

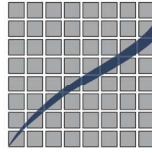
**OLD RANCH METROPOLITAN DISTRICT  
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2024**

**OLD RANCH METROPOLITAN DISTRICT  
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YEAR ENDED DECEMBER 31, 2024**

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**BiggsKofford**

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

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Board of Directors  
**Old Ranch Metropolitan District**  
El Paso County, Colorado

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Old Ranch 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, the business-type activities, and each major fund of the District as of December 31, 2024, the respective changes in financial position, the budgetary comparison for the general fund, and, where applicable, cash flows thereof 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 the 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.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, we:

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

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

## **Other Matters**

### *Required Supplementary Information*

Management has omitted 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 which 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 purposes of additional analysis 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. Such 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 supplementary information 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, as identified in the table of contents. The other information 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 provide any 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.

*BiggsKofford, P.C.*

Colorado Springs, Colorado  
September 17, 2025

## **BASIC FINANCIAL STATEMENTS**

**OLD RANCH METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024**

|   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total           |
|---|----------------------------|---------------------------------|-----------------|
| <b>ASSETS</b>                           |                            |                                 |                 |
| Cash and Investments                    | \$ 1,547,157               | \$ -                            | \$ 1,547,157    |
| Cash and Investments - Restricted       | 162,889                    | 72,347                          | 235,236         |
| Due from UCC No. 1                      | 6,570                      | -                               | 6,570           |
| Due from UCC No. 2                      | 11,028                     | -                               | 11,028          |
| Due from UCC No. 3                      | 39,566                     | -                               | 39,566          |
| Due from UCC No. 4                      | 20,375                     | -                               | 20,375          |
| Due from Other Funds                    | 89,607                     | -                               | 89,607          |
| Accounts receivable - non-potable water | -                          | 1,590,623                       | 1,590,623       |
| Accounts receivable - AFA Falfins       | 7,415                      | -                               | 7,415           |
| Accounts receivable - recreation center | 60,936                     | -                               | 60,936          |
| Prepaid Insurance                       | 5,108                      | -                               | 5,108           |
| Capital Assets:                         |                            |                                 |                 |
| Capital Assets Not Being Depreciated    | 27,750,153                 | -                               | 27,750,153      |
| Capital Assets Net of Depreciation      | 43,929,404                 | 9,653,637                       | 53,583,041      |
| Total Assets                            | 73,630,208                 | 11,316,607                      | 84,946,815      |
| <b>LIABILITIES</b>                      |                            |                                 |                 |
| Accounts Payable                        | 412,332                    | 10,332                          | 422,664         |
| Due to Other Funds                      | -                          | 89,607                          | 89,607          |
| Due to UCC No. 5                        | 1,300                      | -                               | 1,300           |
| Accrued Interest                        | 36,656                     | -                               | 36,656          |
| Noncurrent Liabilities:                 |                            |                                 |                 |
| Due Within One Year                     | 35,000                     | -                               | 35,000          |
| Due in More Than One Year               | 148,351,890                | 14,548,080                      | 162,899,970     |
| Total Liabilities                       | 148,837,178                | 14,648,019                      | 163,485,197     |
| <b>NET POSITION</b>                     |                            |                                 |                 |
| Net Investment in Capital Assets        | 26,299,620                 | (1,666,261)                     | 24,633,359      |
| Restricted for:                         |                            |                                 |                 |
| Emergency Reserve                       | 106,900                    | -                               | 106,900         |
| Capital Projects                        | 45,117                     | -                               | 45,117          |
| Indoor Pool                             | 23,625                     | -                               | 23,625          |
| Unrestricted                            | (101,682,232)              | (1,665,151)                     | (103,347,383)   |
| Total Net Position                      | \$ (75,206,970)            | \$ (3,331,412)                  | \$ (78,538,382) |

See accompanying Notes to Basic Financial Statements.

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

| FUNCTIONS/PROGRAMS                              | Program Revenues     |                            |  |  | Net Revenues (Expenses) and<br>Changes in Net Position |                             |                        |
|---|----------------------|----------------------------|--|--|--|-----------------------------|------------------------|
|   | Expenses             | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Governmental<br>Activities                             | Business-Type<br>Activities | Total                  |
| Primary Government:                             |                      |                            |  |  |  |                             |                        |
| Governmental Activities:                        |                      |                            |  |  |  |                             |                        |
| General Government                              | \$ 4,024,422         | \$ 719,886                 | \$ 2,797,285                             | \$ 20,375,000                          | \$ 19,867,749  | \$ -                        | \$ 19,867,749          |
| Interest on Long-Term Debt<br>and Related Costs | <u>7,074,498</u>     | <u>-</u>                   | <u>778,500</u>                           | <u>-</u>                               | <u>(6,295,998)</u>                                     | <u>-</u>                    | <u>(6,295,998)</u>     |
| Total Governmental Activities                   | <u>\$ 11,098,920</u> | <u>\$ 719,886</u>          | <u>\$ 3,575,785</u>                      | <u>\$ 20,375,000</u>                   | 13,571,751   | -                           | 13,571,751             |
| Business-Type Activities:                       |                      |                            |  |  |  |                             |                        |
| Water/Sewer Facilities                          | <u>\$ 1,279,770</u>  | <u>\$ 367,725</u>          | <u>\$ -</u>                              | <u>\$ -</u>                            | <u>-</u>   | <u>(912,045)</u>            | <u>(912,045)</u>       |
| Total Business-Type Activities                  | <u>\$ 1,279,770</u>  | <u>\$ 367,725</u>          | <u>\$ -</u>                              | <u>\$ -</u>                            | -  | (912,045)                   | (912,045)              |
| <b>GENERAL REVENUES</b>                         |                      |                            |  |  |  |                             |                        |
| Interest Income                                 |                      |                            |  |  | 66,838   | -                           | 66,838                 |
| Other Revenue                                   |                      |                            |  |  | 1,032  | -                           | 1,032                  |
| Total General Revenues and Transfers            |                      |                            |  |  | <u>67,870</u>  | <u>-</u>                    | <u>67,870</u>          |
| <b>CHANGES IN NET POSITION</b>                  |                      |                            |  |  | 13,639,621   | (912,045)                   | 12,727,576             |
| Net Position - Beginning of Year                |                      |                            |  |  | <u>(88,846,591)</u>                                    | <u>(2,419,367)</u>          | <u>(91,265,958)</u>    |
| <b>NET POSITION - END OF YEAR</b>               |                      |                            |  |  | <u>\$ (75,206,970)</u>                                 | <u>\$ (3,331,412)</u>       | <u>\$ (78,538,382)</u> |

See accompanying Notes to Basic Financial Statements.

**OLD RANCH METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2024**

| <b>ASSETS</b>                           | General             | Debt<br>Service  | Capital<br>Projects | Total<br>Governmental<br>Funds |
|---|---------------------|------------------|---------------------|--------------------------------|
| Cash and Investments                    | \$ 1,547,157        | \$ -             | \$ -                | \$ 1,547,157                   |
| Cash and Investments - Restricted       | 106,900             | 10,872           | 45,117              | 162,889                        |
| Due from UCC No. 1                      | 1,029               | 5,541            | -                   | 6,570                          |
| Due from UCC No. 2                      | 11,028              | -                | -                   | 11,028                         |
| Due from UCC No. 3                      | 39,566              | -                | -                   | 39,566                         |
| Due from UCC No. 4                      | 20,375              | -                | -                   | 20,375                         |
| Due from Other Funds                    | 89,607              | -                | -                   | 89,607                         |
| Accounts receivable - AFA Falfins       | 7,415               | -                | -                   | 7,415                          |
| Accounts receivable - recreation center | 60,936              | -                | -                   | 60,936                         |
| Prepaid Insurance                       | 5,108               | -                | -                   | 5,108                          |
|   | <b>Total Assets</b> | <b>\$ 16,413</b> | <b>\$ 45,117</b>    | <b>\$ 1,950,651</b>            |
| <b>LIABILITIES AND FUND BALANCES</b>    |                     |                  |                     |                                |
| <b>LIABILITIES</b>                      |                     |                  |                     |                                |
| Accounts Payable                        | \$ 412,332          | \$ -             | \$ -                | \$ 412,332                     |
| Due to UCC No. 5                        | 1,300               | -                | -                   | 1,300                          |
| Total Liabilities                       | 413,632             | -                | -                   | 413,632                        |
| <b>FUND BALANCES</b>                    |                     |                  |                     |                                |
| Nonspendable:                           |                     |                  |                     |                                |
| Prepaid Expense                         | 5,108               | -                | -                   | 5,108                          |
| Restricted for:                         |                     |                  |                     |                                |
| Emergency Reserves                      | 106,900             | -                | -                   | 106,900                        |
| Debt Service                            | -                   | 16,413           | -                   | 16,413                         |
| Capital Projects                        | -                   | -                | 45,117              | 45,117                         |
| Indoor Pool                             | 23,625              | -                | -                   | 23,625                         |
| Assigned to:                            |                     |                  |                     |                                |
| Subsequent Year's Expenditures          | 267,162             | -                | -                   | 267,162                        |
| Unassigned                              | 1,072,694           | -                | -                   | 1,072,694                      |
| Total Fund Balances                     | 1,475,489           | 16,413           | 45,117              | 1,537,019                      |
| Total Liabilities and Fund Balances     | \$ 1,889,121        | \$ 16,413        | \$ 45,117           |                                |

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.  
Capital assets, net

71,679,557

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

|                               |                      |
|-------------------------------|----------------------|
| Bond Interest Payable - 2022  | (36,656)             |
| Bond Interest Payable - 2007B | (1,365,523)          |
| Bonds Payable                 | (7,650,000)          |
| Notes Payable                 | (1,579,526)          |
| Developer Advance Payable     | (137,791,841)        |
|                               | <b>(148,423,546)</b> |

Net Position of Governmental Activities

**\$ (75,206,970)**

See accompanying Notes to Basic Financial Statements.

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

|   | General             | Debt<br>Service  | Capital<br>Projects | Total<br>Governmental<br>Funds |
|---|---------------------|------------------|---------------------|--------------------------------|
| <b>REVENUES</b>   |                     |                  |                     |                                |
| Interest Income   | \$ 43,767           | \$ 23,071        | \$ -                | \$ 66,838                      |
| Intergovernmental Revenues                              | 2,797,285           | 778,500          | 20,375,000          | 23,950,785                     |
| Recreation Center Fees                                  | 13,268              | -                | -                   | 13,268                         |
| Recreation Center Fees - HOA                            | 692,156             | -                | -                   | 692,156                        |
| Indoor Pool Revenue                                     | 14,462              | -                | -                   | 14,462                         |
| Other Revenue   | 1,032               | -                | -                   | 1,032                          |
| Total Revenues  | <u>3,561,970</u>    | <u>801,571</u>   | <u>20,375,000</u>   | <u>24,738,541</u>              |
| <b>EXPENDITURES</b>                                     |                     |                  |                     |                                |
| Current:  |                     |                  |                     |                                |
| Accounting  | 132,661             | -                | -                   | 132,661                        |
| Auditing  | 20,150              | -                | -                   | 20,150                         |
| Banking Fees  | 778                 | -                | -                   | 778                            |
| Cable/Telecom/WIFI                                      | 5,795               | -                | -                   | 5,795                          |
| District Management                                     | 130,516             | -                | -                   | 130,516                        |
| Dues And Membership                                     | 2,529               | -                | -                   | 2,529                          |
| Election  | 696                 | -                | -                   | 696                            |
| Engineering   | -                   | -                | 4,611               | 4,611                          |
| Gateway Park  | 11,840              | -                | -                   | 11,840                         |
| Insurance   | 40,192              | -                | -                   | 40,192                         |
| Landscape Maintenance                                   | 1,357,556           | -                | -                   | 1,357,556                      |
| Landscape Improvements                                  | 421,425             | -                | -                   | 421,425                        |
| Landscape Irrigation Repairs                            | 146,575             | -                | -                   | 146,575                        |
| Legal   | 27,247              | -                | -                   | 27,247                         |
| Miscellaneous   | 24,015              | -                | -                   | 24,015                         |
| Non-Potable Water Fees                                  | 280,116             | -                | -                   | 280,116                        |
| Pest Control  | 10,725              | -                | -                   | 10,725                         |
| Repairs And Maintenance                                 | 15,680              | -                | -                   | 15,680                         |
| Recreation Center - Pool                                | 93,782              | -                | -                   | 93,782                         |
| Recreation Center - Utility - Water                     | 5,321               | -                | -                   | 5,321                          |
| Recreation Center - Other                               | 9,536               | -                | -                   | 9,536                          |
| Recreation Center - Utility - Electricity               | 8,521               | -                | -                   | 8,521                          |
| Recreation Center - Utility - Gas                       | 12,012              | -                | -                   | 12,012                         |
| Recreation Center - Utility - Wastewater                | 2,622               | -                | -                   | 2,622                          |
| Recreation Center - Trash Removal                       | 6,365               | -                | -                   | 6,365                          |
| Recreation Center - Repairs And Maintenance             | 21,223              | -                | -                   | 21,223                         |
| Recreation Center - Cleaning Services                   | 14,060              | -                | -                   | 14,060                         |
| Snow Removal  | 24,392              | -                | -                   | 24,392                         |
| Storm Water Fees  | 41,897              | -                | -                   | 41,897                         |
| Utilities   | 206,247             | -                | -                   | 206,247                        |
| Debt Service:   |                     |                  |                     |                                |
| Bond Interest - Series 2007B                            | -                   | 325,463          | -                   | 325,463                        |
| Bond Interest - Series 2022                             | -                   | 441,600          | -                   | 441,600                        |
| Bond Principal - Series 2022                            | -                   | 30,000           | -                   | 30,000                         |
| Capital Projects:                                       |                     |                  |                     |                                |
| Capital Outlay  | -                   | -                | 20,663,006          | 20,663,006                     |
| Bond Issue Costs  | -                   | -                | 623                 | 623                            |
| Total Expenditures                                      | <u>3,074,474</u>    | <u>797,063</u>   | <u>20,668,240</u>   | <u>24,539,777</u>              |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> | 487,496             | 4,508            | (293,240)           | 198,764                        |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                     |                  |                     |                                |
| Developer Advance                                       | 178,162             | -                | 20,663,006          | 20,841,168                     |
| Repay Developer Advance                                 | -                   | -                | (20,375,000)        | (20,375,000)                   |
| Long-Term Note Advance                                  | 280,116             | -                | -                   | 280,116                        |
| Total Other Financing Sources                           | <u>458,278</u>      | <u>-</u>         | <u>288,006</u>      | <u>746,284</u>                 |
| <b>NET CHANGE IN FUND BALANCES</b>                      | 945,774             | 4,508            | (5,234)             | 945,048                        |
| Fund Balances - Beginning of Year                       | <u>529,715</u>      | <u>11,905</u>    | <u>50,351</u>       | <u>591,971</u>                 |
| <b>FUND BALANCES - END OF YEAR</b>                      | <u>\$ 1,475,489</u> | <u>\$ 16,413</u> | <u>\$ 45,117</u>    | <u>\$ 1,537,019</u>            |

See accompanying Notes to Basic Financial Statements.

**OLD RANCH 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 \$ 945,048

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       | 20,663,006  |
| Depreciation Expense | (1,696,564) |

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.

|                                 |              |
|---------------------------------|--------------|
| Proceeds From Long-Term Note    | (280,116)    |
| Bond Principal                  | 30,000       |
| Proceeds From Developer Advance | (20,841,168) |
| Repay Developer Advance         | 20,375,000   |

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

|  |                   |
|--|-------------------|
| Accrued Interest Payable - Change in Liability - Series 2022     | 144               |
| Accrued Interest Payable - Change in Liability - Series 2007B    | 202,214           |
| Accrued Interest Payable Developer Advance - Change in Liability | (5,757,943)       |
|  | <u>13,639,621</u> |

Changes in Net Position of Governmental Activities \$ 13,639,621

**OLD RANCH METROPOLITAN DISTRICT  
GENERAL FUND –  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

|   | Budget            |                   | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------|-------------------|---------------------|---|
|   | Original          | Final             |                     |   |
| <b>REVENUES</b>                                 |                   |                   |                     |   |
| Interest Income                                 | \$ -              | \$ 40,000         | \$ 43,767           | \$ 3,767  |
| Intergovernmental Revenues                      | 2,704,665         | 2,704,665         | 2,797,285           | 92,620  |
| Recreation Center Fees                          | 30,000            | 30,000            | 13,268              | (16,732)  |
| Recreation Center Fees - HOA                    | 650,000           | 650,000           | 692,156             | 42,156  |
| Indoor Pool Revenue                             | 30,000            | 30,000            | 14,462              | (15,538)  |
| Recreation Center Rental Income                 | 5,000             | 5,000             | -                   | (5,000)   |
| Other Revenue                                   | -                 | 65,335            | 1,032               | (64,303)  |
| Total Revenues                                  | <u>3,419,665</u>  | <u>3,525,000</u>  | <u>3,561,970</u>    | <u>36,970</u>   |
| <b>EXPENDITURES</b>                             |                   |                   |                     |   |
| Accounting                                      | 110,000           | 110,000           | 132,661             | (22,661)  |
| Auditing  | 16,500            | 16,500            | 20,150              | (3,650)   |
| Banking Fees                                    | 1,000             | -                 | 778                 | 222   |
| Consulting Services                             | 190,000           | 190,000           | -                   | 190,000   |
| Contingency                                     | 11,000            | 11,000            | -                   | 11,000  |
| Cable/Telecom/Wifi                              | 14,000            | 14,000            | 5,795               | 8,205   |
| District Management                             | 105,000           | 105,000           | 130,516             | (25,516)  |
| Dues And Membership                             | 5,000             | 5,000             | 2,529               | 2,471   |
| Election  | -                 | -                 | 696                 | (696)   |
| Gateway Park                                    | 3,500             | 3,500             | 11,840              | (8,340)   |
| Insurance                                       | 40,000            | 40,000            | 40,192              | (192)   |
| Landscape Maintenance                           | 708,000           | 1,181,000         | 1,357,556           | (176,556)   |
| Landscape Improvements                          | 592,000           | 592,000           | 421,425             | 170,575   |
| Landscape Irrigation Repairs                    | -                 | -                 | 146,575             | (146,575)   |
| Legal   | 80,000            | 80,000            | 27,247              | 52,753  |
| Miscellaneous                                   | 22,000            | 22,000            | 24,015              | (2,015)   |
| Non-Potable Water Fees                          | 250,000           | 250,000           | 280,116             | (30,116)  |
| Pest Control                                    | 10,000            | 10,000            | 10,725              | (725)   |
| Repairs And Maintenance                         | 5,000             | 5,000             | 15,680              | (10,680)  |
| Recreation Center - Pool                        | 120,000           | 120,000           | 93,782              | 26,218  |
| Recreation Center - Utility - Water             | 20,000            | 20,000            | 5,321               | 14,679  |
| Recreation Center - Other                       | 10,000            | 10,000            | 9,536               | 464   |
| Recreation Center - Utility - Electricity       | 10,000            | 10,000            | 8,521               | 1,479   |
| Recreation Center - Utility - Gas               | 25,000            | 25,000            | 12,012              | 12,988  |
| Recreation Center - Utility - Wastewater        | 5,000             | 5,000             | 2,622               | 2,378   |
| Recreation Center - Trash Removal               | 9,000             | 9,000             | 6,365               | 2,635   |
| Recreation Center - Repairs And Maintenance     | 60,000            | 60,000            | 21,223              | 38,777  |
| Recreation Center - Cleaning Services           | 5,000             | 5,000             | 14,060              | (9,060)   |
| Recreation Center - Furniture/Equipment         | 15,000            | 15,000            | -                   | 15,000  |
| Snow Removal                                    | -                 | -                 | 24,392              | (24,392)  |
| Storm Water Fees                                | 50,000            | 50,000            | 41,897              | 8,103   |
| Utilities                                       | 135,000           | 135,000           | 206,247             | (71,247)  |
| Total Expenditures                              | <u>2,627,000</u>  | <u>3,100,000</u>  | <u>3,074,474</u>    | <u>25,526</u>   |
| <b>EXCESS OF REVENUES OVER<br/>EXPENDITURES</b> | 792,665           | 425,000           | 487,496             | 62,496  |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                   |                   |                     |   |
| Developer Advance                               | -                 | -                 | 178,162             | 178,162   |
| Long-Term Note Advance                          | -                 | 75,000            | 280,116             | 205,116   |
| Transfers To Other Fund                         | (500,000)         | (500,000)         | -                   | 500,000   |
| Total Other Financing Sources (Uses)            | <u>(500,000)</u>  | <u>(425,000)</u>  | <u>458,278</u>      | <u>883,278</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>               | 292,665           | -                 | 945,774             | 945,774   |
| Fund Balance - Beginning of Year                | <u>323,462</u>    | <u>323,462</u>    | <u>529,715</u>      | <u>206,253</u>  |
| <b>FUND BALANCE - END OF YEAR</b>               | <u>\$ 616,127</u> | <u>\$ 323,462</u> | <u>\$ 1,475,489</u> | <u>\$ 1,152,027</u>                                     |

See accompanying Notes to Basic Financial Statements.

**OLD RANCH METROPOLITAN DISTRICT  
ENTERPRISE FUND –  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024**

**OPERATING REVENUES**

|                          |                |
|--------------------------|----------------|
| Operating Revenues       | \$ 367,725     |
| Total Operating Revenues | <u>367,725</u> |

**OPERATING EXPENSES**

|                                      |                |
|--------------------------------------|----------------|
| Administration and General Expenses: |                |
| Repairs and maintenance              | 103,252        |
| Engineering                          | 10,843         |
| Administration fees                  | 1,802          |
| Utilities                            | 54,514         |
| Storm water fees                     | 1,332          |
| Depreciation Expense                 | 356,800        |
| Total Operating Expenses             | <u>528,543</u> |

**OPERATING LOSS** (160,818)

**NONOPERATING REVENUES AND EXPENSES**

|  |                  |
|--|------------------|
| Interest Expense                         | (751,227)        |
| Total Nonoperating Revenues and Expenses | <u>(751,227)</u> |

**CHANGE IN NET POSITION** (912,045)

Total Net Position - Beginning of Year (2,419,367)

**TOTAL NET POSITION - END OF YEAR** \$ (3,331,412)

*See accompanying Notes to Basic Financial Statements.*

**OLD RANCH METROPOLITAN DISTRICT  
ENTERPRISE FUND –  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2024**

|   | Enterprise              |
|---|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                         |
| Receipts from Customers   | \$ 92,862               |
| Payments to Suppliers   | (165,857)               |
| Received from Other Funds   | 89,607                  |
| Net Cash Provided by Operating Activities   | <u>16,612</u>           |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                       |                         |
| Acquisition of Capital Assets   | (1,170,831)             |
| Proceeds from Developer Advances  | 1,170,831               |
| Net Cash Provided by Capital and Related Financing Activities                         | <u>-</u>                |
| <b>INCREASE IN CASH AND CASH EQUIVALENTS</b>  | 16,612                  |
| Cash and Cash Equivalents - Beginning of Year   | <u>55,735</u>           |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>  | <u><u>\$ 72,347</u></u> |
| <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  |                         |
| Operating Loss  | \$ (160,818)            |
| Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities: |                         |
| Depreciation  | 356,800                 |
| Increase in:  |                         |
| Accounts Receivable   | (274,863)               |
| Increase in:  |                         |
| Accounts Payable  | 5,886                   |
| Due to Other Funds  | 89,607                  |
| Net Cash Provided by Operating Activities   | <u><u>\$ 16,612</u></u> |

See accompanying Notes to Basic Financial Statements.

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

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Old Ranch Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court of El Paso County on August 27, 2002, concurrently with Upper Cottonwood Creek Metropolitan District (collectively, the Districts). The Districts were formed under a Joint Service Plan approved by the City of Colorado Springs (the City) and modified on February 6, 2006, and are governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Districts' Amended Service Plan allowed for the creation of Upper Cottonwood Creek Metropolitan District Nos. 2 – 5 within the original boundaries of Upper Cottonwood Creek Metropolitan District. The Districts' service area is located entirely within the City. The District is responsible for managing the construction of certain public facilities and improvements and for operation and maintenance of the limited list of public improvements which are not conveyed to the City. Upper Cottonwood Creek and Upper Cottonwood Creek Nos. 2 – 5 (collectively, the Financing Districts) are responsible for providing the funding and tax base needed to support the financing plan for capital improvements and to fund limited ongoing operations. Under the Amended Service Plan, the Districts provide the following services: parks and recreation, sanitary sewer, storm drainage, streets, traffic safety protection, water, and mosquito control.

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

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

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 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. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

**OLD RANCH 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 net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

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

Separate financial statements are provided for the governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

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

The District reports the following major governmental funds:

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

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

**OLD RANCH 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)**

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

The District reports the following major proprietary funds:

The Enterprise Fund accounts for the non-potable water operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the District's non-potable water function and various other functions of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

**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 amended its annual budget for the year ended December 31, 2024.

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

**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 and investments.

**Cash and Equivalents**

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

**Interfund Balances**

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds (current portion of interfund loans) or advances to/from other funds (long-term portion of interfund loans). The interfund balances have been eliminated in the government-wide statements except for the residual balances between the governmental activities and business-type activities, which are reported as internal balances.

**Capital Assets**

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

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

It is the policy of the City to accept maintenance responsibility for all capital improvements within the City, except for certain landscaping improvements specified in the District's Service Plan, upon the District's completion and conveyance of such improvements provided they meet the City's specifications.

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

|                                 |          |
|---------------------------------|----------|
| Parks and Recreation Facilities | 30 Years |
| Storm Drainage                  | 30 Years |
| Nonpotable Water Systems        | 30 Years |

**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.

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

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

Statement of Net Position:

|                                   |                            |
|-----------------------------------|----------------------------|
| Cash and Investments              | \$ 1,547,157               |
| Cash and Investments - Restricted | <u>235,236</u>             |
| Total Cash and Investments        | <u><u>\$ 1,782,393</u></u> |

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

|                                      |                            |
|--------------------------------------|----------------------------|
| Deposits with Financial Institutions | \$ 1,086,464               |
| Investments                          | <u>695,929</u>             |
| Total Cash and Investments           | <u><u>\$ 1,782,393</u></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. 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, 2024, the District’s cash deposits had a bank balance of \$1,086,464 and a carrying balance of \$1,086,464.

**OLD RANCH 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) | Weighted-Average<br>Under 60 Days | \$ 695,929        |
| Total  |                                   | <u>\$ 695,929</u> |

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

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**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.

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 AAAs/S1 by FitchRatings. 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.

**OLD RANCH 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<br>December 31,<br>2023 | Increases            | Decreases   | Balance at<br>December 31,<br>2024 |
|---|------------------------------------|----------------------|-------------|------------------------------------|
| <b>Governmental Activities:</b>                 |                                    |                      |             |                                    |
| Capital Assets, Not Being Depreciated:          |                                    |                      |             |                                    |
| Capital Assets                                  | \$ 13,399,277                      | \$ 14,350,876        | \$ -        | \$ 27,750,153                      |
| Total Capital Assets, Not Being Depreciated     | 13,399,277                         | 14,350,876           | -           | 27,750,153                         |
| Capital Assets, Being Depreciated:              |                                    |                      |             |                                    |
| Parks and Recreation                            | 20,533,431                         | 2,365,432            | -           | 22,898,863                         |
| Drainage and Detention                          | 27,362,648                         | 3,946,698            | -           | 31,309,346                         |
| Total Capital Assets, Being Depreciated         | 47,896,079                         | 6,312,130            | -           | 54,208,209                         |
| Less Accumulated Depreciation for:              |                                    |                      |             |                                    |
| Accumulated Depreciation - Parks and Rec        | (4,997,944)                        | (721,933)            | -           | (5,719,877)                        |
| Accumulated Depreciation - Drainage & Detention | (3,584,297)                        | (974,631)            | -           | (4,558,928)                        |
| Total Accumulated Depreciation                  | (8,582,241)                        | (1,696,564)          | -           | (10,278,805)                       |
| Governmental Activities Capital Assets, Net     | <u>\$ 52,713,115</u>               | <u>\$ 18,966,442</u> | <u>\$ -</u> | <u>\$ 71,679,557</u>               |
| <b>Business-Type Activities:</b>                |                                    |                      |             |                                    |
| Capital Assets, Being Depreciated:              |                                    |                      |             |                                    |
| Non-potable Water Systems                       | \$ 10,149,067                      | \$ 1,170,831         | \$ -        | \$ 11,319,898                      |
| Total Capital Assets, Being Depreciated         | 10,149,067                         | 1,170,831            | -           | 11,319,898                         |
| Less Accumulated Depreciation for:              |                                    |                      |             |                                    |
| Accumulated Depreciation                        | (1,309,461)                        | (356,800)            | -           | (1,666,261)                        |
| Total Accumulated Depreciation                  | (1,309,461)                        | (356,800)            | -           | (1,666,261)                        |
| Business-Type Activities Capital Assets, Net    | <u>\$ 8,839,606</u>                | <u>\$ 814,031</u>    | <u>\$ -</u> | <u>\$ 9,653,637</u>                |

Depreciation expense was charged to the general government and enterprise functions/programs of the District as follows:

**Governmental Activities:**

Total Depreciation Expense - Governmental Activities \$ (1,696,564)

**Business-Type Activities:**

Total Depreciation Expense - Business-Type Activities \$ (356,800)

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

**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<br>December 31,<br>2023 | Additions            | Reductions           | Balance at<br>December 31,<br>2024 | Due<br>Within<br>One Year |
|--|------------------------------------|----------------------|----------------------|------------------------------------|---------------------------|
| <b>Governmental Activities:</b>  |                                    |                      |                      |                                    |                           |
| Bonds Payable:   |                                    |                      |                      |                                    |                           |
| General Obligation Bonds   |                                    |                      |                      |                                    |                           |
| Series 2022 Refunding Bond   | \$ 7,680,000                       | \$ -                 | \$ 30,000            | \$ 7,650,000                       | \$ 35,000                 |
| Accrued Interest   |                                    |                      |                      |                                    |                           |
| Series 2007B Sub. Special Revenue  | 1,567,737                          | 123,249              | 325,463              | 1,365,523                          | -                         |
| Bond Subtotal Bonds Payable  | 9,247,737                          | 123,249              | 355,463              | 9,015,523                          | 35,000                    |
| Notes/Loans/Bonds from Direct Borrowings<br>and Direct Placements:         |                                    |                      |                      |                                    |                           |
| Long-Term Note Advance   | 1,299,410                          | 280,116              | -                    | 1,579,526                          | -                         |
| Subtotal Notes/Loans/Bonds from Direct<br>Borrowings and Direct Placements | 1,299,410                          | 280,116              | -                    | 1,579,526                          | -                         |
| Other Debts:   |                                    |                      |                      |                                    |                           |
| Developer Advance - Operating  | 7,047,625                          | 178,162              | -                    | 7,225,787                          | -                         |
| Developer Advance - Capital  | 74,867,081                         | 20,663,006           | 20,375,000           | 75,155,087                         | -                         |
| Accrued Interest on:   |                                    |                      |                      |                                    |                           |
| Developer Advance - Operating  | 4,180,383                          | 493,334              | -                    | 4,673,717                          | -                         |
| Developer Advance - Capital  | 45,472,641                         | 5,264,609            | -                    | 50,737,250                         | -                         |
| Subtotal Other Debts   | 131,567,730                        | 26,599,111           | 20,375,000           | 137,791,841                        | -                         |
| Total Long-Term Obligations  | <u>\$ 142,114,877</u>              | <u>\$ 27,002,476</u> | <u>\$ 20,730,463</u> | <u>\$ 148,386,890</u>              | <u>\$ 35,000</u>          |
| <b>Business-Type Activities:</b>   |                                    |                      |                      |                                    |                           |
| Other Debts:   |                                    |                      |                      |                                    |                           |
| Developer Advance - Capital  | \$ 10,149,067                      | \$ 1,170,831         | \$ -                 | \$ 11,319,898                      | \$ -                      |
| Accrued Interest on:   |                                    |                      |                      |                                    |                           |
| Developer Advance - Capital  | 2,476,955                          | 751,227              | -                    | 3,228,182                          | -                         |
| Subtotal Other Debts   | 12,626,022                         | 1,922,058            | -                    | 14,548,080                         | -                         |
| Total Long-Term Obligations  | <u>\$ 12,626,022</u>               | <u>\$ 1,922,058</u>  | <u>\$ -</u>          | <u>\$ 14,548,080</u>               | <u>\$ -</u>               |

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

**Series 2007B Bonds Payable**

On March 15, 2007, the District issued \$1,300,000 of Taxable Subordinate Special Revenue Bonds, Series 2007B. The Bonds were issued to reimburse the Developer for infrastructure acquired by the District. The Series 2007B Bonds bear interest at 8.00% per annum.

The Bonds are secured by and payable from the Pledged Revenue (see Note 9, Capital Pledge Agreement), consisting of monies derived by 1) the Taxing Districts from the following sources, net of collection costs: the Taxing Districts Mill Levy, 2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Mill Levy, and 3) any other legally available monies of the District credited to the Bond Fund.

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

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$7,680,000 Limited Special Revenue Refunding Bonds, Series 2022**

On April 28, 2022, the District issued \$7,680,000 in Limited Special Revenue Refunding Bonds, Series 2022 (the Series 2022 Bonds). Proceeds from the sale of the Series 2022 Bonds were used to pay the costs of issuing for the Series 2022 Bonds, refund the Series 2007A Bonds in full, and to refund all principal of the Series 2007B Bonds and a portion of the Series 2007B Bonds accrued interest.

The Series 2022 Bonds bear interest at a rate of 5.75%, payable annually on December 1, beginning on December 1, 2022. The Series 2022 Bonds were issued as term bonds that have mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2024. The Series 2022 Bonds mature on December 1, 2046.

To the extent principal of any Series 2022 Bond is not paid when due, principal shall remain Outstanding until its payment and shall continue to bear interest at the rate then borne by the Series 2022 Bonds. To the extent interest on any Series 2022 Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Series 2022 Bonds.

The Series 2022 Bonds are subject to redemption prior to maturity, at the option of the District to the extent permitted by law, on December 1, 2028, upon payment of par and accrued interest and on any date thereafter, with no redemption premium.

The Series 2022 Bonds are secured by and payable from moneys derived by the District from the following sources: (a) the Taxing Districts from the following sources, net of collection costs: the Taxing Districts Mill Levy; (b) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Taxing Districts Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the debt service fund for application as Pledged Revenue.

**Events of Default for the Series 2022 Bonds**

The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an event of default under the Indenture:

- i. The District fails or refuses to impose the required mill levy or to apply the pledged revenue as provided in the bond resolution.
- ii. The District defaults in the performance or observance of any other of the covenants in the bond resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the District by the Owner.
- iii. The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bonds.

It is acknowledged that due to the limited nature of the pledged revenue, the failure to pay the principal of or interest on the bonds when due shall not, of itself, constitute an event of Default under the Indenture.

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

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**\$7,680,000 Limited Special Revenue Refunding Bonds, Series 2022 (Continued)**

Remedies on Occurrence of Event of Default for the Series 2022 Bonds

Upon the occurrence and continuance of an Event of Default, the Trustee shall have the following rights and remedies which may be pursued:

- i. Mandamus or Other Suit: The Owner may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights.

No Acceleration

Notwithstanding the foregoing or anything else herein to the contrary, acceleration shall not be an available remedy for an Event of Default.

As of December 31, 2024, the District was not in default.

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

| <u>Year Ending December 31,</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>         |
|---------------------------------|---------------------|---------------------|----------------------|
| 2025                            | \$ 35,000           | \$ 439,875          | \$ 474,875           |
| 2026                            | 65,000              | 437,863             | 502,863              |
| 2027                            | 70,000              | 434,125             | 504,125              |
| 2028                            | 100,000             | 430,100             | 530,100              |
| 2029                            | 105,000             | 424,350             | 529,350              |
| 2030-2034                       | 960,000             | 1,996,976           | 2,956,976            |
| 2035-2039                       | 1,760,000           | 1,635,301           | 3,395,301            |
| 2040-2044                       | 2,950,000           | 1,002,514           | 3,952,514            |
| 2045-2046                       | 1,605,000           | 141,163             | 1,746,163            |
| Total                           | <u>\$ 7,650,000</u> | <u>\$ 6,942,267</u> | <u>\$ 14,592,267</u> |

**Authorized Debt**

On November 5, 2002, the District's electorate authorized the issuance of indebtedness in an amount not to exceed \$52,280,000 for infrastructure improvements and operations and maintenance at an interest rate not to exceed 12% and \$52,280,000 for refunding the District's debt or other obligations.

|                                      | <u>Authorized<br/>November 5,<br/>2002 Election</u> | <u>Authorization<br/>Used<br/>2007 Bonds</u> | <u>Authorization<br/>Used<br/>2022 Bonds</u> | <u>Remaining at<br/>December 31,<br/>2024</u> |
|--------------------------------------|---|--|--|---|
| Streets                              | \$ 24,790,200                                       | \$ 4,160,024                                 | \$ -   | \$ 20,630,176                                 |
| Water                                | 4,393,200   | 2,029,000                                    | -  | 2,364,200                                     |
| Sanitary Sewer and Storm<br>Drainage | 8,034,200   | 697,000                                      | -  | 7,337,200                                     |
| Parks and Recreation                 | 15,062,400  | 109,000                                      | -  | 14,953,400                                    |
| Refunding of Debt                    | 52,280,000  | -  | 7,680,000                                    | 44,600,000                                    |
| Total                                | <u>\$ 104,560,000</u>                               | <u>\$ 6,995,024</u>                          | <u>\$ 7,680,000</u>                          | <u>\$ 89,884,976</u>                          |

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

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Authorized Debt (Continued)**

Pursuant to the Joint Service Plan as amended on February 6, 2006, the Districts can issue bond indebtedness of up to \$7,000,000. In addition, the maximum debt service mill levy for the Districts is 16.500 mills, as adjusted for changes in the ratio of actual value to assessed value property within the Districts. As of December 31, 2024, the calculated adjusted debt service mill levy was 25.316 mills. For collection during 2024, Upper Cottonwood Creek Metropolitan District levied 25.316 mills and remitted the net property taxes to the District per agreement (Note 9).

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 within the limitations of the District's Service Plan.

**Developer Advances**

For the year ended December 31, 2024, the District recognized a total of \$178,162 in Developer advances for operations provided by the Developer and a total of \$20,663,006 in Developer advances for capital improvements.

In July, 2006, amended on March 30, 2011, the District and the Financing Districts entered into a Joint Financing and Reimbursement Agreement with Development Management, Inc.; Villages at Wolf Ranch, LLC; and Westcreek at Wolf Ranch, LLC (collectively, the Developer) to repay advances made by the Developer for operation and maintenance and capital improvement costs. The District agrees to repay the Developer along with accrued interest of 7% from the first day of the following year in which the advances were made. The District's repayment obligation pursuant to this agreement is subject to annual appropriation.

As of December 31, 2024, outstanding Developer Advances under the agreement totaled \$93,700,772 and accrued interest totaled \$58,639,149.

**Long-Term Receivable**

For the year ended December 31, 2024, the District recognized a total of \$280,116 in long-term receivables for water used within the District which was provided by the enterprise fund. The general fund has been unable to fund these costs since inception. The repayment of this long-term receivable is subject to annual appropriation.

As of December 31, 2024, the District had total long-term receivables of \$1,579,526 in the enterprise fund and corresponding long-term obligations of \$1,579,526 in the general fund.

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

**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 component of net position consists of capital assets that are owned by the District, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

As of December 31, 2024, the District had net investment in capital assets calculated as follows:

|   | Governmental<br>Activities | Business-<br>Type<br>Activities |
|---|----------------------------|---------------------------------|
| Net Investment in Capital Assets:           |                            |                                 |
| Capital Assets, Net                         | \$ 71,679,557              | \$ 9,653,637                    |
| Noncurrent Portion of Long-Term Obligations | (45,379,937)               | (11,319,898)                    |
| Net Investment in Capital Assets            | \$ 26,299,620              | \$ (1,666,261)                  |

The restricted component of net position consists of 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:

|                               | Governmental<br>Activities |
|-------------------------------|----------------------------|
| Restricted Net Position:      |                            |
| Emergencies                   | \$ 106,900                 |
| Indoor Pool                   | 23,625                     |
| Capital Projects Reserve      | 45,117                     |
| Total Restricted Net Position | \$ 175,642                 |

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

**NOTE 7 RELATED PARTIES**

The Developer of the property which constitutes the District is Nor'wood Development Group, Development Management INC., Villages at Wolf Ranch, LLC, and Westcreek at Wolf Ranch, LLC. The members of the Board of Directors are officers of, employees of, or associated with the Developer and may have conflicts of interest in dealing with the District. See Note 5 concerning advances made by the Developer.

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

**NOTE 8 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 9 AGREEMENTS**

On January 14, 2002, the District entered into a District Facilities Construction and Service Agreement (IGA) with Upper Cottonwood Creek Metropolitan District. The IGA was amended on June 1, 2006, to include Upper Cottonwood Creek Metropolitan District Nos. 2 – 5. The IGA provides that the District is to construct, own, maintain and operate the facilities benefiting the aforementioned Districts. Upper Cottonwood Creek Metropolitan District and Upper Cottonwood Creek Metropolitan District Nos. 2 – 5 have agreed to finance such activities by either issuing bonds and/or pledging certain revenues collected within the boundaries of the Financing Districts.

On February 10, 2010 and amended on April 26, 2019, the District entered into an agreement with AFA Falfins, Inc. (Falfins) that allows Falfins to use the pool during the Off Season for swim lessons, water aerobics, and other related activities. The District is responsible for maintaining a reserve fund that both the District and Falfins will make contributions into that will be used to pay for future repairs and maintenance to the pool. These agreements were superseded by an agreement with substantially the same terms on June 1, 2024. At December 31, 2024, the District had \$23,625 of restricted net position for Indoor Pool Reserves.

On June 25, 2018, the District entered into a Water Purchase Agreement with Wolf Ranch Water Co., LLC (Water Company). The Water Purchase Agreement allows the District to purchase up to 521-acre feet per year of water rights from the Water Company for the sole purpose of providing non-potable water to the area generally known as Wolf Ranch development in Colorado Springs. The District will account for all revenues and expenses related to the non-potable water separate from the District's other activities. The agreement remains in effect until all bonds or other debt obligations issued by the District for financing the infrastructure have been repaid.

**Capital Pledge Agreement**

On February 20, 2007, the District (Issuing District) and Upper Cottonwood Creek Metropolitan District entered into a Capital Pledge Agreement (the Pledge Agreement) to secure payment of the District's Limited Tax Special Revenue Refunding Bonds (the 2007 Bonds) issued by the District on March 15, 2007, for the purposes of financing public infrastructure.

Pursuant to the Pledge Agreement, Upper Cottonwood Creek Metropolitan District has pledged certain property tax revenues received to repay the 2007 Bonds. Effective March 30, 2022, a resolution was approved to apply the Pledge Agreement to the Limited Tax Special Revenue Refunding Bonds Series 2022.

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

**NOTE 10 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 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 11 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.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

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.

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.

On November 5, 2002, the District's voters authorized the District to increase property taxes \$1,700,000 annually, without limitation of rate and without regard to any spending, revenue raising, or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, spend or retain all revenue without regard to any limitations under TABOR.

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

**NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

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**

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

|                                   | Original<br>and Final<br>Budget | Actual<br>Amounts       | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|---------------------------------|-------------------------|---|
| <b>REVENUES</b>                   |                                 |                         |   |
| Interest Income                   | \$ 12,000                       | \$ 23,071               | \$ 11,071   |
| Intergovernmental revenues        | 782,964                         | 778,500                 | (4,464)   |
| Other Revenue                     | 15,000                          | -                       | (15,000)  |
| Total Revenues                    | <u>809,964</u>                  | <u>801,571</u>          | <u>(8,393)</u>  |
| <b>EXPENDITURES</b>               |                                 |                         |   |
| Bond Interest - Series 2007B      | 311,487                         | 325,463                 | (13,976)  |
| Bond Interest - Series 2022       | 441,600                         | 441,600                 | -   |
| Bond Principal - Series 2022      | 30,000                          | 30,000                  | -   |
| Contingency                       | 14,913                          | -                       | 14,913  |
| Total Expenditures                | <u>798,000</u>                  | <u>797,063</u>          | <u>937</u>  |
| <b>NET CHANGE IN FUND BALANCE</b> | 11,964                          | 4,508                   | (7,456)   |
| Fund Balance - Beginning of Year  | <u>23,207</u>                   | <u>11,905</u>           | <u>(11,302)</u>   |
| <b>FUND BALANCE - END OF YEAR</b> | <u><u>\$ 35,171</u></u>         | <u><u>\$ 16,413</u></u> | <u><u>\$ (18,758)</u></u>                               |

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

|   | Budget           |               | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|---------------|-------------------|---|
|   | Original         | Final         |                   |   |
| <b>REVENUES</b>   |                  |               |                   |   |
| Intergovernmental Revenues                              | \$ 9,000,000     | \$ 20,375,000 | \$ 20,375,000     | \$ -  |
| Total Revenues  | 9,000,000        | 20,375,000    | 20,375,000        | -   |
| <b>EXPENDITURES</b>                                     |                  |               |                   |   |
| Accounting  | 3,000            | -             | -                 | -   |
| Engineering   | -                | -             | 4,611             | (4,611)   |
| Bond Issue Costs  | -                | -             | 623               | (623)   |
| Capital Outlay  | 20,000,000       | 21,125,000    | 20,663,006        | 461,994   |
| Total Expenditures                                      | 20,003,000       | 21,125,000    | 20,668,240        | 456,760   |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> |                  |               |                   |   |
|   | (11,003,000)     | (750,000)     | (293,240)         | 456,760   |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                  |               |                   |   |
| Developer Advance                                       | 20,000,000       | 21,125,000    | 20,663,006        | (461,994)   |
| Repay Developer Advance                                 | (9,000,000)      | (20,375,000)  | (20,375,000)      | -   |
| Total Other Financing Sources (Uses)                    | 11,000,000       | 750,000       | 288,006           | (461,994)   |
| <b>NET CHANGE IN FUND BALANCE</b>                       |                  |               |                   |   |
|   | (3,000)          | -             | (5,234)           | (5,234)   |
| Fund Balance - Beginning of Year                        | 50,350           | -             | 50,351            | 50,351  |
| <b>FUND BALANCE - END OF YEAR</b>                       | <u>\$ 47,350</u> | <u>\$ -</u>   | <u>\$ 45,117</u>  | <u>\$ 45,117</u>  |

**OLD RANCH METROPOLITAN DISTRICT  
ENTERPRISE FUND –  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

|   | Budget              |                   | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|-------------------|---------------------|---|
|   | Original            | Final             |                     |   |
| <b>REVENUES</b>   |                     |                   |                     |   |
| Water Service Fees                                      | \$ 320,000          | \$ 320,000        | \$ 367,725          | \$ 47,725   |
| Interest Income   | 100                 | 100               | -                   | (100)   |
| Total Revenues  | <u>320,100</u>      | <u>320,100</u>    | <u>367,725</u>      | <u>47,625</u>   |
| <b>EXPENDITURES</b>                                     |                     |                   |                     |   |
| Administration and General Expenses:                    |                     |                   |                     |   |
| Administration Fees                                     | 25,000              | 25,000            | 1,802               | 23,198  |
| Repairs And Maintenance                                 | 60,000              | 60,000            | 103,252             | (43,252)  |
| Engineering   | 10,000              | 10,000            | 10,843              | (843)   |
| Storm Water Fees  | -                   | -                 | 1,332               | (1,332)   |
| Utilities   | 50,000              | 50,000            | 54,514              | (4,514)   |
| Capital Expenditures/Outlay:                            |                     |                   |                     |   |
| Capital Outlay  | 1,000,000           | 1,355,000         | 1,170,831           | 184,169   |
| Total Expenditures                                      | <u>1,145,000</u>    | <u>1,500,000</u>  | <u>1,342,574</u>    | <u>157,426</u>  |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b> | (824,900)           | (1,179,900)       | (974,849)           | 205,051   |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                     |                   |                     |   |
| Developer Advance                                       | 1,000,000           | 1,355,000         | 1,170,831           | (184,169)   |
| Repay Developer Advance                                 | (500,000)           | (500,000)         | -                   | 500,000   |
| Transfers From Other Funds                              | 500,000             | -                 | -                   | -   |
| Total Other Financing Sources                           | <u>1,000,000</u>    | <u>855,000</u>    | <u>1,170,831</u>    | <u>315,831</u>  |
| <b>NET CHANGE IN FUNDS AVAILABLE</b>                    | 175,100             | (324,900)         | 195,982             | 520,882   |
| Funds Available - Beginning of Year                     | <u>1,262,100</u>    | <u>1,262,100</u>  | <u>1,367,049</u>    | <u>104,949</u>  |
| <b>FUND AVAILABLE - END OF YEAR</b>                     | <u>\$ 1,437,200</u> | <u>\$ 937,200</u> | <u>\$ 1,563,031</u> | <u>\$ 625,831</u>                                       |

**OLD RANCH METROPOLITAN DISTRICT  
ENTERPRISE FUND –  
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024**

|   |                              |
|---|------------------------------|
| <b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br/> FINANCING SOURCES OVER (UNDER) EXPENDITURES<br/> AND OTHER FINANCING SOURCES (USES) (BUDGETARY BASIS)</b> | <b>\$ 195,982</b>            |
| Add:  |                              |
| Current Year Capital Outlay   | 1,170,831                    |
| Deduct:   |                              |
| Developer Advance   | (1,170,831)                  |
| Depreciation  | (356,800)                    |
| Interest Expense  | <u>(751,227)</u>             |
| <b>CHANGE IN NET POSITION</b>   | <b>(912,045)</b>             |
| Total Net Position - Beginning of Year  | <u>(2,419,367)</u>           |
| <b>TOTAL NET POSITION - END OF YEAR</b>   | <b><u>\$ (3,331,412)</u></b> |

## **OTHER INFORMATION**

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

\$7,680,000 Limited Tax Special  
Revenue Refunding Bond  
Series 2022  
Dated April 28, 2022  
Interest Rate 5.75%  
Principal Due December 1  
Interest Payable December 1

| <u>Year Ending December 31,</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>         |
|---------------------------------|---------------------|---------------------|----------------------|
| 2025                            | \$ 35,000           | \$ 439,875          | \$ 474,875           |
| 2026                            | 65,000              | 437,863             | 502,863              |
| 2027                            | 70,000              | 434,125             | 504,125              |
| 2028                            | 100,000             | 430,100             | 530,100              |
| 2029                            | 105,000             | 424,350             | 529,350              |
| 2030                            | 145,000             | 418,313             | 563,313              |
| 2031                            | 155,000             | 409,975             | 564,975              |
| 2032                            | 195,000             | 401,063             | 596,063              |
| 2033                            | 210,000             | 389,850             | 599,850              |
| 2034                            | 255,000             | 377,775             | 632,775              |
| 2035                            | 270,000             | 363,113             | 633,113              |
| 2036                            | 325,000             | 347,588             | 672,588              |
| 2037                            | 340,000             | 328,900             | 668,900              |
| 2038                            | 400,000             | 309,350             | 709,350              |
| 2039                            | 425,000             | 286,350             | 711,350              |
| 2040                            | 490,000             | 261,913             | 751,913              |
| 2041                            | 520,000             | 233,738             | 753,738              |
| 2042                            | 595,000             | 203,838             | 798,838              |
| 2043                            | 630,000             | 169,625             | 799,625              |
| 2044                            | 715,000             | 133,400             | 848,400              |
| 2045                            | 755,000             | 92,288              | 847,288              |
| 2046                            | 850,000             | 48,875              | 898,875              |
| Total                           | <u>\$ 7,650,000</u> | <u>\$ 6,942,267</u> | <u>\$ 14,592,267</u> |