

BOWLES METROPOLITAN DISTRICT
Jefferson and Denver Counties, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

**BOWLES METROPOLITAN DISTRICT
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Independent Auditor's Report

Board of Directors
Bowles Metropolitan District
Jefferson and Denver Counties, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bowles Metropolitan District (District) as of and for the year ended December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Bowles Metropolitan District, as of December 31, 2024, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

Responsibility of Management for the Financial Statements

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

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

Auditor's 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 generally accepted auditing standards 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 aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that governmental 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 opinion on the basic financial statements is not affected by this missing information.

Supplemental 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 supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information and the continuing disclosure obligations included in the annual report. The other information and continuing disclosure obligations, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
September 8, 2025

BASIC FINANCIAL STATEMENTS

**BOWLES METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 2,288,662
Cash and Investments - Restricted	416,763
Accounts Receivable	1,837
CTF Receivable	7,587
Prepaid Expenses	450
Receivable from County Treasurer	15,970
Property Tax Receivable	3,474,451
Investment in Joseph W. Bowles Reservoir Company	2,091,757
Prepaid Bond Insurance	76,734
Capital Assets:	
Capital Assets Not Being Depreciated	5,123,611
Capital Assets Net of Depreciation	1,438,344
Total Assets	14,936,166
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding, Net	320,470
Total Deferred Outflows of Resources	320,470
LIABILITIES	
Accounts Payable	90,467
Accrued Interest	55,722
Noncurrent Liabilities:	
Due Within One Year	1,079,907
Due in More Than One Year	13,113,191
Total Liabilities	14,339,287
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	3,474,451
Total Deferred Inflows of Resources	3,474,451
NET POSITION	
Net Investment in Capital Assets	6,561,955
Restricted for:	
Emergency Reserve	60,500
Debt Service	277,185
Capital Projects	30,942
Unrestricted	(9,487,684)
Total Net Position	\$ (2,557,102)

See accompanying Notes to Basic Financial Statements.

**BOWLES METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 1,446,180	\$ 21,731	\$ 60,943	\$ -	\$ (1,363,506)
Interest on Long-Term Debt and Related Costs	763,905	-	-	-	(763,905)
	<u>\$ 2,210,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,127,411)</u>
Total Governmental Activities	<u>\$ 2,210,085</u>	<u>\$ 21,731</u>	<u>\$ 60,943</u>	<u>\$ -</u>	<u>(2,127,411)</u>
 GENERAL REVENUES					
Property Taxes					3,440,604
Specific Ownership Taxes					194,832
Miscellaneous Income					9,027
Net Interest Income					180,862
Other Revenue					63,162
Total General Revenues					<u>3,888,487</u>
 CHANGES IN NET POSITION					
					1,761,076
Net Position - Beginning of Year					<u>(4,318,178)</u>
 NET POSITION - END OF YEAR					
					<u>\$ (2,557,102)</u>

See accompanying Notes to Basic Financial Statements.

**BOWLES METROPOLITAN DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 2,275,994	\$ -	\$ 12,668	\$ 2,288,662
Cash and Investments - Restricted	83,856	332,907	-	416,763
Accounts Receivable	1,837	-	-	1,837
CTF Receivable	7,587	-	-	7,587
Receivable from County Treasurer	15,970	-	-	15,970
Property Tax Receivable	1,574,100	1,900,351	-	3,474,451
Prepaid Expenses	450	-	-	450
	<u>\$ 3,959,794</u>	<u>\$ 2,233,258</u>	<u>\$ 12,668</u>	<u>\$ 6,205,720</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 77,799	\$ -	\$ 12,668	\$ 90,467
Total Liabilities	<u>77,799</u>	<u>-</u>	<u>12,668</u>	<u>90,467</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	1,574,100	1,900,351	-	3,474,451
Total Deferred Inflows of Resources	<u>1,574,100</u>	<u>1,900,351</u>	<u>-</u>	<u>3,474,451</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expense	450	-	-	450
Restricted for:				
Emergency Reserves	60,500	-	-	60,500
Debt Service	-	332,907	-	332,907
Capital Projects	30,942	-	-	30,942
Assigned to:				
Subsequent Year's Expenditures	1,109,516	-	-	1,109,516
Unassigned	1,106,487	-	-	1,106,487
Total Fund Balances	<u>2,307,895</u>	<u>332,907</u>	<u>-</u>	<u>2,640,802</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,959,794</u>	<u>\$ 2,233,258</u>	<u>\$ 12,668</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.				6,561,955
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.				
Cost of Refunding, Net				320,470
Investment in Joseph W. Bowles Reservoir Company				2,091,757
Prepaid Bond Insurance				76,734
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Accrued Interest				(55,722)
Bonds Payable				(14,125,000)
Unamortized Bond Premium				(68,098)
Net Position of Governmental Activities				<u>\$ (2,557,102)</u>

See accompanying Notes to Basic Financial Statements.

**BOWLES METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 1,558,765	\$ 1,881,839	\$ -	\$ 3,440,604
Specific Ownership Taxes	194,832	-	-	194,832
Conservation Trust Fund Proceeds	30,943	-	-	30,943
Net Interest Income	127,374	53,488	-	180,862
Miscellaneous Income	9,027	-	-	9,027
HOA Contribution	30,000	-	-	30,000
Other Revenue	63,162	-	-	63,162
Irrigation Fees	21,731	-	-	21,731
Total Revenues	<u>2,035,834</u>	<u>1,935,327</u>	<u>-</u>	<u>3,971,161</u>
EXPENDITURES				
Current:				
Accounting	69,272	-	-	69,272
Auditing	6,200	-	-	6,200
County Treasurer's Fee	19,086	24,274	-	43,360
Directors' Fees	5,500	-	-	5,500
District Management	137,509	-	-	137,509
Dues and Membership	4,182	-	-	4,182
Election	233	-	-	233
Engineering	21,396	-	9,522	30,918
Fence and Sign Maintenance	2,265	-	-	2,265
General Tree Maintenance	136,059	-	-	136,059
Insurance	25,962	-	-	25,962
Intergovernmental Expenditures	10,979	-	-	10,979
Landscaping	403,165	-	-	403,165
Legal	25,975	-	8,621	34,596
Miscellaneous	4,018	-	-	4,018
Payroll Taxes	467	-	-	467
Portable Restrooms	12,600	-	-	12,600
Repairs and Maintenance	81,566	-	-	81,566
Snow Removal	20,199	-	-	20,199
Storm Drainage	3,898	-	-	3,898
Stormwater Management	13,451	-	-	13,451
Utilities	9,406	-	-	9,406
Water Annual Assessment	57,400	-	-	57,400
Debt Service:				
Paying Agent Fees	-	300	-	300
Bond Interest	-	707,787	-	707,787
Bond Principal	-	1,010,000	-	1,010,000
Capital Projects:				
Sidewalks	-	-	80,059	80,059
Fence and Sign Maintenance	-	-	81,465	81,465
Irrigation Improvements	-	-	77,739	77,739
Miscellaneous	-	-	64,231	64,231
Landscaping Improvements	-	-	66,321	66,321
Parks and Recreation	-	-	151,580	151,580
Total Expenditures	<u>1,070,788</u>	<u>1,742,361</u>	<u>539,538</u>	<u>3,352,687</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	965,046	192,966	(539,538)	618,474
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(539,838)	300	539,538	-
Total Other Financing Sources (Uses)	<u>(539,838)</u>	<u>300</u>	<u>539,538</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	425,208	193,266	-	618,474
Fund Balances - Beginning of Year	<u>1,882,687</u>	<u>139,641</u>	<u>-</u>	<u>2,022,328</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,307,895</u>	<u>\$ 332,907</u>	<u>\$ -</u>	<u>\$ 2,640,802</u>

See accompanying Notes to Basic Financial Statements.

**BOWLES METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 618,474

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

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital Outlay	379,425
Depreciation Expense	(221,492)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Bond Principal	1,010,000
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Governmental funds report capital stock purchases and capital assessments as expenditures, however, in the government-wide financial statements, these costs are not reflected on the statement of activities and are recorded as assets on the statement of net position.

Water Assessment Converted to J.W. Bowles Investment	6,213
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability	3,260
Bond Insurance Amortization	(7,738)
Amortization of Bond Premium	8,875
Amortization of Cost of Bond Refunding	(35,941)
	(35,941)

Changes in Net Position of Governmental Activities	\$ 1,761,076
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**BOWLES METROPOLITAN DISTRICT
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
REVENUES			
Property Taxes	\$ 1,568,811	\$ 1,558,765	\$ (10,046)
Specific Ownership Taxes	174,635	194,832	20,197
Conservation Trust Fund Proceeds	35,000	30,943	(4,057)
Net Interest Income	85,000	127,374	42,374
Miscellaneous Income	2,000	9,027	7,027
Other Revenue	-	63,162	63,162
HOA Contribution	30,000	30,000	-
Irrigation Fees	16,000	21,731	5,731
Total Revenues	<u>1,911,446</u>	<u>2,035,834</u>	<u>124,388</u>
EXPENDITURES			
Accounting	50,000	69,272	(19,272)
Auditing	6,500	6,200	300
Banking Fees	100	-	100
Contingency	47,068	-	47,068
County Treasurer's Fee	20,331	19,086	1,245
Directors' Fees	6,000	5,500	500
District Management	140,000	137,509	2,491
Dues and Membership	1,500	4,182	(2,682)
Election	-	233	(233)
Engineering	20,000	21,396	(1,396)
Fence and Sign Maintenance	85,000	2,265	82,735
General Tree Maintenance	250,000	136,059	113,941
Insurance	22,504	25,962	(3,458)
Intergovernmental Expenditures	10,000	10,979	(979)
Landscaping	452,400	403,165	49,235
Legal	28,000	25,975	2,025
Miscellaneous	7,500	4,018	3,482
Payroll Taxes	497	467	30
Portable Restrooms	6,000	12,600	(6,600)
Repairs and Maintenance	30,000	81,566	(51,566)
Snow Removal	30,000	20,199	9,801
Special Events HOA	15,000	-	15,000
Storm Drainage	25,000	3,898	21,102
Stormwater Management	100,000	13,451	86,549
Utilities	30,000	9,406	20,594
Water - Non Utilities	20,000	-	20,000
Water Annual Assessment	60,000	57,400	2,600
Total Expenditures	<u>1,463,400</u>	<u>1,070,788</u>	<u>392,612</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	448,046	965,046	(517,000)
OTHER FINANCING USES			
Transfers To Other Fund	(1,290,000)	(539,838)	(750,162)
Total Other Financing Uses	<u>(1,290,000)</u>	<u>(539,838)</u>	<u>(750,162)</u>
NET CHANGE IN FUND BALANCE	(841,954)	425,208	(1,267,162)
Fund Balance - Beginning of Year	<u>1,946,164</u>	<u>1,882,687</u>	<u>(63,477)</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,104,210</u>	<u>\$ 2,307,895</u>	<u>\$ 1,203,685</u>

See accompanying Notes to Basic Financial Statements.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 DEFINITION OF REPORTING ENTITY

Bowles Metropolitan District, located in the City of Lakewood, Jefferson County, and the City and County of Denver, Colorado, was organized in 1987, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide for the construction of water and sewer facilities, including storm drainage, streets and associated improvements, safety facilities, park and open space facilities and mosquito control. The District is responsible for the maintenance for certain parks and open space. All other facilities constructed by the District are conveyed to other governmental entities for perpetual maintenance. Other streetscape maintenance is to be performed by Grant Ranch Master Homeowners Association, Inc. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets 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 pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

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 (i.e., the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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 material sources of revenue subject to accrual are property and specific ownership taxes. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

Property taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

The District reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

As a general rule, the effect of interfund activity has been eliminated from the statements of net position.

Budgets

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

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. 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.

Property Taxes

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

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

Capital Assets

Capital assets, which include land, easements and water rights, park improvements and irrigation systems, 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 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

Park Improvements	5 to 30 Years
Irrigation Improvements	15 to 30 Years

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.

Amortization

Original Issue Premium and Prepaid Debt Insurance

In the government-wide financial statements bond premiums and discounts 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.

Original Issue Premium from the Series 2013 Bonds is being amortized over the term of the bonds using the effective interest method, the Prepaid Debt Insurance is being amortized over the term of the bonds using the straight-line method. Accumulated amortization amounted to \$219,431 and \$87,692, respectively, at December 31, 2024.

Deferred Costs on Bond Refunding

Deferred costs on bond refunding from the Series 2013 Bonds are being amortized over the respective terms of the defeased bonds using the straight-line method. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources. The accumulated amortization amounted to \$407,325 at December 31, 2024.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred costs on bond refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amortization (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Equity

Net Position

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

Fund Balance

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

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

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

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.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 2,288,662
Cash and Investments - Restricted	416,763
Total Cash and Investments	<u>\$ 2,705,425</u>

Cash and investments as of December 31, 2024, consist of the following:

Deposits with Financial Institutions	\$ 193,034
Investments	2,512,391
Total Cash and Investments	<u>\$ 2,705,425</u>

As of December 31, 2024, the District's restricted cash and investments totaled \$386,763, and consist of the following:

	<u>General</u>	<u>Debt Service</u>
Emergencies	\$ 60,500	\$ -
Conservation Trust Funds	23,356	-
Debt Service	-	332,907
Total Restricted Cash and Investments	<u>\$ 83,856</u>	<u>\$ 332,907</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2024, the District's cash deposits had a bank balance and carrying balance of \$193,034.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

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

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

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

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

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

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	Weighted-Average Under 60 Days	\$ 2,512,391
		<u>\$ 2,512,391</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (Continued)

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2024 follows:

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land Easements and Water Rights	\$ 269,543	\$ -	\$ -	\$ 269,543
Landscaping	4,636,167	66,321	-	4,702,488
Construction in Progress	-	151,580	-	151,580
Total Capital Assets, Not Being Depreciated	4,905,710	217,901	-	5,123,611
Capital Assets, Being Depreciated:				
Park Improvements	2,347,812	161,524	-	2,509,336
Irrigation Systems	1,045,261	-	-	1,045,261
Total Capital Assets, Being Depreciated	3,393,073	161,524	-	3,554,597
Less Accumulated Depreciation for:				
Accumulated Depreciation - Park Improvements	1,211,698	176,557	-	1,388,255
Accumulated Depreciation - Irrigation Systems	683,063	44,935	-	727,998
Total Accumulated Depreciation	1,894,761	221,492	-	2,116,253
Total Capital Assets, Being Depreciated, Net	1,498,312	(59,968)	-	1,438,344
Governmental Activities Capital Assets, Net	<u>\$ 6,404,022</u>	<u>\$ 157,933</u>	<u>\$ -</u>	<u>\$ 6,561,955</u>

Depreciation expense for the year ended December 31, 2024 was \$221,492.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds Payable:					
General Obligation Bonds					
Series 2013	\$ 15,135,000	\$ -	\$ 1,010,000	\$ 14,125,000	\$ 1,070,000
Subtotal Bonds Payable	15,135,000	-	1,010,000	14,125,000	1,070,000
Bond Premium/Discount:					
Bond Premium - Series 2013	76,973	-	8,875	68,098	9,907
Subtotal Bond Premium/Discount	76,973	-	8,875	68,098	9,907
Total Long-Term Obligations	<u>\$ 15,211,973</u>	<u>\$ -</u>	<u>\$ 1,018,875</u>	<u>\$ 14,193,098</u>	<u>\$ 1,079,907</u>

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The details of the District's general obligation bonds outstanding during 2024 are as follows:

\$23,015,000 General Obligation Refunding and Improvement Bonds, Series 2013

The District issued \$23,015,000 of General Obligation Refunding and Improvement Bonds, Series 2013 (Series 2013 Bonds), dated September 3, 2013. The Series 2013 Bonds were issued to current refund a portion of the Series 2003 Bonds, as described below, to fund the purchase of certain water rights and to pay the cost of issuance. The Series 2013 Bonds bear interest at rates which vary from 2.00% to 5.00% payable semi-annually on June 1 and December 1. The Series 2013 Bonds consist of serial bonds issued in the amount of \$15,390,000 due annually through 2034 and term bonds issued in the original amount of \$7,625,000 due December 1, 2033.

The Series 2013 Bonds maturing on or before December 1, 2022 are not subject to redemption prior to their maturities. The Series 2013 Bonds maturing on or after December 1, 2023 are subject to redemption prior to their maturities at the option of the District, on December 1, 2022 and on any date thereafter. Term bonds are subject to mandatory sinking fund redemption beginning five years prior to the date of maturity. The bonds' principal and interest are insured as to repayment by Build America Mutual Assurance Company.

The District current refunded a portion of the 2003 Series Bonds to reduce its total debt service payments by approximately \$687,211 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,255,240. In the government-wide statements, the District incurred a cost on refunding in the amount of \$727,799, which has been deferred and is being amortized over the life of the old debt.

Events of Default

Events of default occur if the District fails to impose the Capital Levy or to transfer or cause the transfer of the Pledge Revenues to the Custodian, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the loan agreement.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Service

The following is a summary of the annual long-term debt principal and interest requirements.

Year Ended December 31,	Principal	Interest	Total
2025	\$ 1,070,000	\$ 668,663	\$ 1,738,663
2026	1,130,000	625,863	1,755,863
2027	1,200,000	569,363	1,769,363
2028	1,270,000	519,863	1,789,863
2029	1,340,000	465,888	1,805,888
2030-2034	8,115,000	1,232,690	9,347,690
Total	<u>\$ 14,125,000</u>	<u>\$ 4,082,330</u>	<u>\$ 18,207,330</u>

Debt Authorization

As of December 31, 2024, the District has no remaining authorized but unissued debt.

NOTE 6 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024, the District had net investment in capital assets as follows:

Net Investment in Capital Assets	<u>\$ 6,561,955</u>
----------------------------------	---------------------

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, 2024 as follows:

Restricted Net Position:	
Emergencies	\$ 60,500
Debt Service Reserve	277,185
Capital Projects Reserve	30,942
Total Restricted Net Position	<u>\$ 368,627</u>

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

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 AGREEMENTS

Grant Water and Sanitation District

The District has an intergovernmental agreement (IGA) dated April 14, 1994, with Grant Water and Sanitation District (Grant) which provides for the sharing of costs of certain sized water and sewer lines as well as under drains and storm drainage facilities. The District is located wholly within the service area boundaries of Grant. Pursuant to an amendment to the IGA dated April 14, 1997, Grant and the District clarified the improvements to be constructed by each party and agreed that each party will construct its improvements at its sole cost and expense.

Irrigation Agreements

The District entered into an agreement with Grant Ranch Master Homeowners Association, Inc. (Association) dated March 14, 2017, which extended and updated the initial agreement dated January 22, 1998. The District has agreed to provide irrigation water for certain sites and common elements within the Association. Irrigation income of \$30,000 was received by the District in 2024.

The District has entered into irrigation agreements with Belvedere Association, Inc., Heron Shores Sub-Homeowners Association, Inc., Dorado Green Sub-Homeowners Association, Inc. and Belmont Shores Sub-Homeowners Association, Inc., collectively called the Sub Associations. The Sub Associations agree to make payments to the District for water usage at the water fees/rates set annually by the District's Board of Directors. Irrigation income of \$21,731 was received by the District in 2024 under the agreements.

Storm Water Agreement

The District has entered into an agreement with the Town of Bow Mar, Bow Mar Owners, Inc., Lower Bowles Company, The Joseph W. Bowles Reservoir Company and RSRF Ranch Company, LLC. The agreement allows the District to discharge storm water onto property of the Town of Bow Mar and Bow Mar Owners, Inc., and ultimately in reservoirs owned by the Lower Bowles Company and The Joseph W. Bowles Reservoir Company. The District is responsible for the maintenance and operation of the storm water discharge system and associated storm water quality and quantity. If the quality of the storm water discharging from the water quality control facility fails to meet defined performance standards, the District is obligated to take corrective action and may be liable for damages. Due to changing water quality standards, the District's costs of operations of these facilities could increase substantially in future years.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 AGREEMENTS (CONTINUED)

Intergovernmental Agreement for Bowles Metropolitan District Resident Use of the Foothills' Recreation Amenities

During 2016, the District and Foothills Park & Recreation District (Foothills) entered into the Intergovernmental Agreement for Bowles Metropolitan District Resident Use of the Foothills' Recreation Amenities whereby the District's residents are allowed access to the Foothills' Recreation Amenities and recreation programs at the admission rates that Foothills otherwise charges for Foothills residents effective March 1, 2016. For each District resident who accesses the Recreation Amenities at the Resident Rates, or participates in a program or class at the Resident Rates, the District will reimburse Foothills for the difference between the Resident Rates and the admission rates that Foothills otherwise charges for all non-Foothills residents, such amount to be invoiced and paid monthly. The initial term of this Agreement will continue through December 31, 2016 and shall automatically renew for successive one-year periods unless terminated by either party. During 2024, the District paid \$10,979 to Foothills under this agreement.

Capital Stock

At December 31, 2024, the District owned 82 shares of capital stock (shares) in The Joseph W. Bowles Reservoir Company (Company). The District's interest includes beneficial rights, title and interest in all water, water rights, reservoirs, reservoir rights, storage, storage rights and all other rights represented by the shares.

The District pays operating and capital assessments as determined necessary by the Company based on the shares owned at the time of the assessments. During 2024, the District paid operating and capital assessments to the Company in the amounts of \$51,187 and \$6,213, respectively.

NOTE 8 INTERFUND AND OPERATING TRANSFERS

The transfer from the general fund to the debt service and capital projects funds of \$539,838 was the related to capital and debt related expenditures.

NOTE 9 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.

**BOWLES METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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

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

On May 7, 1996, the District's electors authorized the District to retain and spend all revenue derived from its infrastructure fees in 1995 and all subsequent years up to a maximum of \$4,000,000 along with any investment earnings thereon. Additionally, the electors authorized the District to retain and spend all revenue derived from its ad valorem property tax mill levy including specific ownership tax revenue and any investment earnings thereon in 1996 and all subsequent years without limitations under TABOR and any spending limitations that might otherwise apply.

NOTE 10 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District is a member of the Colorado Special District's Property and Liability pool as of December 31, 2024. The Colorado Special Districts Property and Liability Pool (the Pool) is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials' liability, property and general liability coverage and workers compensation. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other 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.

SUPPLEMENTARY INFORMATION

**BOWLES METROPOLITAN DISTRICT
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
REVENUES			
Property Taxes	\$ 1,893,965	\$ 1,881,839	\$ (12,126)
Net Interest Income	30,000	53,488	23,488
Total Revenues	<u>1,923,965</u>	<u>1,935,327</u>	<u>11,362</u>
EXPENDITURES			
County Treasurer's Fee	25,389	24,274	1,115
Paying Agent Fees	3,000	300	2,700
Bond Interest	707,788	707,787	1
Bond Principal	1,010,000	1,010,000	-
Contingency	25,000	-	25,000
Total Expenditures	<u>1,771,177</u>	<u>1,742,361</u>	<u>28,816</u>
EXCESS OF REVENUES OVER EXPENDITURES	152,788	192,966	40,178
OTHER FINANCING SOURCES			
Transfers From Other Funds	-	300	300
Total Other Financing Sources	<u>-</u>	<u>300</u>	<u>300</u>
NET CHANGE IN FUND BALANCE	152,788	193,266	40,478
Fund Balance - Beginning of Year	<u>121,557</u>	<u>139,641</u>	<u>18,084</u>
FUND BALANCE - END OF YEAR	<u>\$ 274,345</u>	<u>\$ 332,907</u>	<u>\$ 58,562</u>

**BOWLES METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Accounting	10,000	-	10,000
Asphalt	50,000	-	50,000
Contingency	10,000	-	10,000
District Management	20,000	-	20,000
Drainage	150,000	-	150,000
Engineering	20,000	9,522	10,478
Fence and Sign Maintenance	250,000	81,465	168,535
Irrigation Improvements	100,000	77,739	22,261
Landscaping Improvements	125,000	66,321	58,679
Legal	5,000	8,621	(3,621)
Miscellaneous	-	64,231	(64,231)
Parks and Recreation	500,000	151,580	348,420
Sidewalks	50,000	80,059	(30,059)
Total Expenditures	<u>1,290,000</u>	<u>539,538</u>	<u>750,462</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,290,000)	(539,538)	750,462
OTHER FINANCING SOURCES			
Transfers From Other Funds	1,290,000	539,538	(750,462)
Total Other Financing Sources	<u>1,290,000</u>	<u>539,538</u>	<u>(750,462)</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

**BOWLES METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2024**

**GENERAL OBLIGATION REFUNDING BONDS
Series 2013
Interest Rates from 2.00% to 5.00%
Interest Payable June 1 and December 1
Principal Due December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,070,000	\$ 668,663	\$ 1,738,663
2026	1,130,000	625,863	1,755,863
2027	1,200,000	569,363	1,769,363
2028	1,270,000	519,863	1,789,863
2029	1,340,000	465,888	1,805,888
2030	1,430,000	398,888	1,828,888
2031	1,520,000	327,388	1,847,388
2032	1,620,000	251,388	1,871,388
2033	1,715,000	170,388	1,885,388
2034	1,830,000	84,638	1,914,638
Total	<u>\$ 14,125,000</u>	<u>\$ 4,082,330</u>	<u>\$ 18,207,330</u>

**BOWLES METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2024**

Year Ended <u>December 31,</u>	Assessed Valuation	Percent Change	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Total	Levied	Collected	
2019/2020	\$ 68,957,791	10.2%	18.122	23.878	42.000	\$ 2,896,227	\$ 2,896,399	100.01 %
2020/2021	69,041,820	0.1%	18.122	21.878	40.000	2,761,673	2,761,673	100.00 %
2021/2022	74,799,143	8.3%	18.122	21.878	40.000	2,991,966	2,996,230	100.14 %
2022/2023	72,735,379	-2.8%	18.122	21.878	40.000	2,909,415	2,913,905	100.15 %
2023/2024	86,569,383	19.0%	18.122	21.878	40.000	3,462,776	3,440,604	99.36 %
Estimated for Year Ending December 31, 2025	\$ 86,861,281	0.3%	18.122	21.878	40.000	\$ 3,474,451		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

Source: Jefferson and Denver Counties Assessor and Treasurer.

**BOWLES METROPOLITAN DISTRICT
LARGEST TAXPAYERS WITHIN THE DISTRICT
DECEMBER 31, 2024**

<u>Taxpayer Name</u>	<u>Assessed Valuation</u>	<u>Percentage of Taxpayer / Assessed Valuation (1)</u>
Valuation Year - 2024		
2009 CUSA Community Owner	\$ 7,952,176	9.16%
Public Service CO Owner	1,503,812	1.73%
Grant 6000 LLC Owner	343,200	0.40%
Owner	275,220	0.32%
Owner	243,917	0.28%
Owner	217,070	0.25%
Owner	210,671	0.24%
QWEST Corporation	178,600	0.21%
Owner	160,762	0.19%
Owner	158,760	0.18%
Total	<u>\$ 11,244,188</u>	<u>12.94%</u>

(1) Based on 2024 certified assessed valuation of the District of \$86,861,281.

**BOWLES METROPOLITAN DISTRICT
 ASSESSED VALUATION OF CLASSES OF
 PROPERTY IN THE DISTRICT
 DECEMBER 31, 2024**

<u>Property Class</u>	<u>Total Assessed Valuation</u>	<u>Percentage of Taxpayer/ Assessed Valuation</u>	<u>Total Actual Valuation</u>	<u>Percentage of Taxpayer/ Actual Valuation</u>
Valuation Year - 2024				
Vacant	\$ 2,790	0.00%	\$ 10,000	0.00%
Commercial	307,750	0.35%	1,103,047	0.09%
State Assessed	1,069,678	1.23%	3,833,971	0.30%
Personal Property	1,002,217	1.15%	3,592,176	0.28%
Residential	74,068,670	85.27%	1,105,502,537	87.09%
Residential Multi Family	<u>10,410,176</u>	<u>11.98%</u>	<u>155,375,761</u>	<u>12.24%</u>
Total	<u>\$ 86,861,281</u>	<u>100.00%</u>	<u>\$ 1,269,417,492</u>	<u>100.00%</u>

Source: Jefferson County Assessor's Office and City and County of Denver Assessor's Office

CONTINUING DISCLOSURE OBLIGATIONS

**BOWLES METROPOLITAN DISTRICT
GENERAL FUND
CHANGES IN FUND BALANCE COMPARISON
DECEMBER 31, 2024**

	2020	2021	2022	2023	2024
REVENUES					
Property Taxes	\$ 1,249,727	\$ 1,251,176	\$ 1,357,442	\$ 1,320,144	\$ 1,558,765
Specific Ownership Taxes	182,357	180,216	178,331	186,597	194,832
Conservation Trust Fund Proceeds	25,998	23,145	30,646	44,133	30,943
Net Interest Income	21,289	2,127	63,042	112,025	127,374
Miscellaneous Income	3,229	915	-	4,343	9,027
Other Revenue	-	-	33,648	-	63,162
HOA Contribution	30,000	30,000	30,000	30,000	30,000
Irrigation Fees	12,880	15,335	18,141	10,440	21,731
Total Revenues	1,525,480	1,502,914	1,711,250	1,707,682	2,035,834
EXPENDITURES					
Accounting	15,037	18,211	17,336	78,181	69,272
Auditing	6,758	6,000	6,000	6,000	6,200
Banking Fees	-	-	-	90	-
County Treasurer's Fee	15,598	15,614	16,917	16,495	19,086
Directors' Fees	6,300	6,600	5,300	5,600	5,500
District Management	105,189	129,374	141,841	143,018	137,509
Dues and Membership	-	-	1,005	1,107	4,182
Election	-	-	914	4,763	233
Engineering	6,143	1,248	18,867	6,244	21,396
Fence and Sign Maintenance	-	-	-	-	2,265
General Tree Maintenance	95,098	73,574	262,063	202,717	136,059
Insurance	8,580	7,854	28,393	20,093	25,962
Intergovernmental Expenditures	4,449	8,353	9,046	9,585	10,979
Landscaping	256,660	259,774	366,989	525,327	403,165
Legal	18,013	17,833	24,994	19,321	25,975
Miscellaneous	8,660	13,837	12,912	19,252	4,018
Monument Signs	-	-	23,155	2,183	-
Operation Supplies	342	-	-	-	-
Operations And Maintenance	-	10,978	17,450	-	-
Payroll Taxes	482	505	405	428	467
Portable Restrooms	-	-	11,123	10,125	12,600
Repairs and Maintenance	122,257	255,631	301,873	221,979	81,566
Snow Removal	7,117	9,090	26,460	13,659	20,199
Special Events HOA	11,316	-	8,000	-	-
Storm Drainage	8,969	461	-	13,491	3,898
Stormwater Management	-	-	-	-	13,451
Utilities	17,072	35,568	24,179	30,043	9,406
Water Annual Assessment	47,765	49,610	54,325	57,400	57,400
Total Expenditures	761,805	920,115	1,379,547	1,407,101	1,070,788
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	763,675	582,799	331,703	300,581	965,046
OTHER FINANCING USES					
Transfers To Other Fund	(450,000)	(150,000)	(100,000)	(293,892)	(539,838)
Total Other Financing Uses	(450,000)	(150,000)	(100,000)	(293,892)	(539,838)
NET CHANGE IN FUND BALANCE	313,675	432,799	231,703	6,689	425,208
Fund Balance - Beginning of Year	897,821	1,211,496	1,644,295	1,875,998	1,882,687
FUND BALANCE - END OF YEAR	\$ 1,211,496	\$ 1,644,295	\$ 1,875,998	\$ 1,882,687	\$ 2,307,895

**BOWLES METROPOLITAN DISTRICT
DEBT SERVICE FUND
CHANGES IN FUND BALANCE COMPARISON
DECEMBER 31, 2024**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Property Taxes	\$ 1,646,672	\$ 1,510,497	\$ 1,638,788	\$ 1,593,761	\$ 1,881,839
Net Interest Income	743	712	1,103	51,804	53,488
Total Revenues	<u>1,647,415</u>	<u>1,511,209</u>	<u>1,639,891</u>	<u>1,645,565</u>	<u>1,935,327</u>
EXPENDITURES					
County Treasurer's Fee	20,552	18,850	20,424	19,920	24,274
Paying Agent Fees	300	300	300	300	300
Bond Interest	821,663	796,913	770,963	741,388	707,787
Bond Principal	825,000	865,000	910,000	960,000	1,010,000
Total Expenditures	<u>1,667,515</u>	<u>1,681,063</u>	<u>1,701,687</u>	<u>1,721,608</u>	<u>1,742,361</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(20,100)	(169,854)	(61,796)	(76,043)	192,966
OTHER FINANCING USES					
Transfers (To) From Other Fund	<u>50,000</u>	<u>150,000</u>	<u>100,000</u>	<u>300</u>	<u>300</u>
Total Other Financing Sources	<u>50,000</u>	<u>150,000</u>	<u>100,000</u>	<u>300</u>	<u>300</u>
NET CHANGE IN FUND BALANCE	29,900	(19,854)	38,204	(75,743)	193,266
Fund Balance - Beginning of Year	<u>167,134</u>	<u>197,034</u>	<u>177,180</u>	<u>215,384</u>	<u>139,641</u>
FUND BALANCE - END OF YEAR	<u>\$ 197,034</u>	<u>\$ 177,180</u>	<u>\$ 215,384</u>	<u>\$ 139,641</u>	<u>\$ 332,907</u>

**BOWLES METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
CHANGES IN FUND BALANCE COMPARISON
DECEMBER 31, 2024**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Capital Expenses	191,690	442,377	-	-	-
Drainage	-	-	-	26,977	-
Engineering	-	-	-	-	9,522
Fence and Sign Maintenance	-	-	52,028	-	81,465
Irrigation Improvements	-	-	146,465	115,734	77,739
Landscaping Improvements	-	-	-	58,417	66,321
Legal	-	-	-	-	8,621
Miscellaneous	-	-	-	-	64,231
Parks and Recreation	-	-	415,567	11,469	151,580
Sidewalks	-	-	-	195,656	80,059
Total Expenditures	<u>191,690</u>	<u>442,377</u>	<u>614,060</u>	<u>408,253</u>	<u>539,538</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(191,690)	(442,377)	(614,060)	(408,253)	(539,538)
OTHER FINANCING USES					
Transfers From Other Funds	400,000	-	-	293,592	539,538
Total Other Financing Sources	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>293,592</u>	<u>539,538</u>
NET CHANGE IN FUND BALANCE	208,310	(442,377)	(614,060)	(114,661)	-
Fund Balance - Beginning of Year	<u>962,788</u>	<u>1,171,098</u>	<u>728,721</u>	<u>114,661</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,171,098</u>	<u>\$ 728,721</u>	<u>\$ 114,661</u>	<u>\$ -</u>	<u>\$ -</u>

**BOWLES METROPOLITAN DISTRICT
GENERAL FUND
BUDGET SUMMARY AND COMPARISON
DECEMBER 31, 2024**

	2024 Budget (As Adopted)	2025 Budget (As Adopted)	2025 Year-to-Date Actual (Unaudited) ¹
REVENUES			
Property Taxes	\$ 1,568,811	\$ 1,574,100	\$ 1,002,650
Specific Ownership Taxes	174,635	187,584	68,884
Conservation Trust Fund Proceeds	-	35,000	7,612
Net Interest Income	35,000	85,000	36,238
Miscellaneous Income	85,000	2,000	-
Other Revenue	2,000	-	-
HOA Contribution	-	30,000	-
Irrigation Fees	30,000	16,000	-
Water Tap Fees	16,000	-	-
Total Revenues	<u>1,911,446</u>	<u>1,929,684</u>	<u>1,115,384</u>
EXPENDITURES			
Accounting	50,000	67,200	22,400
Auditing	6,500	7,000	-
Banking Fees	100	-	-
Contingency	47,068	50,603	-
County Treasurer's Fee	20,331	2,500	12,684
Directors' Fees	6,000	6,000	1,800
District Management	140,000	150,000	52,794
Dues and Membership	1,500	5,000	1,220
Election	-	40,000	3,668
Engineering	20,000	45,000	553
Fence and Sign Maintenance	85,000	40,000	9,945
General Tree Maintenance	250,000	250,000	63,383
Insurance	22,504	29,900	30,804
Intergovernmental Expenditures	10,000	12,000	3,941
Landscaping	452,400	500,000	145,383
Legal	28,000	40,000	7,828
Miscellaneous	7,500	7,500	31
Payroll Taxes	497	497	138
Portable Restrooms	6,000	6,000	4,200
Repairs and Maintenance	30,000	100,000	5,135
Snow Removal	30,000	30,000	15,740
Special Events HOA	15,000	15,000	-
Storm Drainage	25,000	15,000	1,000
Stormwater Management	100,000	25,000	3,773
Utilities	30,000	15,000	9,858
Water - Non Utilities	20,000	-	-
Water Annual Assessment	60,000	60,000	57,450
Website	-	-	1,225
Total Expenditures	<u>1,463,400</u>	<u>1,519,200</u>	<u>454,953</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	448,046	410,484	660,431
OTHER FINANCING USES			
Transfers To Other Fund	<u>(1,290,000)</u>	<u>(1,520,000)</u>	<u>(107,066)</u>
Total Other Financing Uses	<u>(1,290,000)</u>	<u>(1,520,000)</u>	<u>(107,066)</u>
NET CHANGE IN FUND BALANCE	(841,954)	(1,109,516)	553,365
Fund Balance - Beginning of Year	<u>1,946,164</u>	<u>1,950,491</u>	<u>2,307,895</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,104,210</u>	<u>\$ 840,975</u>	<u>\$ 2,861,260</u>

¹Actual unaudited year-to-date figures through April 30, 2025.

**BOWLES METROPOLITAN DISTRICT
DEBT SERVICE FUND
BUDGET SUMMARY AND COMPARISON
DECEMBER 31, 2024**

	2024 Budget (As Adopted)	2025 Budget (As Adopted)	2025 Year-to-Date Actual (Unaudited) ¹
REVENUES			
Property Taxes	\$ 1,893,965	\$ 1,900,351	\$ 1,210,460
Net Interest Income	<u>30,000</u>	<u>18,000</u>	<u>9,105</u>
Total Revenues	<u>1,923,965</u>	<u>1,918,351</u>	<u>1,219,565</u>
EXPENDITURES			
County Treasurer's Fee	25,389	25,389	15,312
Paying Agent Fees	3,000	500	-
Bond Interest	707,788	668,663	-
Bond Principal	1,010,000	1,070,000	-
Contingency	25,000	22,948	-
Total Expenditures	<u>1,771,177</u>	<u>1,787,500</u>	<u>15,312</u>
EXCESS OF REVENUES OVER EXPENDITURES	152,788	130,851	1,204,253
Fund Balance - Beginning of Year	<u>121,557</u>	<u>334,624</u>	<u>332,907</u>
FUND BALANCE - END OF YEAR	<u>\$ 274,345</u>	<u>\$ 465,475</u>	<u>\$ 1,537,160</u>

¹Actual unaudited year-to-date figures through April 30, 2025.

**BOWLES METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
BUDGET SUMMARY AND COMPARISON
DECEMBER 31, 2024**

	2024 Budget <u>(As Adopted)</u>	2025 Budget <u>(As Adopted)</u>	2025 Year-to-Date Actual <u>(Unaudited) ¹</u>
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Accounting	10,000	-	-
Asphalt	50,000	50,000	-
Contingency	10,000	10,000	-
District Management	20,000	-	-
Drainage	150,000	150,000	-
Engineering	20,000	-	953
Fence and Sign Maintenance	250,000	-	-
Irrigation Improvements	100,000	150,000	-
Landscaping Improvements	125,000	125,000	8,490
Landscaping - HOA	-	75,000	-
Legal	5,000	10,000	2,102
Parks and Recreation	500,000	500,000	95,521
Sidewalks	50,000	150,000	-
Trees/Shrubs	-	250,000	-
Basketball court	-	50,000	-
Total Expenditures	<u>1,290,000</u>	<u>1,520,000</u>	<u>107,066</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,290,000)	(1,520,000)	(107,066)
OTHER FINANCING SOURCES			
Transfers From Other Funds	<u>1,290,000</u>	<u>1,520,000</u>	<u>107,066</u>
Total Other Financing Sources	<u>1,290,000</u>	<u>1,520,000</u>	<u>107,066</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

¹Actual unaudited year-to-date figures through April 30, 2025.