revenues

“Pledged Fee Revenues” means, collectively, the Development Fees and the Water Resource Credit Fees. See the description of each of these revenue sources under Note 2 – Summary of Significant Accounting Policies.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Additional Security for the Bonds

The Bonds are additionally secured by capitalized interest in the original amount of \$12,746,667 and by the Surplus Fund, which was partially funded from proceeds of the Bonds in the amount of the Initial Surplus Fund Deposit of \$8,000,000 and is required to be additionally funded with excess Pledged Revenue, if any, up to the Maximum Surplus Amount of \$10,000,000.

Bonds Debt Service

The outstanding principal and interest of the Bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	\$ 4,800,000	\$ 4,800,000
2023	-	4,800,000	4,800,000
2024	-	4,800,000	4,800,000
2025	-	4,800,000	4,800,000
2026	-	4,800,000	4,800,000
2027-2031	530,000	24,000,000	24,530,000
2032-2036	9,820,000	23,277,000	33,097,000
2037-2041	20,730,000	20,440,000	41,170,000
2042-2046	32,300,000	15,404,400	47,704,400
2047-2051	56,620,000	7,858,400	64,478,400
Total	<u>\$ 120,000,000</u>	<u>\$ 114,979,800</u>	<u>\$ 234,979,800</u>

Developer Advances

Capital Funding and Reimbursement Agreement for Water and Sewer Service through Parker Water and Sanitation District

On December 31, 2007, District No. 1, Colony and RGI entered into the 2007 Capital Funding and Reimbursement Agreement for Water and Sewer Service through Parker Water and Sanitation District (2007 PWSD Funding Agreement). The 2007 PWSD Funding Agreement establishes the obligation of RGI to fund, and District No. 1 to reimburse RGI, \$9,385,033 for advances previously made, including \$8,143,469 for certain water rights conveyed from Colony to District No. 1, and up to an additional \$5,000,000 per year for advances made for construction of water and sewer improvements required by the PWSD IGA (discussed below in Note 9 - Agreements). Amounts due under the 2007 PWSD Funding Agreement are to be reimbursed, with 8% interest (including interest from the date of advance on advances made prior to December 31, 2007), until such time as District No. 1's existing financial obligations are satisfied, or bonds have been issued for such purpose, as further set forth in the 2007 PWSD Funding Agreement.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Capital Funding and Reimbursement Agreement for Water and Sewer Service through Parker Water and Sanitation District (Continued)

On September 23, 2015, a “First Amendment” revised certain terms of the agreement and reduced the interest rate. Advances made according to the amended 2007 PWSD Funding Agreement will bear an interest rate of 8% per annum, compounded annually, through December 31, 2014; however, commencing on January 1, 2015, interest shall accrue at the higher of 3% per annum or the applicable short-term federal interest rate in effect as of the first day of each year. Furthermore, if all outstanding principal and accrued interest has not been repaid in full to the Developer as of December 31, 2019, the interest rate will increase. On December 9, 2016, a second amendment to this agreement revised the definition of the “improvements” under the agreement to include street improvements of the “Sky Ridge Bridge Extension Project”. On February 22, 2017, concurrent with the drafting of the East Side Capital Agreement (see below), and effective as of January 1, 2017, a third amendment transferred certain principal and accrued interest balances related to all East Side improvements and put them under the new Capital Funding and Reimbursement Agreement – East Side. These transferred balances were removed in their totality from the amended 2007 PWSD Funding Agreement, and the third amendment further revised the definition of the “improvements” under the agreement to exclude street improvements of the Sky Ridge Bridge Extension Project, which had been added with the second amendment. On May 27, 2020, with an effective date of January 1, 2020, a fourth amendment to the 2007 PWSD Funding Agreement (together with the original agreement and all amendments, the Amended 2007 PWSD Funding Agreement) extended the period by which full repayment needed to take place under the First Amendment or the interest rate would increase, from December 31, 2019 to December 31, 2022.

On March 24, 2021, with an effective date of January 1, 2020, an Assignment and Assumption of 2007 Capital Funding and Reimbursement Agreement for Water and Sewer Service through PWSD was entered into (the PWSD Assignment) to assign all of the rights and obligations under the Amended 2007 PWSD Funding Agreement, including the obligation to reimburse RGI for amounts advanced to District No. 1 and still outstanding, from District No. 1 to District No. 5, and the District agreed to assume all such rights and obligations, (together with the original agreement and all prior and future amendments, the Assumed 2007 PWSD Funding Agreement).

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Capital Funding and Reimbursement Agreement for Water and Sewer Service through Parker Water and Sanitation District (Continued)

In addition, pursuant to the PWSD Assignment, District No. 1 agreed to transfer or direct to District No. 5 any and all payments made for Water Resource Credits allocated to District No. 1 pursuant to the PWSD IGA (see Note 9 - Agreements) purchased by a developer or builder in the East Side Property (Water Resource Credit Payments).

Finally, on March 24, 2021, with an effective date of January 1, 2020, a fifth amendment to the Assumed 2007 PWSD Funding Agreement amended and clarified the priority of payment of reimbursement rights and obligations under the Assumed 2007 PWSD Funding Agreement and the East Side Agreement (see below) from either an East Side bond issuance or from Water Resource Credit Payments.

On July 30, 2021, a repayment of accrued interest on the Water Rights in the amount of \$255,000 was made to RGI from a Water Resource Credit Payment. Then, the entire balance owed and outstanding to RGI pursuant to the Assumed 2007 PWSD Funding Agreement was paid off with proceeds of the Bonds on October 5, 2021, a total principal balance of \$21,331,281 plus \$17,079,931 of accrued interest.

Capital Funding and Reimbursement Agreement – East Side

On March 2, 2017, District No. 1 and RGI entered into a Capital Funding and Reimbursement Agreement – East Side (the 2017 East Side Capital Agreement), with an effective date of January 1, 2017. This agreement sets forth the terms by which RGI will advance funds to District No. 1 for costs incurred on the properties to be served by PWSD, which are within the boundaries of Rampart Range Metropolitan District Nos. 3 – 6, 8 and 9 (the East Side CFRA Properties). The 2017 East Side Capital Agreement identified and “Transferred” prior capital advances in the principal amount of \$3,743,052 plus accrued interest of \$60,685, which were initially funded under the Amended 2007 PWSD Funding Agreement to the 2017 East Side Capital Agreement, where such advances were deemed to be more appropriately accounted for. These costs include general planning expenses and preliminary design costs associated with the East Side CFRA Properties, as well as costs associated with the Sky Ridge Bridge Extension Project. Under the 2017 East Side Capital Agreement, RGI agreed to advance up to \$30,000,000 to District No. 1 through December 31, 2020. These advances will accrue interest at the higher rate of 3% per annum or the applicable short-term federal interest rate in effect as of the first day of each year, compounded annually. Furthermore, if all outstanding principal and accrued interest has not been repaid in full to the Developer as of December 31, 2020, the interest rate will increase. On August 22, 2018, a first amendment (together with the original agreement and all amendments, the Amended 2017 East Side Capital Agreement) increased the funding amount through December 31, 2020 up to \$65,000,000.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

Capital Funding and Reimbursement Agreement – East Side (Continued)

Beginning in 2016, construction on District No. 1's Sky Ridge Bridge Expansion Project (the Bridge Project) began, which is an automobile, bike and walking bridge constructed over Interstate-25, parallel to the RTD Southeast Rail Extension (SERE) Project light-rail bridge that connects the west and east sides of the RidgeGate Development. The Bridge Project costs were being paid through Developer Advances under the Amended 2017 East Side Capital Agreement. In early 2019, District No. 1 engaged Ranger Engineering, LLC to conduct a cost benefit analysis on the Bridge Project. Ranger Engineering's final report, dated April 30, 2019, recommended a total Bridge Project costs allocation split of 80% to the West Side Districts and 20% to the East Side Districts. 80% of the total estimated Bridge Project costs is \$7,656,725. Therefore, District No. 1 entered into a Second Amendment to the Capital Funding and Reimbursement Agreement – East Side simultaneously with a Fourth Amendment to the Capital Funding and Reimbursement Agreement – West Side (originally dated December 31, 2007, as amended and restated, the 2007 Capital Agreement – West Side), both dated April 24, 2019, and effective as of May 14, 2019, to transfer \$7,656,725 of Developer Advance principal amounts and the related accrued and outstanding interest from the Amended 2017 East Side Capital Agreement to the 2007 Capital Agreement – West Side. Furthermore, the 80% of the Bridge Project funding principal amounts transferred to the West Side will no longer be considered as East Side advances or as part of the maximum funding amount under the Amended 2017 East Side Capital Agreement.

In like manner, during 2019, construction on District No. 1's RidgeGate Parkway Expansion Project (the RG Parkway Project) began on the East Side of the RidgeGate Development. The RG Parkway Project costs were being paid through Developer Advances under the Amended 2017 East Side Capital Agreement. On July 8, 2019, District No. 1 received a cost benefit analysis report from Ranger Engineering, LLC which recommended a total RG Parkway Project costs allocation split of 75% to the West Side Districts and 25% to the East Side Districts. As the RG Parkway Project was to extend into 2021, the total amount of related costs was not known. Therefore, District No. 1 entered into a Third Amendment to the Capital Funding and Reimbursement Agreement – East Side simultaneously with a Fifth Amendment to the 2007 Capital Agreement – West Side, both approved on October 23, 2019, and effective as of October 31, 2019, to transfer \$6,420,513 in principal of Developer Advances which are associated with the RG Parkway Project and \$125,802 of related accrued and outstanding interest from the Amended 2017 East Side Capital Agreement to the 2007 Capital Agreement – West Side. Furthermore, the 75% of the RG Parkway Project funding principal amounts transferred to the West Side will no longer be considered as East Side advances or as part of the maximum funding amount under the Amended 2017 East Side Capital Agreement. In addition, it was determined that future RG Parkway Project costs would be funded from capital advances according to the same allocation of 75% to the West Side Districts and 25% to the East Side Districts.

This Agreement was "Terminated" on January 1, 2020, see second paragraph of the following agreement.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

East Side Capital Funding and Reimbursement Agreement

On October 23, 2019, to be effective December 1, 2019, the District and RGI entered into the East Side Capital Funding and Reimbursement Agreement (the East Side CF&R Agreement). This agreement sets forth the terms by which RGI will advance funds to District No. 5 for costs incurred for the design, testing, engineering, construction, installation, and/or acquisition of public improvements on the East Side Properties. The East Side CF&R Agreement acknowledges and agrees to reimburse RGI for “Prior Advances and Expenditures” under the Amended 2017 East Side Capital Agreement, the amount of which will be agreed to in an amendment to this Agreement, as well as for capital advances made by RGI according to the East Side CF&R Agreement. For the period beginning December 1, 2019 and ending December 31, 2022, RGI agreed to advance up to \$65,000,000 to the District under the East Side CF&R Agreement. These advances will accrue interest at the higher rate of 3% per annum or the applicable short-term federal interest rate in effect as of the first day of each year, compounded annually. Interest shall be calculated on the basis of a 365-day year and the actual number of days elapsed. In the event the District has not repaid all obligations owed to RGI under the East Side CF&R Agreement by December 31, 2022, the interest rate will increase.

The District entered into two agreements with RGI on March 24, 2021, each with an effective date of January 1, 2020. (A) First, the Transfer Of Prior Advances and Expenditures And Termination of Capital Funding And Reimbursement Agreement – East Side (the Transfer Agreement), wherein the outstanding balances of the Prior Advances and Expenditures under the Amended 2017 East Side Capital Agreement in the principal amount of \$16,540,814 plus accrued interest of \$910,990 to be repaid by District No. 1 were “Transferred” to the East Side CF&R Agreement, where all such advances will now be repaid by District No. 5. These costs include general planning expenses and preliminary design costs associated with the East Side Properties, as well as costs associated with the Sky Ridge Bridge Extension Project. After completion of the above, the Capital Funding and Reimbursement Agreement – East Side was terminated. (B) The second agreement, a first amendment to the East Side CF&R Agreement (together with the original agreement and the Transfer Agreement, the Amended East Side CF&R Agreement) reaffirmed the original East Side CF&R Agreement and reconfirmed the amounts identified in the Transfer Agreement and the rights and obligations of the Prior Advances and Expenditures as to repayment. Any repayment to RGI from all amounts currently outstanding under the Amended East Side CF&R Agreement will be against each advance individually in chronological order, on a first in, first out (FIFO) basis, being applied to accrued and outstanding interest first and then to principal.

All outstanding Developer Advance balances existing at that time under the Amended East Side CF&RA Agreement were repaid to RGI with proceeds of the Bonds on October 5, 2021, principal of \$40,310,814 and accrued interest of \$2,585,569. The remaining balance of the funding obligation under the Amended East Side CF&R Agreement available for use as of December 31, 2021, is \$41,230,000.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)

East Side Operations Funding Agreement

On August 28, 2019, to be effective December 1, 2019, the District and RGI entered into the East Side Operations Funding Agreement. This agreement sets forth the terms by which RGI will advance funds to District No. 5 for operations, maintenance and administrative expenses incurred by the District during the period when other funding sources for these expenses are not anticipated to be available. RGI will provide funding under the East Side Operations Funding Agreement beginning December 1, 2019 and ending December 31, 2022, up to \$1,500,000. These operations advances will accrue simple interest at the rate of 4% per annum. The District acknowledged its intention to reimburse RGI for any amounts advanced pursuant to the East Side Operations Funding Agreement to the extent future funding is available to do so; however, any obligation of the District to reimburse RGI shall expire on December 31, 2052, on which date the terms of this Agreement shall also expire. Subject to the provisions of the Agreement, payments to reimburse RGI shall be made on December 15th of each year, applied first to accrued and unpaid interest and then to principal. Payments may be made at any time prior to this date at the District's discretion.

As of December 31, 2021, the principal and accrued interest balances outstanding and owed to RGI pursuant to the East Side Operations Funding Agreement are \$200,000 and \$8,301, respectively.

NOTE 7 DEBT AUTHORIZATION

On November 7, 2000, a majority of the District's qualified electors authorized the issuance of indebtedness in an amount not to exceed \$882,250,000 at an interest rate not to exceed 18% per annum. On November 1, 2005, the District's electors authorized the issuance of additional indebtedness in an amount not to exceed \$5,505,000,000 at an interest rate not to exceed 18% per annum. On May 8, 2012, the District's electors again authorized the issuance of additional indebtedness in an amount not to exceed \$5,505,000,000 at an interest rate not to exceed 18% per annum. Most recently, on May 5, 2020, the District's electors authorized the issuance of additional indebtedness in an amount not to exceed \$6,500,000,000 at an interest rate not to exceed 18% per annum.

The Indenture of Trust for the District's 2021 Bonds, Dated October 1, 2021, allocates the indebtedness from the Bonds against the May 5, 2020 authorized debt only.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 7 DEBT AUTHORIZATION (CONTINUED)

At December 31, 2021, the District had authorized indebtedness in the following amounts allocated for the following purposes:

	Authorized May 5, 2020 Election	Authorization Used	Remaining at December 31, 2021
Emergency Medical Facilities and Fire Protection	\$ 500,000,000	\$ -	\$ 500,000,000
Intergovernmental Agreements	500,000,000	-	500,000,000
Mosquito Control	500,000,000	-	500,000,000
Operating Expenses	500,000,000	-	500,000,000
Parks and Recreation	500,000,000	-	500,000,000
Refund Debt	500,000,000	-	500,000,000
Sanitary Sewer (Includes Storm)	500,000,000	33,936,724	466,063,276
Security Services and Improvements	500,000,000	-	500,000,000
Streets	500,000,000	12,436,101	487,563,899
Television Relay and Communication Systems	500,000,000	-	500,000,000
Traffic and Safety Controls	500,000,000	-	500,000,000
Transportation System	500,000,000	-	500,000,000
Water Facilities	500,000,000	38,652,512	461,347,488
Unallocated Authorization Used	-	34,974,663	(34,974,663)
Election Authorization Totals	<u>\$ 6,500,000,000</u>	<u>\$ 120,000,000</u>	<u>\$ 6,380,000,000</u>
Service Plan Debt Totals			<u>\$ 500,000,000</u>

Pursuant to the Service Plan, the District is limited to issuing \$500,000,000 in total debt, regardless of individual debt category line amounts. In addition, the maximum debt service mill levy for the District is 50 mills, as adjusted for changes in the ratio of actual value to assessed value of property within the District.

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

NOTE 8 NET POSITION

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2021, as follows:

Restricted Net Position:	
Emergency Reserves - TABOR	\$ 100
Debt Service	79,549
Total Restricted Net Position	<u>\$ 79,649</u>

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 8 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position as of December 31, 2021. This deficit amount is a result of the District being responsible for the repayment of debt issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 9 AGREEMENTS

Annexation and Development Agreement

Colony Investments, Inc. entered into an Annexation and Development Agreement with the City, which was recorded by the Douglas County Clerk on September 5, 2000 (the Annexation Agreement), which sets forth and establishes an overall plan for the provision of capital infrastructure (including but not limited to financing, development, operations, maintenance, repair and replacement) to assist in development of property within the service area of the Districts, also known as the RidgeGate planned development (the Property). Although the Districts were not organized until after the Annexation Agreement was executed, the Annexation Agreement did anticipate that certain rights and obligations would be assigned to the Districts upon their organization. The Annexation Agreement establishes obligations of the Developer and/or the Districts to provide certain on-site Improvements and off-site Improvements, which are needed for the development of the Property. In consideration for the obligation to provide the Improvements to the Property, the Annexation Agreement sets forth the City's agreement to pay certain Net Shared Sales Taxes to the Developer. In addition, the Annexation Agreement details the City's obligation to provide various Municipal Services, which are identified in the agreement, including public safety/police protection; residential trash collection; and public road and bridge maintenance, cleaning, snow removal, and repairs.

On November 21, 2017, an Amended and Restated Annexation and Development Agreement with Respect to the East Side Property was entered into between RGI and the City (the Amended and Restated Annexation Agreement – East Side), which was executed simultaneously with the Mill Levy Pledge Agreement. The Amended and Restated Annexation Agreement – East Side amends and restates the Annexation Agreement with respect to all Rampart Range Metropolitan Districts properties located east of I-25, the term of which expires on December 31, 2055, but does not in any way alter or amend the Annexation Agreement with respect to the West Side Properties. Furthermore, the Amended and Restated Annexation Agreement – East Side terminates the sharing of sales taxes between the City and the Developer, stating that other than the revenue pledged in the Mill Levy Pledge Agreement, there shall be no other revenue sharing for the East Side Properties.

In addition, the Amended and Restated Annexation Agreement – East Side requires the East Side Districts to be included within the boundaries of South Suburban Parks and Recreation District (SSPRD), which will be the provider of recreational services.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 AGREEMENTS (CONTINUED)

District Facilities Construction and Service Agreement

On December 1, 2019, the District entered into the East Side District Facilities Construction and Service Agreement with District No. 4 as the “Regional District”, and Rampart Range Metropolitan District Nos. 6 and 8 as the “East Side DFCSA Taxing Districts” (the East Side Master IGA). In accordance with the East Side Master IGA, as the Operating District, the District agrees to construct, manage the financing, operate, and maintain the public facilities and services within the East Side Districts. The East Side DFCSA Taxing Districts will pay all costs related to the construction, operation, and maintenance of these facilities and services, and pursuant to the East Side Master IGA, they agree to consider obligating themselves to pay their respective shares of the costs of facilities and services provided by the District.

Water Rights and Wells Purchase Agreement with Colony Investments, Inc.

In October 2006, District No. 1 entered into a water rights and wells purchase agreement with Colony Investments, Inc. These water rights were subsequently conveyed to PWSD for the benefit of the properties on the East Side. The liability for repayment to the Developer was assumed by District No. 5 from District No. 1 as of January 1, 2020, and paid in full on October 5, 2021, with proceeds from the Bonds.

Intergovernmental Agreement for Water and Sewer Service

On December 13, 2006, District No. 1 entered into an Intergovernmental Agreement for water and sewer service by and among PWSD and RGI (the PWSD IGA). Pursuant to the PWSD IGA, it is acknowledged that the area in Rampart Range Metropolitan District Nos. 3 through 6, 8 and 9 will be included into the service area for PWSD. The PWSD IGA addresses conveyance of certain water rights and well sites and clarifies the obligations for construction of the water and sewer improvements to serve the Districts within PWSD’s service area. Such assets will ultimately be conveyed to PWSD for ownership and maintenance. District No. 1 was obligated to pay inclusion fees to PWSD annually over a ten-year period commencing December 2007 in exchange for PWSD providing water and sewer services to the Districts within its service area. The PWSD IGA also established the Water Resource Credits and the related WRC Fee revenue as described under Note 2 – Summary of Significant Accounting Policies – Water Resource Credit Fees.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Financial Guarantee and Improvements Agreements

In May 2019, District No. 1 and PWSD entered into a set of two interrelated agreements. The Water and/or Sewer Main Improvement Agreement for Rampart Range Metropolitan District (the PWSD Improvement Agreement), which outlines how District No. 1 would proceed in constructing water and/or sewer improvements within the East Side CFRA Properties in accordance with PWSD rules and regulations and the eventual conveyance of such improvements to PWSD. In order to comply with Section 6.4 of the PWSD rules and regulations, a second agreement was executed, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement (the PWSD Guarantee Agreement). The PWSD Guarantee Agreement is put in place to provide to PWSD a financial guarantee from District No. 1 for the performance and completion of the improvements to be constructed under the PWSD Improvement Agreement (the PWSD Improvements). In general, the PWSD Guarantee Agreement specifies that at the commencement of the PWSD Improvements, District No. 1 is to provide monetary funds to PWSD for 100% of the "Total Estimated Costs" of such improvement plus an additional 20% of such costs as the "Guarantee", the total 120% being the "Guarantee Funds" or the "Surety". The PWSD Guarantee Agreement states that all such Guarantee Funds shall be deposited in PWSD's General Fund and PWSD shall not be required to pay any interest earnings on such funds. A PWSD Engineering "Inspector" will periodically assess the construction of such improvements. The first 100% of the Guarantee Funds will be released by PWSD back to District No. 1 in four stages at the 25%, 50%, 75%, and 100% markers of completion of a specific project as identified in a specific Guarantee Agreement at the direction of the Inspector. The remaining 20% of the Guarantee Funds are to be held by PWSD and released to District No.1 only after the two-year warranty period and upon obtaining final acceptance of such project from PWSD in exchange for the conveyance of such improvement to PWSD. The Guarantee Agreement further states that PWSD may draw on the Guarantee Funds at any time, including during the warranty period, to correct any problems with the PWSD Improvements not corrected by District No. 1.

District No. 1 and PWSD entered into the Cash in Lieu of Letter of Credit Financial Guarantee Agreement (RidgeGate Parkway – Phase 2) on May 16, 2019, followed by the Water and/or Sewer Main Improvement Agreement for RidgeGate Parkway Phase II on May 23, 2019, both of which were specifically for the construction of the RidgeGate Parkway Phase 2 - Water and Sanitary Sewer Mains Project (MD5-003), with Total Estimated Costs of \$1,109,316, and the Guarantee amount of \$221,863. District No. 1 paid the full Surety amount of \$1,331,179 to PWSD on May 20, 2019. District No. 1 received the first Release of 25% of the Total Estimated Costs of \$277,329 from PWSD on November 25, 2019. As of January 1, 2020, the current constructed assets and the remaining project construction management for the RidgeGate Parkway Phase 2 - Water and Sanitary Sewer Mains Project was transferred from District No. 1 to District No. 5. District No. 5 received the second and third Releases of 25% of the Total Estimated Costs of \$277,329 each from PWSD in February and August of 2020. The District received a letter of initial acceptance of the RidgeGate Parkway Phase 2 - Water and Sanitary Sewer Mains Project from PWSD dated December 21, 2020, which starts the two-year warranty period; however, the fourth Release of 25% of the Total Estimated Costs of \$277,329 was not received from PWSD until January 5, 2021. Therefore, as of December 31, 2021, PWSD was still holding \$221,863 of the Surety on the RidgeGate Parkway Phase 2 - Water and Sanitary Sewer Mains Project.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Financial Guarantee and Improvements Agreements (Continued)

District No. 5 and PWSD simultaneously entered into a second set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for First Street Lift Station on February 27, 2020, both of which were specifically for the construction of the First Street Lift Station Sanitary Sewer Project (MD5-004A), with Total Estimated Costs of \$3,729,642, and the Guarantee amount of \$745,928. The District paid the full Surety amount of \$4,475,570 to PWSD on March 2, 2020. The District received the first, second and third Releases of 25% of the Total Estimated Costs during 2020 and the fourth Release on April 15, 2021, of \$3,729,642 in total from PWSD. As of December 31, 2021, PWSD was still holding \$745,928 of the Surety on the First Street Lift Station Sanitary Sewer Project.

District No. 5 and PWSD simultaneously entered into the third set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for Dual Force Main on February 27, 2020, both of which were specifically for the construction of the Dual Force Main Sanitary Sewer Project (MD5-004B), with Total Estimated Costs of \$3,672,828, and the Guarantee amount of \$734,566. The District paid the full Surety amount of \$4,407,394 to PWSD on March 2, 2020. The District received the first, second and third Releases of 25% of the Total Estimated Costs during 2020 and the fourth Release on April 27, 2021, of \$3,672,828 in total from PWSD. As of December 31, 2021, PWSD was still holding \$734,566 of the Surety on the Dual Force Main Sanitary Sewer Project.

District No. 5 and PWSD simultaneously entered into the fourth set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for Happy Canyon Trunk Sanitary Sewer on February 27, 2020, both of which were specifically for the construction of the Happy Canyon Trunk Sanitary Sewer Phase 1 Project (MD5-005), with Total Estimated Costs of \$1,255,127, and the Guarantee amount of \$251,025. The District paid the full Surety amount of \$1,506,152 to PWSD on March 2, 2020. The District received all four Releases of 25% of the Total Estimated Costs of \$1,255,127 in total from PWSD during 2020. District No. 5 received a letter of initial acceptance of the Happy Canyon Trunk Sanitary Sewer Phase 1 Project from PWSD on August 25, 2020, which starts the two-year warranty period. As of December 31, 2021, the 20% Guarantee on the Happy Canyon Trunk Sanitary Sewer Phase 1 Project was still being held by PWSD in the amount of \$251,025.

During 2021, District No. 5 and PWSD simultaneously entered into the fifth set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for Transit Oriented Development Water and Sanitary Sewer on January 26, 2021, both of which were specifically for the water and sanitary sewer portions of the construction of the RidgeGate East Filing No. 1 Earthwork and Utility TOD Phase 1 Project (MD5-014A), with Total Estimated Costs of \$209,140, and the Guarantee amount of \$41,828. The District paid the full Surety amount of \$250,968 to PWSD on January 26, 2021. The District received one Release for the full 100% of the Total Estimated Costs of \$209,140 from PWSD on December 23, 2021.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Financial Guarantee and Improvements Agreements (Continued)

District No. 5 received a letter of initial acceptance of the RidgeGate East Filing No. 1 Earthwork and Utility TOD Phase 1 Project from PWSD on December 8, 2021, which starts the two-year warranty period. As of December 31, 2021, the 20% Guarantee on this project was still being held by PWSD in the amount of \$41,828.

District No. 5 and PWSD entered into the sixth set of interrelated agreements, the Water and/or Sewer Main Improvement Agreement for Happy Canyon Trunk Sanitary Sewer – Phase 2 on June 23, 2021, and the Cash in Lieu of Letter of Credit Financial Guarantee Agreement on September 1, 2021, both of which were specifically for the construction of the Happy Canyon Trunk Sanitary Sewer Phase 2 Project (MD5-006), with Total Estimated Costs of \$1,520,043, and the Guarantee amount of \$304,009. The District paid the full Surety amount of \$1,824,052 to PWSD on July 16, 2021. The District received the first Release of 25% of the Total Estimated Costs of \$380,011 from PWSD on December 13, 2021. As of December 31, 2021, PWSD was still holding \$1,444,041 of the Surety on the Happy Canyon Trunk Sanitary Sewer Phase 2 Project.

District No. 5 and PWSD simultaneously entered into the seventh set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for the South Water Main on October 7, 2021, both of which were specifically for the construction of the South Water Main Phase 2 Project (MD5-009), with Total Estimated Costs of \$3,069,061, and the Guarantee amount of \$613,812. (Both of these agreements were complete in July, but for some unknown reason they were not fully executed until October.) The District paid the full Surety amount of \$3,682,873 to PWSD on July 16, 2021. The District did not receive any surety Releases on this project from PWSD during 2021. As of December 31, 2021, PWSD was still holding the full \$3,682,873 of the Surety on the South Water Main Phase 2 Project.

District No. 5 had seven projects constructed or still under construction within the PWSD boundaries that had not reached final acceptance during 2021; therefore, as of December 31, 2021, the District had total Surety funds on deposit with PWSD in the amount of \$7,122,124.

City IGAs Regarding the RidgeGate Parkway Widening Project

On September 18, 2018, the City entered into five consolidated Intergovernmental Agreements Regarding the RidgeGate Parkway Widening Project (RGPW Project), (City RG Parkway IGAs). The first of the City RG Parkway IGAs was a state of Colorado Intergovernmental Contract with the Colorado Department of Transportation (CDOT) for the construction of Phase 2 of the RGPW Project, establishing the City as the Local Agency. Three of the City RG Parkway IGAs were with individual partners to provide the local funding for the RGPW Project: Douglas County, the Southeast Public Improvement Metropolitan District (SPIMD), and District No. 1. The District No. 1 Intergovernmental Agreement Concerning Construction Funding and Management - RidgeGate Parkway Widening Project, the (District No. 1 RGPW Funding IGA) identified the "Total Construction Costs" for the RGPW Project were estimated at \$26,900,000, with the funding amounts to be provided by each participating party, the RRMD District Contribution was stated as being \$15,500,000.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 AGREEMENTS (CONTINUED)

City IGAs Regarding the RidgeGate Parkway Widening Project (Continued)

However, the District No. 1 RGPW Funding IGA stated that prior to the award of the Phase 2 construction contract District No. 1 was to deposit funding to the City in the amount of the Total Construction Costs, less any funding partner contributions received by the City. The actual amount Rampart Range was required to fund was \$8,418,508, which was paid to the City by District No. 1 on May 6, 2019. In addition to the funding aspect, District No. 1 was also responsible for providing RGPW Project design right-of-way plans and bid documents, and continued to provide construction management, record keeping, materials testing, and other services, all to be provided at District No. 1's own expense. The Total Construction Costs did not include costs for construction administration services to be performed by the City, and District No. 1 was to reimburse the City for such costs up to a maximum of \$100,000. The fifth of the City RG Parkway IGAs was the District Project Management Work Allocation Agreement – RidgeGate Parkway which further defined the responsibilities of the City and District No. 1 regarding certain aspects of the management associated with the RGPW Project.

As discussed above in the Capital Funding and Reimbursement Agreement – East Side section under Developer Advances (Note 6 - Long-Term Obligations), on July 8, 2019, District No. 1 received a cost benefit analysis report from Ranger Engineering recommending a total RGPW Project costs allocation split of 75% to the West Side Districts and 25% to the East Side Districts, and effective as of October 31, 2019, District No. 1 entered into a Third Amendment to the Capital Funding and Reimbursement Agreement – East Side along with a Fifth Amendment to the 2007 Capital Agreement – West Side, to reallocate the funding amounts for the RGPW Project.

Total costs incurred on the RGPW Project during 2017 were \$415,782, and total costs incurred during 2018 were \$1,127,392, all of which were District provided design and construction management costs and were expensed in the District No. 1 Capital Projects – East Side Fund. During 2019, total costs incurred on the RGPW Project equalled \$10,020,710, of which \$8,550,545 was actual construction costs, \$1,442,214 was District provided design and construction management costs and \$27,951 was construction administration services performed by the City and reimbursed by District No. 1. Initially all of the costs incurred during 2019 were expensed in the District No. 1 Capital Projects – East Side Fund, except for \$180 which was expensed in the District No. 1 Capital Projects – West Side Fund. Total RGPW Project costs from inception in 2017 through December 31, 2019 were \$11,563,884; however, only \$10,454,568 of these costs were to be shared. During 2019, District No. 1 transferred expenses of \$7,840,746 to the Capital Projects – West Side Fund. As of December 31, 2019, total RGPW Project costs of \$7,840,926 were expensed in the District No. 1 Capital Projects – West Side Fund, equal to 75% of the total costs to be shared since inception of the project.

During 2020, total costs incurred on the RGPW Project equalled \$1,258,309, of which \$1,222,319 was District provided design and construction management costs and \$35,990 was construction administration services performed by the City and reimbursed by the Districts. Of the total RGPW Project costs incurred during 2020, \$943,732 (75%) was expensed by District No. 1 and \$314,577 (25%) was expensed by District No. 5.

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 9 AGREEMENTS (CONTINUED)

City IGAs Regarding the RidgeGate Parkway Widening Project (Continued)

During 2021, total costs incurred on the RGPW Project equalled \$145,848, of which \$140,408 was District provided design and construction management costs and \$5,440 was construction administration services performed by the City and reimbursed by the Districts. Of the total RGPW Project costs incurred during 2021, \$109,386 (75%) was expensed by District No. 1 and \$36,462 (25%) was expensed by District No. 5.

As of December 31, 2021, the RGPW Project has been completed by the City and was under-budget, as a result the funding remaining and held by the City is being returned to District Nos. 1 and 5 according to their respective funding ratios. During 2021, the City made three releases of excess funding to District Nos. 1 and 5, and District No. 5 recorded \$280,178 from those releases as Other Income – Reimbursements. The City is still holding some remaining funds which should be distributed in 2022. In addition, as the City's construction of the RGPW Project was completed in 2021 and placed in service, the District's total funding costs paid to the City on the RGPW Project of \$2,964,681 are being conveyed to the City as of December 31, 2021. The District's remaining asset costs for the RGPW Project will be conveyed to PWSO in late 2022 or early 2023.

Operations Pledge Agreement

On December 1, 2019, the District entered into the East Side Operations Pledge Agreement with Rampart Range Metropolitan District Nos. 6 and 8 as the "East Side OPA Taxing Districts", whereby District Nos. 6 and 8 agreed to impose an operations mill levy in amounts determined as necessary by the District in order to pay their proportionate share of the District's administrative and operations and maintenance costs.

Inclusion Agreement

Effective October 5, 2021, the District as the "Operating District" and District Nos. 6 and 8 as the "Taxing Districts" entered into an "Inclusion Agreement" with RGI. Pursuant to the Inclusion Agreement, RGI will execute one or more petitions for inclusion of real property into either of the Taxing Districts upon any Trigger (as defined in the Inclusion Agreement). Following the receipt of any petitions for inclusion, the District and the appropriate Taxing District are to process the inclusion in order to ensure that the real property becomes a part of a Taxing District and supports the financing of the East Side District's public improvements through the collection of taxes, fees, rates, tolls, and charges.

Intergovernmental Cost Sharing Agreement with Regional Transportation District

On April 5, 2021, the District entered into the Intergovernmental Agreement Regarding Funding, Construction, and Reimbursement of RidgeGate Parkway Station Transit Oriented Development – Earthwork and Utilities – Phase 1 with the Regional Transportation District (RTD) (the RTD CSA). The District and RTD had previously worked together to build some temporary improvements near the site of RTD's light-rail station within the District. The District and RTD determined to cooperate in the demolition of those temporary improvements and the construction of permanent improvements which are included with the District's TOD Phase 1 Project MD5-014A.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 9 AGREEMENTS (CONTINUED)

Intergovernmental Cost Sharing Agreement with Regional Transportation District (Continued)

The RTD CSA establishes the obligation of the District to construct such improvements and for RTD to reimburse the District for a portion of those costs (as defined in the RTD CSA). RTD is to reimburse the District in phases for a total amount not to exceed \$576,520. On July 27, 2021, the District invoiced RTD for the Initial Construction Costs of \$384,964, which as of December 31, 2021, had not yet been received from RTD, but were received in 2022. During 2022 or 2023, the District will also be able to invoice RTD for the Estimated Remaining Construction Costs of up to \$191,556.

Cost Sharing and Reimbursement Agreement (Rail Way Sidewalk)

Effective July 13, 2021, the District and RidgeGate Station Affordable LLC (RGSA) entered into a cost sharing agreement (the Rail Way CSA). RGSA is developing a parcel of land within the District, RidgeGate East Filing No. 1, 2nd Amendment, Lot 2-A-4. As part of its residential development on this property RGSA is constructing some private improvements, and adjacent to these improvements along South Havana Street and Rail Way, the District is constructing some public improvements (as defined in the Rail Way CSA). Pursuant to the Rail Way CSA, in between these public and private improvements, RGSA shall construct a sidewalk along the north side of Rail Way. After preliminary acceptance by the appropriate accepting jurisdiction and prior to final acceptance, the District shall acquire the Rail Way sidewalk, and will reimburse RGSA for the agreed upon reasonable "Verified Costs" of the sidewalk. As of December 31, 2021, the Rail Way sidewalk has not yet been completed.

NOTE 10 ECONOMIC DEPENDENCY

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

NOTE 11 INTERFUND TRANSFERS

The transfer from the Capital Projects Fund to the Debt Service Fund was related to the issuance of the Bonds.

NOTE 12 COMMITMENTS AND CONTINGENCIES

As of December 31, 2021, the District had unexpended construction related contract commitments of \$1,895,005.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 13 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

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

NOTE 14 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 voters approve retention of such revenue. On November 7, 2000, a majority of the District's electors approved an election question to remove limits on the amount of all revenues, excluding revenues generated from ad valorem taxes, the District is allowed to collect and spend or retain without regard to any limitations under TABOR.

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

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 14 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

On November 7, 2000, District voters passed an election question to increase property taxes \$500,000 annually, without limitation of rate, to pay the District's operational and maintenance costs. On November 1, 2005, and again on May 8, 2012, District voters passed election questions to increase property taxes \$5,000,000 annually, without limitation of rate, to pay the District's operational and maintenance costs. On May 5, 2020, District voters passed an election question to increase property taxes \$500,000,000 annually, without limitation of rate, to pay the District's operational and maintenance costs.

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

SUPPLEMENTARY INFORMATION

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Water Resource Credit Fees Revenue	\$ -	\$ -	\$ 40,000	\$ 40,000
Net Investment Income	-	2,339	862	(1,477)
Total Revenues	-	2,339	40,862	38,523
EXPENDITURES				
Bond Interest Expense - Series 2021	-	891,411	746,667	144,744
Contingency	-	58,589	-	58,589
Total Expenditures	-	950,000	746,667	203,333
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(947,661)	(705,805)	241,856
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds	-	23,217,661	21,185,354	(2,032,307)
Total Other Financing Sources (Uses)	-	23,217,661	21,185,354	(2,032,307)
NET CHANGE IN FUND BALANCE	-	22,270,000	20,479,549	(1,790,451)
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 22,270,000</u>	<u>\$ 20,479,549</u>	<u>\$ (1,790,451)</u>

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
IGA Revenue #6 - Development Fees	\$ 20,000	\$ -	\$ -	\$ -
IGA Revenue #8 - Development Fees	345,000	343,687	343,687	-
Water Resource Credit Fees Revenue	-	255,000	350,000	95,000
Other Income - Reimbursements	-	-	280,178	280,178
Net Investment Income	15,000	2,405	1,494	(911)
Total Revenues	380,000	601,092	975,359	374,267
EXPENDITURES				
General and Administrative:				
Accounting	200,000	300,000	250,444	49,556
District Management	120,000	120,000	127,886	(7,886)
Dues and Licenses	5,000	5,000	-	5,000
Financial Analysis/Debt Restructuring	25,000	25,000	-	25,000
Legal	100,000	130,000	114,181	15,819
Debt Service:				
Bond/Loan Issuance Costs	-	2,051,227	2,095,362	(44,135)
Capital Projects - East Side:				
Construction Management	35,000	40,000	69,205	(29,205)
Engineering	2,500	5,000	3,599	1,401
Miscellaneous	2,500	15,017	8,515	6,502
Operations Expenses until Final Acceptance	-	-	7,615	(7,615)
Planning/Design	175,000	175,000	215,703	(40,703)
Repairs on Existing infrastructure	-	-	28,148	(28,148)
Capital Outlay - East Side:				
Communication Systems	20,000	100,000	91,435	8,565
Grading - Gas Line Relocation	-	-	3,717,742	(3,717,742)
Grading - RG Station TOD Improvements	-	800,000	810,509	(10,509)
Parks - Larry Levin Park	-	-	12,921	(12,921)
Sanitary Sewer	350,000	25,000	-	25,000
Sewer - Dual Force Main Sanitary	800,000	850,000	800,617	49,383
Sewer - First Street Lift Station Sanitary	350,000	160,000	160,467	(467)
Sewer - Happy Canyon Sanitary Outfall - Meridian	-	-	22,701	(22,701)
Sewer - Happy Canyon TOD Outfall (P2)	2,600,000	2,600,000	1,550,669	1,049,331
Sewer - RG Station TOD Improvements	-	150,000	135,921	14,079
Storm Drainage	200,000	25,000	-	25,000
Storm Drainage - Happy Canyon Detention/WQ	-	180,000	184,137	(4,137)
Storm Drainage - High Note Avenue	-	-	123,318	(123,318)
Storm Drainage - RG Station TOD Improvements	-	1,350,000	1,352,538	(2,538)
Streets	1,000,000	25,000	-	25,000
Streets - High Note Avenue	-	-	489,621	(489,621)
Streets - RidgeGate Parkway Expansion	100,000	100,000	36,462	63,538
Streets - RG Station TOD Improvements	4,300,000	650,000	182,544	467,456
Streetscape - City Center Signals	-	-	742	(742)
Streetscape - Havana/SW Village Signal	30,000	30,000	3,413	26,587
Streetscape - Lighting Design	200,000	100,000	14,482	85,518
Streetscape - RG Station TOD Improvements	300,000	100,000	-	100,000
Streetscape - RidgeGate Parkway East	-	-	67,992	(67,992)
Streetscape - Signage	-	-	13,905	(13,905)
Water	350,000	25,000	-	25,000
Water - High Note Avenue	-	-	31,750	(31,750)
Water - RidgeGate Parkway Water Main (P2)	3,700,000	3,700,000	2,494,527	1,205,473
Water - RG Station TOD Improvements	-	125,000	115,042	9,958
Contingency	235,000	178,000	-	178,000
Total Expenditures	15,200,000	14,139,244	15,334,113	(1,194,869)

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (14,820,000)	\$ (13,538,152)	\$ (14,358,754)	\$ (820,602)
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	120,801,777	121,243,617	441,840
Developer Advances	14,220,000	9,750,000	9,750,000	-
Repay Developer Advances - Interest	-	(19,986,000)	(19,920,500)	65,500
Repay Developer Advances - Principal	-	(61,642,095)	(61,642,095)	-
Transfer to Other Funds	-	(23,217,661)	(21,185,354)	2,032,307
Total Other Financing Sources (Uses)	<u>14,220,000</u>	<u>25,706,021</u>	<u>28,245,668</u>	<u>2,539,647</u>
NET CHANGE IN FUND BALANCE	(600,000)	12,167,869	13,886,914	1,719,045
Fund Balance - Beginning of Year	<u>4,930,000</u>	<u>4,982,131</u>	<u>4,982,131</u>	-
FUND BALANCE - END OF YEAR	<u><u>\$ 4,330,000</u></u>	<u><u>\$ 17,150,000</u></u>	<u><u>\$ 18,869,045</u></u>	<u><u>\$ 1,719,045</u></u>

**RAMPART RANGE METROPOLITAN DISTRICT NO. 5
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
YEAR ENDED DECEMBER 31, 2021**

Limited Tax Supported and Special Revenue Bonds Dated October 5, 2021 Series 2021 Interest Rate 4.00% Interest Due June 1 and December 1			
Bonds and Interest Maturing in the Year Ending December 31,	Principal Due December 1		
	Principal	Interest	Total
2022	\$ -	\$ 4,800,000	\$ 4,800,000
2023	-	4,800,000	4,800,000
2024	-	4,800,000	4,800,000
2025	-	4,800,000	4,800,000
2026	-	4,800,000	4,800,000
2027	-	4,800,000	4,800,000
2028	-	4,800,000	4,800,000
2029	-	4,800,000	4,800,000
2030	-	4,800,000	4,800,000
2031	530,000	4,800,000	5,330,000
2032	1,185,000	4,778,800	5,963,800
2033	1,360,000	4,731,400	6,091,400
2034	2,075,000	4,677,000	6,752,000
2035	2,455,000	4,594,000	7,049,000
2036	2,745,000	4,495,800	7,240,800
2037	3,170,000	4,386,000	7,556,000
2038	3,910,000	4,259,200	8,169,200
2039	4,075,000	4,102,800	8,177,800
2040	4,690,000	3,939,800	8,629,800
2041	4,885,000	3,752,200	8,637,200
2042	5,560,000	3,556,800	9,116,800
2043	5,795,000	3,334,400	9,129,400
2044	6,530,000	3,102,600	9,632,600
2045	6,805,000	2,841,400	9,646,400
2046	7,610,000	2,569,200	10,179,200
2047	7,925,000	2,264,800	10,189,800
2048	8,815,000	1,947,800	10,762,800
2049	9,175,000	1,595,200	10,770,200
2050	10,145,000	1,228,200	11,373,200
2051	20,560,000	822,400	21,382,400
Total	\$ 120,000,000	\$ 114,979,800	\$ 234,979,800