

**STERLING RANCH
METROPOLITAN DISTRICT NO. 4
El Paso County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2024**

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INDEPENDENT AUDITOR’S REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	6
NOTES TO BASIC FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	24
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	25
OTHER INFORMATION	
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	27



BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sterling Ranch Metropolitan District No. 4
El Paso County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Sterling Ranch Metropolitan District No. 4 ("District") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2024, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of 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
August 27, 2025

BASIC FINANCIAL STATEMENTS

STERLING RANCH METROPOLITAN DISTRICT NO. 4
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
ASSETS	
Cash and Investments - Restricted	\$ 289
Developer Advance Receivable - Classic SRJ	21,307
Total Assets	21,596
LIABILITIES	
Due to Other Districts - SRMD No. 3	21,307
Noncurrent Liabilities:	
Due in More Than One Year	14,015,889
Total Liabilities	14,037,196
NET POSITION	
Restricted for:	
Debt Service	289
Unrestricted	(14,015,889)
Total Net Position	\$ (14,015,600)

See accompanying Notes to Basic Financial Statements.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS				
Primary Government:				
Governmental Activities:				
Transfer of Public Improvements to SRMD No. 3	\$ 13,352,204	\$ -	\$ -	\$ (13,352,204)
Interest on Long-Term Debt and Related Costs	663,685	-	-	(663,685)
Total Governmental Activities	\$ 14,015,889	\$ -	\$ -	(14,015,889)
GENERAL REVENUES				
Interest Income				289
Total General Revenues and Transfers				289
CHANGES IN NET POSITION				(14,015,600)
Net Position - Beginning of Year				-
NET POSITION - END OF YEAR				\$ (14,015,600)

See accompanying Notes to Basic Financial Statements.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments - Restricted	\$ -	\$ 289	\$ -	\$ 289
Developer Advance Receivable - Classic SRJ	-	-	21,307	21,307
Total Assets	\$ -	\$ 289	\$ 21,307	\$ 21,596
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to Other Districts - SRMD No. 3	\$ -	\$ -	\$ 21,307	\$ 21,307
Total Liabilities	-	-	21,307	21,307
FUND BALANCES				
Restricted for:				
Debt Service	-	289	-	289
Total Fund Balances	-	289	-	289
Total Liabilities and Fund Balances	\$ -	\$ 289	\$ 21,307	

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

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

Bonds Payable	(12,648,312)
Accrued Bond Interest	(327,650)
Developer Advance Payable	(1,035,852)
Accrued Developer Advance Interest	(4,075)

Net Position of Governmental Activities	\$ (14,015,600)
---	-----------------

STERLING RANCH METROPOLITAN DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Interest Income	\$ -	\$ 1	\$ 288	\$ 289
Total Revenues	<u>-</u>	<u>1</u>	<u>288</u>	<u>289</u>
EXPENDITURES				
Bond Issue Costs	-	-	237,500	237,500
Capital Projects:				
Capital Outlay	-	-	13,352,204	13,352,204
Total Expenditures	<u>-</u>	<u>-</u>	<u>13,589,704</u>	<u>13,589,704</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	1	(13,589,416)	(13,589,415)
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	-	-	12,648,312	12,648,312
Developer Advance	-	-	13,589,704	13,589,704
Repay Developer Advance	-	-	(12,553,852)	(12,553,852)
Developer Advance - Interest Expense	-	-	(94,460)	(94,460)
Transfers (To) From Other Funds	-	288	(288)	-
Total Other Financing Sources	<u>-</u>	<u>288</u>	<u>13,589,416</u>	<u>13,589,704</u>
NET CHANGE IN FUND BALANCES	-	289	-	289
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 289</u>	<u>\$ -</u>	<u>\$ 289</u>

See accompanying Notes to Basic Financial Statements.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
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 \$ 289

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	13,352,204
Transfer of Public Improvements to SRMD No. 3	(13,352,204)

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

Bond Principal	(12,648,312)
Developer Advance Payable	(13,589,704)
Repay Developer Advance	12,648,312

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	(327,650)
Accrued Interest Payable Developer Advance - Change in Liability	<u>(98,535)</u>

Changes in Net Position of Governmental Activities \$ (14,015,600)

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES			
Accounting	\$ 2,500	\$ -	\$ 2,500
Contingency	16,500	-	16,500
District Management	1,500	-	1,500
Engineering	10,000	-	10,000
Insurance	2,500	-	2,500
Legal	15,000	-	15,000
Miscellaneous	2,000	-	2,000
Total Expenditures	<u>50,000</u>	<u>-</u>	<u>50,000</u>
OTHER FINANCING SOURCES (USES)			
Developer Advance	50,000	-	(50,000)
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF REPORTING ENTITY

Sterling Ranch Metropolitan District No. 4 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for El Paso County, Colorado on November 16, 2023, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Service Plan, approved by El Paso County on April 20, 2023, formed the Sterling Ranch Metropolitan Districts Nos. 4 – 5. The District's service area is located entirely within El Paso County, Colorado.

The District was organized to provide planning, acquisition, construction, installation and financing of public improvements, including streets, water, wastewater, traffic and safety, park and recreation, mosquito control, television relay and transportation facilities, primarily for residential and commercial development. The District was organized in conjunction with Sterling Ranch Metropolitan District No. 5 (District No. 5) to serve the needs of the Sterling Ranch development for the purpose of financing, construction and operation of improvements and infrastructure serving the Sterling Ranch Metropolitan District Nos. 1 – 5.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

STERLING RANCH METROPOLITAN DISTRICT NO. 4
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 and deferred outflows of resources, and liabilities and deferred inflows of resources of the District is reported as net position.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 collectable 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 property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

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

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

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District has amended its annual budget as of December 31, 2024.

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.

Capital Assets

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

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

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

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

Fund Balance

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

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

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

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

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

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

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.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024**

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 - Restricted	\$ 289
Total Cash and Investments	\$ 289

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

Investments	\$ 289
Total Cash and Investments	\$ 289

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.

As of December 31, 2024, the District had no cash deposits.

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.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 Under 60 Days	\$ 289
Total		<u>\$ 289</u>

COLOTRUST

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

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 CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

COLOTRUST (CONTINUED)

A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor’s. COLOTRUST EDGE is rated AAaf/S1 by 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.

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Capital Assets Not Being Depreciated	\$ -	\$ 13,352,204	\$ 13,352,204	\$ -
Total Capital Assets, Not Being Depreciated	\$ -	\$ 13,352,204	\$ 13,352,204	\$ -

During 2024, a significant portion of the capital assets constructed by the District was conveyed to Sterling Ranch Metropolitan District No. 3. The costs of all capital assets transferred were removed from the District’s financial records.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
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 December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds Payable:					
Series 2024 General Obligation Bonds	\$ -	\$ 12,648,312	\$ -	\$ 12,648,312	\$ -
Accrued Interest on: Series 2024 General Obligation Bonds	-	327,650	-	327,650	-
Subtotal Bonds Payable	<u>-</u>	<u>12,975,962</u>	<u>-</u>	<u>12,975,962</u>	<u>-</u>
Other Debts:					
Developer Advance - Capital Classic SRJ	-	13,589,704	12,553,852	1,035,852	-
Accrued Interest on: Developer Advance - Capital Classic SRJ	-	98,535	94,460	4,075	-
Subtotal Other Debts	<u>-</u>	<u>13,688,239</u>	<u>12,648,312</u>	<u>1,039,927</u>	<u>-</u>
 Total Long-Term Obligations	 <u>\$ -</u>	 <u>\$ 26,664,201</u>	 <u>\$ 12,648,312</u>	 <u>\$ 14,015,889</u>	 <u>\$ -</u>

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

\$44,997,000 Series 2024 Limited Tax General Obligation Bonds

On March 26, 2024, the District issued Series 2024 General Obligation Limited Tax Bonds (the Bonds) in the amount of \$44,997,000. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Bonds is payable annually on each December 16, commencing on December 16, 2024, from, and to the extent of available Pledged Revenue. The Bonds mature on December 16, 2053. To the extent principal of any Bond is not paid when due, such principal is to remain outstanding until the earlier of its payment in full or December 16, 2064 (the “Termination Date”) and is to continue to bear interest at the rate then borne by the Bond. The Bonds are to bear interest at the rate of 7.50% per annum payable annually on each December 16, but only from and to the extent of available Pledged Revenue, beginning on December 16, 2024. The Bonds are subject to simple interest and any unpaid interest does not compound. In the event that any amount of principal of or interest on the Bonds remains unpaid after the application of all Pledged Revenue available therefor on the Termination Date, the Bonds shall be deemed discharged.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in part, in integral multiples of \$1,000, on any Business Day upon payment of par and accrued interest to the redemption date, without redemption premium.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$44,997,000 Series 2024 Limited Tax General Obligation Bonds (Continued)

Pledged Revenue

The Bonds are secured by and payable from and to the extent of Pledged Revenue meaning the following:

- (a) all Property Tax Revenues;
- (b) all Specific Ownership Tax Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

“Property Tax Revenues” means the ad valorem property taxes derived from the District’s imposition of the 2024 Bond Required Mill Levy, and District No. 5’s imposition of District No. 5 Required Mill Levy, each net of the costs of collection of the County and any tax refunds or abatements authorized by or on behalf of the County.

2024 Bond Required Mill Levy

The 2024 Bond Required Mill Levy is an ad valorem mill levy imposed by the District upon all taxable property within its boundaries each year, beginning in the Mill Levy Commencement Year: (a) in the amount of 44.531 mills (subject to the Mill Levy Adjustment) less the amount of the Senior Required Mill Levy imposed by the District, or (b) such lesser mill levy which when combined with District No. 5 Bond Required Mill Levy will fund the 2024 Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in such year.

District No. 5 Required Mill Levy

District No. 5 Required Mill Levy is an ad valorem mill levy imposed by District No. 5 upon all taxable property within its boundaries each year beginning in the Mill Levy Commencement Year: (a) in the amount of 44.531 mills (subject to the Mill Levy Adjustment) less the amount of the Senior Obligation Mill Levy imposed by District No. 5, or (b) such lesser mill levy determined by the Issuing District which when combined with the Issuing District 2024 Bond Required Mill Levy will fund the 2024 Bond Fund (defined in the Indenture) in an amount sufficient to pay all of the principal of and interest on the Bonds in such year.

Mill Levy Commencement Year

The Mill Levy Commencement Year means the first calendar year in which any portion of the property in the District is classified by the County Assessor as residential, as reflected in publicly available records of the County indicating the Final Assessed Valuation of the District.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$44,997,000 Series 2024 Limited Tax General Obligation Bonds (Continued)

Mill Levy Adjustment

“Mill Levy Adjustment” means an allowed adjustment (increase or decrease, as applicable) to the maximum mill levy permitted to be imposed by the District and District No. 5 to occur in the event the laws of the State change with respect to the assessment of property for taxation purposes, the method of calculating assessed valuation or any similar changes occur after May 23, 2023, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

Bonds Debt Service

The outstanding principal and interest due on the Bonds are not currently determinable since the Bonds are paid from cash flows when drawn down.

Events of Default

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 of Trust (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section:

- (a) The District fails or refuses to impose the 2024 Bond Required Mill Levy;
- (b) The District fails or refuses to enforce the Pledge Agreement and such failure or refusal has a materially adverse effect on the Pledged Revenue or the financial operations of the District;
- (c) The District fails or refuses to apply the Pledged Revenue as required hereunder;
- (d) The District defaults in the performance or observance of any of the other covenants, agreements, or conditions on the part of the District in this Indenture or the Bond Resolution, other than as described in Sections 8.01(a), (b), or (c), and fails to remedy the same after notice thereof pursuant to Section 8.12;
- (e) District No. 5 fails or refuses to impose District No. 5 2024 Bond Required Mill Levy, or to apply the revenues resulting therefrom as required by the Pledge Agreement;
- (f) District No. 5 defaults in the performance or observance of any of the other covenants, agreements, or conditions on the part of District No. 5 in the Pledge Agreement, other than as described in Sections 8.01(e), and fails to remedy the same after notice thereof pursuant to Section 8.12;
- (g) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds;
- (h) District No. 5 files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Pledge Agreement;

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

\$44,997,000 Series 2024 Limited Tax General Obligation Bonds (Continued)

Events of Default (Continued)

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

- (i) Receivership. Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Trust Estate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the Trustee shall be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of this Indenture to, the Trustee.
- (ii) Suit for Judgment. The Trustee may proceed to protect and enforce its rights and the rights of the Owners under the Special District Act, the Bonds, the Bond Resolution, this Indenture, and any provision of law by such suit, action, or special proceedings as the Trustee, being advised by Counsel, shall deem appropriate.
- (iii) Mandamus or Other Suit. The Trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the Owners.

No recovery of any judgment by the Trustee shall in any manner or to any extent affect the lien of this Indenture or any rights, powers, or remedies of the Trustee hereunder, or any lien, rights, powers, and remedies of the Owners of the Bonds, but such lien, rights, powers, and remedies of the Trustee and of the Owners shall continue unimpaired as before.

If any Event of Default under Sections described above shall have occurred and if requested by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 8.02 as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Owners; provided that the Trustee at its option shall be indemnified as provided in Section 9.01(m).

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

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

Facilities Funding and Acquisition Agreement

On January 29, 2024, the District entered into a Facilities Funding and Acquisition Agreement with District No. 5 and Classic SRJ, LLC (Developer, see Note 7) whereby the District agrees to reimburse the Developer for costs incurred on behalf of the District. The District agree to repay the Developer along with accrued interest at a rate of 8% from the date of the advance through the date of repayment. This agreement shall extend from the date hereof through and including January 29, 2034.

As of December 31, 2024, outstanding Developer Advances under the agreement totaled \$1,035,852 and accrued interest totaled \$4,075.

Authorized Debt

On November 7, 2023, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$2,860,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2024, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 7, 2023	Authorization Used	Authorized but Unused as of December 31, 2024
Streets	\$ 200,000,000	\$ 10,836,384	\$ 189,163,616
Parks and Recreation	200,000,000	1,428,415	198,571,585
Water	200,000,000	211,146	199,788,854
Sanitation	200,000,000	172,367	199,827,633
Transportation	200,000,000	-	200,000,000
Traffic and Safety	200,000,000	-	200,000,000
Fire Protection	200,000,000	-	200,000,000
Mosquito Control	20,000,000	-	20,000,000
Television Relay	20,000,000	-	20,000,000
Security	20,000,000	-	20,000,000
Operations and Maintenance Debt	200,000,000	-	200,000,000
Revenue Debt	200,000,000	-	200,000,000
Special Assessment Debt	200,000,000	-	200,000,000
Business Recruitment Debt	200,000,000	-	200,000,000
Reimbursement Agreements as Debt	200,000,000	-	200,000,000
Refunding	400,000,000	-	400,000,000
Total	<u>\$ 2,860,000,000</u>	<u>\$ 12,648,312</u>	<u>\$ 2,847,351,688</u>

As stated in the Service Plan, the District and District No. 5 are authorized to issue Debt up to \$150,000,000 in total principal amount combined for all Districts. The maximum debt service mill levy is 50 mills subject to Gallagher Adjustment.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 NET POSITION

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

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 a restricted net position as of December 31, 2024, as follows:

	<u>Governmental Activities</u>
Restricted Net Position:	
Debt Service Reserve	<u>\$ 289</u>
Total Restricted Net Position	<u><u>\$ 289</u></u>

The District has a deficit in unrestricted net position as a result of the District being responsible for the repayment of general obligation bonds issued to fund public infrastructure.

NOTE 7 RELATED PARTIES

The Developers of the property which constitutes the District are Elite Properties of America, Inc. and Classic SRJ, LLC (Developer, or collectively, Developers). The members of the Board of Directors are officers of, employees of, or associated with the Developers and may have conflicts of interest in dealing with the District.

NOTE 8 AGREEMENTS AND COMMITMENTS

Facilities Funding and Acquisition Agreement

On January 29, 2024, the District entered into a Facilities Funding and Acquisition Agreement with District No. 5 and Elite Properties of America, Inc. (Developer, see Note 7) whereby the District agrees to reimburse the Developer for costs incurred on behalf of the District. The District agree to repay the Developer along with accrued interest at a rate of 8% from the date of the advance through the date of repayment.

Reimbursement Agreement (Operations)

On January 29, 2024, the District entered into a Reimbursement Agreement with District No. 5 and Classic SRJ, LLC (Developer, see Note 7) whereby the Developer agrees to loan the Districts, to provide funding for operation costs. The Districts agree to repay the Developer along with accrued interest at a rate of 8% from the date of the advance, but the interest rate shall not exceed the AAA 30-year MMD (Municipal Market Data) index interest rate by more than 400 basis points for the year applied.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 AGREEMENTS AND COMMITMENTS (CONTINUED)

Reimbursement Agreement (Operations) (Continued)

On January 29, 2024, the District entered into a Reimbursement Agreement with District No. 5 and Elite Properties of America, Inc. (Developer, see Note 7) whereby the Developer agrees to loan the Districts, to provide funding for operation costs. The Districts agree to repay the Developer along with accrued interest at a rate of 8% from the date of the advance, but the interest rate shall not exceed the AAA 30-year MMD (Municipal Market Data) index interest rate by more than 400 basis points for the year applied.

Intergovernmental District Facilities Construction and Service Agreement

On January 29, 2024, the District entered into an Intergovernmental District Facilities Construction and Service Agreement with District No. 5 and Sterling Ranch Metropolitan District No. 3 (Operating District), collectively “the Districts.” The purpose of the agreement is to set forth the rights and obligations of the Operating District and the Financing Districts to fund the public improvements and continued operation and maintenance of public improvements, in addition to the rights and obligations of the Operating District to construct, operate, and maintain the public improvements on behalf of the Financing Districts. The public improvements to be designed and constructed by the Operating District will benefit all property owners and residents within the Districts.

Capital Pledge Agreement

On March 1, 2024, the District (Issuing District) entered into a Capital Pledge Agreement with District No. 5 whereby In exchange for the purchase by the Bondholders of the Bonds and any Additional Obligations, the proceeds of which are to be applied to the provision of the Financed Public Improvements, District No. 5 hereby agrees to pay such portion of the Financing Costs as may be funded with the Pledged Revenue available.

Intergovernmental District Facilities Operation and Service Agreement

On April 23, 2024, the District and District No. 5 (Financing Districts) entered into an Intergovernmental District Facilities Construction and Service Agreement with Sterling Ranch Metropolitan District No. 3 (Operating District), collectively, “the Districts.” The purpose of the agreement is to set forth the rights and obligations of the Operating District and the Financing Districts to fund the public improvements and continued operation and maintenance of public improvements, in addition to the rights and obligations of the Operating District to operate and maintain the public improvements on behalf of the Financing Districts. The public improvements to be designed and constructed by the Operating District will benefit all property owners and residents within the Districts.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 AGREEMENTS AND COMMITMENTS (CONTINUED)

Intergovernmental Agreement for Establishment of FAWWA

Effective August 27, 2024, is the Second Amendment to the Amended and Restated Intergovernmental Agreement for the Establishment of the Falcon Area Water And Wastewater Authority and Acknowledgement and Consent of Sterling Ranch Metropolitan District Nos. 4 & 5 (the Second Amendment). The Second Amendment is entered into by Sterling Ranch Metropolitan District Nos. 1-3 and The Retreat Metropolitan District Nos. 1-2. The Second Amendment adds the District and Sterling Ranch Metropolitan District No. 5 as parties to the Amended and Restated Establishment Agreement. The Second Amendment adds the District and District No. 5 as Small Members of the Falcon Area Water and Wastewater Authority. This agreement was amended on August 12, 2022 and on August 27, 2024 and now includes the District and District No. 5.

NOTE 9 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 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

STERLING RANCH METROPOLITAN DISTRICT NO. 4
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Emergency Reserve is held by District No. 3. The District transfers its net operating revenue to District No. 3 pursuant to a Coordinating Services Agreement (Note 8). Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 3.

On November 2, 2010, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

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

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ 1	\$ 1
Intergovernmental Revenues	-	4,000	-	(4,000)
Other Revenue	-	6,000	-	(6,000)
Total Revenues	-	10,000	1	(9,999)
EXPENDITURES				
Paying Agent Fees	-	4,000	-	4,000
Contingency	-	6,000	-	6,000
Total Expenditures	-	10,000	-	10,000
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1	1
OTHER FINANCING SOURCES				
Transfers From Other Funds	-	-	288	288
Total Other Financing Sources	-	-	288	288
NET CHANGE IN FUND BALANCE	-	-	289	289
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 289	\$ 289

**STERLING RANCH METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ 290	\$ 288	\$ (2)
Total Revenues	-	290	288	(2)
EXPENDITURES				
Capital Outlay	-	18,627,000	13,352,204	5,274,796
Bond Issue Costs	-	237,500	237,500	-
Total Expenditures	-	18,864,500	13,589,704	5,274,796
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(18,864,210)	(13,589,416)	5,274,794
OTHER FINANCING SOURCES (USES)				
Bond Issuance Proceeds	-	19,004,210	12,648,312	(6,355,898)
Developer Advance	-	20,995,500	13,589,704	(7,405,796)
Repay Developer Advance	-	(20,995,500)	(12,553,852)	8,441,648
Developer Advance - Interest Expense	-	(140,000)	(94,460)	45,540
Transfers To Other Fund	-	-	(288)	(288)
Total Other Financing Sources (Uses)	-	18,864,210	13,589,416	(5,274,794)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

STERLING RANCH METROPOLITAN DISTRICT NO. 4
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2024

Year Ended <u>December 31,</u>	<u>Assessed Valuation</u>	<u>Percent Change</u>	<u>Total Mills Levied</u>			<u>Total Property Taxes</u>		<u>Percent Collected to Levied</u>
			<u>General Operations</u>	<u>Debt Service</u>	<u>Total</u>	<u>Levied</u>	<u>Collected</u>	
2023/2024	\$ -	- %	-	-	-	\$ -	\$ -	- %
Estimated for Year Ending December 31, 2025	\$ 4,420	- %	0.000	0.000	-	\$ -		

Note:

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

Source: El Paso County Assessor and Treasurer.