RAMPART RANGE METROPOLITAN DISTRICT NO. 5
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Rampart Range Metropolitan District No. 5 (the District) as of and for the year ended December 31, 2025, 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, 2025, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as identified in the table of contents is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Fiscal Focus Partners, LLC

Arvada, Colorado
July 21, 2026

BASIC FINANCIAL STATEMENTS

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 116,775
Cash and Investments - Restricted	14,394,696
Accounts Receivable - PIF Revenues	924
Due from District No. 6	5,034
Due from District No. 8	3,302
Prepaid Insurance	12,995
Escrow/Surety Account with Parker W&SD	437,382
Capital Assets, Net:	
Construction in Progress	61,165,094
Total Assets	76,136,202
LIABILITIES	
Accounts Payable	780,327
Due to District No. 1	2,297
Retainage Payable	868,263
Accrued Interest Payable - 2021 Bonds	400,000
Noncurrent Liabilities:	
Due Within One Year	51,582
Due in More Than One Year	162,632,166
Total Liabilities	164,734,635
NET POSITION	
Restricted for:	
Emergency Reserves	7,800
Debt Service	2,565,790
Capital Projects	1,790,439
Unrestricted	(92,962,462)
Total Net Position	$ (88,598,433)

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Government Activities:					
General Government	$ 176,463	$ -	$ 250,362	$ -	$ 73,899
Public Works	913,043	-	-	-	(913,043)
Interest and Related Costs on Long-Term Debt	6,192,211	-	-	3,209,879	(2,982,332)
Dedication of Capital Assets to Other Governments	738,529	-	-	-	(738,529)
Total Governmental Activities	$ 8,020,246	$ -	$ 250,362	$ 3,209,879	(4,560,005)
GENERAL REVENUES					
Net Investment Income					652,247
PIF Revenue					924
Total General Revenues					653,171
SPECIAL ITEMS					
Transfer of Capital Assets to District No. 1					(10,092,142)
Transfer of Long-Term Debt and Related Interest to District No. 1					10,537,996
Total Special Items					445,854
CHANGE IN NET POSITION					(3,460,980)
Net Position - Beginning of Year					(85,137,453)
NET POSITION - END OF YEAR					$ (88,598,433)

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 116,775	$ -	$ -	$ 116,775
Cash and Investments - Restricted	7,800	10,958,045	3,428,851	14,394,696
Accounts Receivable - PIF Revenues	-	924	-	924
Due from District No. 6	915	4,119	-	5,034
Due from District No. 8	600	2,702	-	3,302
Prepaid Insurance	12,995	-	-	12,995
Escrow/Surety Account with Parker W&SD	-	-	437,382	437,382
Total Assets	$ 139,085	$ 10,965,790	$ 3,866,233	$ 14,971,108
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 10,178	$ -	$ 770,149	$ 780,327
Due to District No. 1	2,297	-	-	2,297
Retainage Payable	-	-	868,263	868,263
Total Liabilities	12,475	-	1,638,412	1,650,887
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	12,995	-	-	12,995
Restricted for:				
Emergency Reserves	7,800	-	-	7,800
Debt Service	-	10,965,790	-	10,965,790
Capital Projects	-	-	2,227,821	2,227,821
Unassigned	105,815	-	-	105,815
Total Fund Balances	126,610	10,965,790	2,227,821	13,320,221
Total Liabilities and Fund Balances	$ 139,085	$ 10,965,790	$ 3,866,233	

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.	61,165,094
Long-term liabilities, including bonds and loans payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(121,029,265)
Accrued Interest on Bonds	(400,000)
Developer Advances Payable and Associated Accrued Interest	(41,654,483)
Net Position of Governmental Activities	$ (88,598,433)

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
IGA revenue #6 - Net Property Taxes	$ 140,231	$ 631,047	$ -	$ 771,278
IGA revenue #6 - Specific Ownership Taxes	10,959	49,316	-	60,275
IGA revenue #6 - System Development Fee	-	392,640	-	392,640
IGA revenue #6 - Property Tax Interest	-	5,542	-	5,542
IGA revenue #8 - Net Property Taxes	91,983	413,945	-	505,928
IGA revenue #8 - Specific Ownership Taxes	7,189	32,353	-	39,542
IGA revenue #8 - System Development Fee	-	132,222	-	132,222
IGA revenue #8 - PILOT Revenue	-	72,814	-	72,814
Water Resource Credit Fee	-	1,480,000	-	1,480,000
PIF Revenue	-	924	-	924
Net Investment Income	6,618	498,067	147,562	652,247
Total Revenues	256,980	3,708,870	147,562	4,113,412
EXPENDITURES				
General and Administrative:				
Accounting	46,522	-	247,620	294,142
Auditing	8,800	-	-	8,800
Directors Fees	2,100	-	-	2,100
District Management	13,237	-	250,166	263,403
Dues and Membership	1,019	-	-	1,019
Election	6,626	-	-	6,626
Insurance	12,865	-	-	12,865
Legal	12,417	-	75,993	88,410
Miscellaneous	161	625	869	1,655
Website Maintenance	2,297	-	-	2,297
Operations and Maintenance:				
Irrigation	46,404	-	-	46,404
Street Lights	308	-	-	308
Landscape Maintenance	23,082	-	-	23,082
Construction:				
Construction Management	-	-	117,622	117,622
Engineering	-	-	200,375	200,375
Operations Expenses Until Final Acceptance	-	-	4,291	4,291
Planning and Design	-	-	16,107	16,107
Debt Service:				
Paying Agent Fees	-	4,000	-	4,000
Bond Interest Expense - Series 2021	-	4,800,000	-	4,800,000
Capital Outlay	-	-	20,511,698	20,511,698
Total Expenditures	175,838	4,804,625	21,424,741	26,405,204
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	81,142	(1,095,755)	(21,277,179)	(22,291,792)

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
OTHER FINANCING SOURCES				
Developer Advances	-	-	19,462,000	19,462,000
Total Other Financing Sources	-	-	19,462,000	19,462,000
NET CHANGE IN FUND BALANCES	81,142	(1,095,755)	(1,815,179)	(2,829,792)
Fund Balances - Beginning of Year	45,468	12,061,545	4,043,000	16,150,013
FUND BALANCES - END OF YEAR	$ 126,610	$ 10,965,790	$ 2,227,821	$ 13,320,221

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Governmental Funds	$ (2,829,792)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. The statement of activities does not report capital outlay as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, the following are the amounts of capital outlay in the current period:	
Capital Outlay	20,511,698
Transfer of Capital Assets to District No. 1	(10,092,142)
Dedication of Capital Assets to Other Governments	(738,529)
The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:	
Current Year Developer Advances	(19,462,000)
Transfer of Developer Advances - Principal to District No. 1	10,092,142
Transfer of Developer Advances - Interest to District No. 1	445,854
Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Developer Advances - Change in Liability	(1,439,793)
Bond Premium Amortization	51,582
Change in Net Position of Governmental Activities	$ (3,460,980)

See accompanying Notes to Basic Financial Statements.

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
IGA Revenue #6 - Net Property Taxes	$ 140,246	$ 140,231	$ (15)
IGA Revenue #6 - Specific Ownership Taxes	12,814	10,959	(1,855)
IGA Revenue #8 - Net Property Taxes	92,001	91,983	(18)
IGA Revenue #8 - Specific Ownership Taxes	8,407	7,189	(1,218)
Net Investment Income	4,852	6,618	1,766
Total Revenues	258,320	256,980	(1,340)
EXPENDITURES			
General and Administrative:			
Accounting	62,500	46,522	15,978
Auditing	8,800	8,800	-
Directors' Fees	3,600	2,100	1,500
District Management	12,750	13,237	(487)
Dues And Membership	2,000	1,019	981
Election	7,400	6,626	774
Insurance	18,000	12,865	5,135
Legal	30,000	12,417	17,583
Miscellaneous	1,000	161	839
Website Maintenance	10,000	2,297	7,703
Operations and Maintenance:			
Landscape Maintenance	25,500	23,082	2,418
Irrigation	75,000	46,404	28,596
Snow Removal	10,000	-	10,000
Storm Drainage Facilities Maintenance	25,000	-	25,000
Street Lights & Monument Lighting	5,000	308	4,692
Contingency	13,450	-	13,450
Total Expenditures	310,000	175,838	134,162
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(51,680)	81,142	132,822
OTHER FINANCING SOURCES (USES)			
Developer Advance	35,000	-	(35,000)
Total Other Financing Sources (Uses)	35,000	-	(35,000)
NET CHANGE IN FUND BALANCE	(16,680)	81,142	97,822
Fund Balance - Beginning of Year	46,680	45,468	(1,212)
FUND BALANCE - END OF YEAR	$ 30,000	$ 126,610	$ 96,610

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

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

The District operates under an Amended and Restated Service Plan approved by the City on April 19, 2005, as amended by that First Amendment approved on March 6, 2018 (the Service Plan). The Districts were established to provide financing for the design, acquisition, installation and construction of water and irrigation systems, streets, traffic and safety controls, fire protection and emergency medical services, television relay and translator facilities, transportation systems, parks and recreation facilities, sanitation facilities and mosquito and pest control. Rampart Range Metropolitan District No. 1 (District No. 1) is the Operating District for the West Side Districts (the West Side Operating District). However, according to agreements described in Note 9 – Agreements and dated as of December 1, 2019, District No. 5 serves as the "East Side Operating District" and is responsible for managing the construction and operation of facilities and services of Rampart Range Metropolitan District Nos. 6, 8 and 9 (the East Side Taxing Districts) and for issuing debt. The East Side Taxing Districts are responsible for providing the funding and tax base needed to support the debt issued by the District for the East Side capital improvements and continuous operations. Pursuant to their respective Service Plans, the East Side Taxing Districts are obligated to impose a Regional Improvements Mill Levy, which is currently equal to 1.000 mill, and convey the revenue to the City to be used for the planning, constructing or acquiring of regional improvements. However, Rampart Range Metropolitan District No. 4 (District No. 4 or the Regional District) whose boundaries include all of the properties within the East Side Districts (the East Side Properties), is obligated to impose a Contractual Debt Levy, as defined in the Mill Levy Pledge Agreement between District No. 4 and the City, dated November 7, 2017 (the Mill Levy Pledge Agreement), according to which, so long as the Contractual Debt Levy is imposed, the obligation to impose the Regional Improvements Mill Levy is eliminated for the East Side Districts. The obligation to impose the Contractual Debt Levy began in December 2023 for collection year 2024.

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

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

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

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.

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 daily equity balance in the total cash.

Development Fee

A development fee of $2,000 is due and payable for each single-family residential unit upon issuance of a building permit by the City. A development fee of $1,000 is due and payable for each living unit within each multi-family residential building upon issuance of a building permit by the City. A development fee of $1 per gross square footage of interior commercial space is due and payable on or before the date of issuance of a building permit by the City. Development Fees are incurred on each property sale within the East Side Taxing Districts and are payable to District No. 5. During 2025, Development Fees of $392,640 and $132,222 were received by the District from Rampart Range Metropolitan District No. 6 and Rampart Range Metropolitan District No. 8, respectively, both of which were recorded in the Debt Service Fund.

Public Improvements Fee

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

The PIF is to be in an amount not to exceed 1.75% of the revenue generated by the sale, with such amount to be determined by the Designated Receiving Entity in its sole discretion. The District is the Designated Receiving Entity. The District has not taken any formal action to raise the PIF rate to the maximum 1.75% and the rate is kept the same as the West Side Districts, which is 1.25%. During 2025, the District recorded $924 in PIF revenue, which was recorded in the Debt Service Fund.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Water Resource Credit Fee

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

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

The WRC Fee is due and payable to District No. 5 at or before the time that any building permit is granted by assignment within the WRC Joint Resolutions, as well as pursuant to the Assignment of Revenue agreement dated September 22, 2021, by and between District Nos. 1 and 5.

During 2025, the District recorded $1,480,000 in Water Resource Credit Fees revenue which was recorded in the Debt Service Fund.

Capital Assets

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Currently, the District has assets that are only being treated as construction in progress. The District will convey specific assets to the City, PWSD, or to other governmental entities upon completion and at the end of a 2-year warranty period. Once final acceptance has taken place, the District removes the asset from its property records. In Note 4 – Capital Assets, the sanitary sewer improvements for the RG Station TOD Improvements (MD5-014B), and the capital asset costs for the water improvements for the RG Station TOD Improvements (MD5-014B) were both reflected as being conveyed to PWSD during 2025. The District reallocated a portion of the storm drainage improvements for the Happy Canyon Detention/WQ (MD5-010) and the street improvements for the RidgeGate Parkway Couplet (MD5-015/26A) to District No. 1 in 2025. See this disclosure under Note 9 – Intergovernmental Agreement Regarding Cost Reallocation.

Amortization

Original Issue Discount/Premium

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

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

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 is legally or contractually required to be maintained intact.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	$ 116,775
Cash and Investments - Restricted	14,394,696
Total and Cash and Investments	$ 14,511,471

Cash and investments as of December 31, 2025, consist of the following:

Deposits with Financial Institutions	$ 7,024
Investments	14,504,447
Total Cash and Investments	$ 14,511,471

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

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

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

At December 31, 2025, the District’s cash deposits had a bank balance and a carrying balance of $7,024.

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	$ 14,504,447

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at $1.00. CSAFE CASH FUND may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, highest rated commercial paper, and any security allowed under Section 24-75-601.1, C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE 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 CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily 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, 2025 follows:

	District Project Number	Balance - December 31, 2024	Increases	Transfer to Rampart Range MD No. 1	Conveyed to Other Entities (See Note 2 - Capital Assets)	Balance - December 31, 2025
Capital Assets, Not Being Depreciated:						
Construction in Progress:						
Communication Systems		$ 254,946	$ -	$ -	$ -	$ 254,946
Grading - Gas Line and Electric Feeder Relocation	(MD5-020)	7,959,294	-	-	-	7,959,294
Grading - RG Station TOD Improvements	(MD5-014A/B)	1,205,191	22,396	-	-	1,227,587
Landscaping - RidgeGate Parkway East	(MD5-019)	1,385,882	88,065	-	-	1,473,947
Landscaping - RG Station TOD Improvements	(MD5-014A/B)	918,103	35,924	-	-	954,027
Parks - Badger Gulch Park	(MD5-027)	306,563	58,809	-	-	365,372
Parks - Badger Gulch Park Pedestrian Bridge	(MD5-027)	225,773	1,642,396	-	-	1,868,169
Parks - Couplet	(MD5-026)	43,861	1,125	-	-	44,986
Sanitary Sewer - Sierra Ridge Interceptor		2,556,916	-	-	-	2,556,916
Sewer - Badger Gulch Sanitary Outfall	(MD5-007)	1,709,786	289	-	-	1,710,075
Sewer - RG Station TOD Improvements	(MD5-014A/B)	101,303	-	-	101,303	-
Sewer - RG Parkway Couplet	(MD5-026)	109,071	149,398	11,093	-	247,376
Sewer - High Note North (Filing 5)	(MD5-029)	-	87,065	-	-	87,065
Storm Drainage - Badger Gulch Detention/WQ	(MD5-011)	664,793	610,900	-	-	1,275,693
Storm Drainage - Happy Canyon Detention/WQ	(MD5-010)	11,054,659	10,554,886	6,318,017	-	15,291,528
Storm Drainage - High Note Avenue	(MD5-012)	161,443	1,082	14,614	-	147,911
Storm Drainage - RG Station TOD Improvements	(MD5-014)	2,124,904	-	-	-	2,124,904
Storm Drainage - RidgeGate Parkway Couplet	(MD5-015)	1,124,378	(2,313)	245,474	-	876,591
Storm Drainage - High Note North (Filing 5)	(MD5-029)	-	184,747	-	-	184,747
Streets - High Note Avenue	(MD5-012)	1,160,831	46,065	201,774	-	1,005,122
Streets - RidgeGate Parkway Couplet	(MD5-015/026)	4,399,755	873,638	1,296,806		3,976,587
Streets - RG Station TOD Improvements	(MD5-014A/B)	3,661,482	-	-	-	3,661,482
Streets - Havana Street Bikeway	(MD5-023)	308,925	119,795	-	-	428,720
Streets - High Note North (Filing 5)	(MD5-029)	-	1,453,301	-	-	1,453,301
Streetscape - City Center Signals		1,005	-	-	-	1,005
Streetscape - Havana Street Signals		866,565	(1,266)	281,701	-	583,598
Streetscape - Lighting Design		204,397	-	21,630	-	182,767
Streetscape - RG Parkway Couplet Signals	(MD5-015/026)	2,523,691	3,355,846	915,477	-	4,964,060
Streetscape - RG Parkway / Lyric Signal	(MD5-018)	1,110,785	-	-	-	1,110,785
Streetscape - RidgeGate Parkway East	(MD5-019)	2,782,040	273,761	557,012	-	2,498,789
Streetscape - RG Station TOD Improvements	(MD5-014A/B)	944,737	252,423	87,328	-	1,109,832
Streetscape - Signage		43,195	-	-	-	43,195
Streetscape - Bridge Aesthetic	(MD5-025)	-	157,765	-	-	157,765
Streetscape - High Note North (Filing 5)	(MD5-029)	-	293,956	-	-	293,956
Water - High Note Avenue	(MD5-012)	31,750	-	-	-	31,750
Water - High Note North	(MD5-029)	-	176,628	-	-	176,628
Water - RidgeGate Parkway Couplet	(MD5-015/026)	900,817	75,017	141,216	-	834,618
Water - RG Station TOD Improvements	(MD5-014A/B)	637,226	-	-	637,226	-
Subtotal - Construction in Progress		51,484,067	20,511,698	10,092,142	738,529	61,165,094
Total Capital Assets, Not Being Depreciated		51,484,067	20,511,698	10,092,142	738,529	61,165,094
Capital Assets, Net		$ 51,484,067	$ 20,511,698	$ 10,092,142	$ 738,529	$ 61,165,094

During 2025, a portion of the capital assets constructed and/or acquired by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities have been removed from the District's financial records.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2025:

	Balance - December 31, 2024	Additions	Deletions	Balance - December 31, 2025	Due Within One Year
Governmental Activities:					
Limited Tax Supported and Special Revenue Bonds - Series 2021	$ 120,000,000	$ -	$ -	$ 120,000,000	$ -
Original Issue Premium - Series 2021 Bonds	1,080,847	-	51,582	1,029,265	51,582
Total Bonds Payable	121,080,847	-	51,582	121,029,265	51,582
Developer Advances - East-Side Capital Advances - B	29,860,000	19,462,000	10,092,142	39,229,858	-
Developer Advances - Operations - A	325,000	-	-	325,000	-
Accrued Interest on Developer Advances - East-Side Capital Advances - B	1,066,733	1,426,793	445,854	2,047,672	-
Accrued Interest on Developer Advances - Operations - A	38,953	13,000	-	51,953	-
Total Developer Advances	31,290,686	20,901,793	10,537,996	41,654,483	-
Total Governmental Activities Long-Term Obligations	$ 152,371,533	$ 20,901,793	$ 10,589,578	$ 162,683,748	$ 51,582

A = Developer advances identified as "-A" refer to the East Side Operations Funding Agreement discussed below.
B = Developer advances identified as "-B" refer to the East Side Capital Funding and Reimbursement Agreement discussed below.

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

Limited Tax Supported and Special Revenue Bonds, Series 2021

<u>**Proceeds of the Bonds**</u>

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Optional Redemption

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

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

Pledge Agreement

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

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

Details of the Bonds

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

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

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

Pledged Revenue

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Pledged Revenue (Continued)

Property Tax Revenues

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

Required Mill Levy

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

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

PILOT Revenues

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

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Pledged Revenue (Continued)

Pledged PIF Revenues

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

Pledged Fee Revenues

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

Additional Security for the Bonds

The Bonds are additionally secured by capitalized interest in the original amount of $12,746,667 and by the Surplus Fund, which was partially funded from proceeds of the Bonds in the amount of the Initial Surplus Fund Deposit of $8,000,000 and is required to be additionally funded with excess Pledged Revenue, if any, up to the Maximum Surplus Amount of $10,000,000. The Surplus Fund reached the Maximum Surplus Amount during November of 2023.

Bonds Debt Service

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

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 4,800,000	$ 4,800,000
2027	-	4,800,000	4,800,000
2028	-	4,800,000	4,800,000
2029	-	4,800,000	4,800,000
2030	-	4,800,000	4,800,000
2031-2035	7,605,000	23,581,200	31,186,200
2036-2040	18,590,000	21,183,600	39,773,600
2041-2045	29,575,000	16,587,400	46,162,400
2046-2050	43,670,000	9,605,200	53,275,200
2051	20,560,000	822,400	21,382,400
Total	$ 120,000,000	$ 95,779,800	$ 215,779,800

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Events of Default

Events of default under the Indenture include: the failure or refusal of the District to apply the Pledged Revenue as required by the Indenture of Trust, dated October 1, 2021, between District No. 5 and UMB Bank, N.A., or the failure or refusal of a Taxing District to impose the Required Mill Levy as required by the terms of the Pledge Agreement; as well as the failure to observe or perform any other of the material covenants, agreements, duties or conditions of the financing documents; and filing a petition for bankruptcy. Upon the occurrence and continuance of an event of default, the Trustee may pursue the right of receivership or may proceed to protect and enforce the rights of the bond holders by suit for judgement or by mandamus or such other suit, action, or proceeding at law or in equity, to enforce all rights of the bond holders. However, acceleration of the bonds shall not be an available remedy for an event of default.

Developer Advances

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

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

On September 23, 2015, a "First Amendment" revised certain terms of the agreement and reduced the interest rate. On December 9, 2016, a Second Amendment to this agreement revised the definition of the "improvements" under the agreement to include street improvements of the "Sky Ridge Bridge Extension Project". On February 22, 2017, concurrent with the drafting of the East Side Capital Agreement (see below), and effective as of January 1, 2017, a Third Amendment transferred certain principal and accrued interest balances related to all East Side improvements and put them under the new Capital Funding and Reimbursement Agreement – East Side. These transferred balances were removed in their totality from the amended 2007 PWSD Funding Agreement, and the Third Amendment further revised the definition of the "improvements" under the agreement to exclude street improvements of the Sky Ridge Bridge Extension Project, which had been added with the Second Amendment. On May 27, 2020, with an effective date of January 1, 2020, a Fourth Amendment to the 2007 PWSD Funding Agreement (together with the original agreement and all amendments, the Amended 2007 PWSD Funding Agreement) again modified the interest rate.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

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

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

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

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

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

Capital Funding and Reimbursement Agreement – East Side

On March 2, 2017, District No. 1 and RGI entered into a Capital Funding and Reimbursement Agreement – East Side (the 2017 East Side Capital Agreement), with an effective date of January 1, 2017. This agreement sets forth the terms by which RGI will advance funds to District No. 1 for costs incurred on the properties to be served by PWSD, which are within the boundaries of Rampart Range Metropolitan District Nos. 3 – 6, 8 and 9. The 2017 East Side Capital Agreement identified and “Transferred” prior capital advances in the principal amount of $3,743,052 plus accrued interest of $60,685, which were initially funded under the Amended 2007 PWSD Funding Agreement to the 2017 East Side Capital Agreement, where such advances were deemed to be more appropriately accounted for. These costs include general planning expenses and preliminary design costs associated with properties within the East Side Districts, as well as costs associated with the Sky Ridge Bridge Extension Project. Under the 2017 East Side Capital Agreement, RGI agreed to advance up to $30,000,000 to District No. 1 through December 31, 2020. On August 22, 2018, a First Amendment (together with the original agreement and all amendments, the Amended 2017 East Side Capital Agreement) increased the funding amount through December 31, 2020 to $65,000,000.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

Capital Funding and Reimbursement Agreement – East Side (Continued)

Beginning in 2016, construction on District No. 1's Sky Ridge Bridge Expansion Project (the Bridge Project) began, which is an automobile, bike and walking bridge constructed over Interstate-25, parallel to the RTD Southeast Rail Extension (SERE) Project light-rail bridge that connects the west and east sides of the RidgeGate Development. The Bridge Project costs were being paid through Developer Advances under the Amended 2017 East Side Capital Agreement. In early 2019, District No. 1 engaged Ranger Engineering, LLC to conduct a cost benefit analysis on the Bridge Project. Ranger Engineering's final report, dated April 30, 2019, recommended a total Bridge Project costs allocation split of 80% to the West Side Districts and 20% to the East Side Districts. 80% of the total estimated Bridge Project costs is $7,656,725.

As a result of the cost benefit analysis on the Bridge Project, District No. 1 entered into a Second Amendment to the Capital Funding and Reimbursement Agreement – East Side simultaneously with a Fourth Amendment to the Capital Funding and Reimbursement Agreement – West Side (originally dated December 31, 2007, as amended and restated, the 2007 Capital Agreement – West Side), both dated April 24, 2019, and effective as of May 14, 2019, to transfer $7,656,725 of Developer Advance principal amounts and the related accrued and outstanding interest from the Amended 2017 East Side Capital Agreement to the 2007 Capital Agreement – West Side. Furthermore, the 80% of the Bridge Project funding principal amounts transferred to the West Side would no longer be considered as East Side advances or as part of the maximum funding amount under the Amended 2017 East Side Capital Agreement.

In like manner, during 2019, construction on District No. 1's RidgeGate Parkway Expansion Project (the RG Parkway Project) began on the East Side of the RidgeGate Development. The RG Parkway Project costs were being paid through Developer Advances under the Amended 2017 East Side Capital Agreement. On July 8, 2019, District No. 1 received a cost benefit analysis report from Ranger Engineering, LLC which recommended a total RG Parkway Project costs allocation split of 75% to the West Side Districts and 25% to the East Side Districts. Therefore, District No. 1 entered into a Third Amendment to the Capital Funding and Reimbursement Agreement – East Side simultaneously with a Fifth Amendment to the 2007 Capital Agreement – West Side, both approved on October 23, 2019, and effective as of October 31, 2019, to transfer $6,420,513 in principal of Developer Advances which are associated with the RG Parkway Project and $125,802 of related accrued and outstanding interest from the Amended 2017 East Side Capital Agreement to the 2007 Capital Agreement – West Side. Furthermore, the 75% of the RG Parkway Project funding principal amounts transferred to the West Side would no longer be considered as East Side advances or as part of the maximum funding amount under the Amended 2017 East Side Capital Agreement. In addition, it was determined that future RG Parkway Project costs would be funded from capital advances according to the same allocation of 75% to the West Side Districts and 25% to the East Side Districts.

The Amended 2017 East Side Capital Agreement was "Terminated" on January 1, 2020, see second paragraph of the following agreement.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

East Side Capital Funding and Reimbursement Agreement

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

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

All outstanding Developer Advance balances existing at that time under the Amended East Side CF&R Agreement were repaid to RGI in full with proceeds of the Bonds on October 5, 2021, principal of $40,310,814 and accrued interest of $2,585,569.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

East Side Capital Funding and Reimbursement Agreement (Continued)

A Second Amendment to East Side Capital Funding and Reimbursement Agreement was entered into on November 21, 2022, which increased RGI's funding period and funding obligation to say, starting December 1, 2019 through December 31, 2027, there is a maximum funding amount of $85,000,000. The Second Amendment acknowledged that as of October 5, 2021, the balance of all outstanding Developer Advances was $-0-. In addition, commencing on November 1, 2022 through October 31, 2027, the interest rate is increased to 4.00%.

A Third Amendment to the East Side Capital Funding and Reimbursement Agreement was entered into on May 27, 2025, concurrently with an agreement with District No. 1 (as described further under Note 9 – Agreements - Intergovernmental Agreement Regarding Cost Reallocation) to allocate the costs of certain public improvements and corresponding reimbursement obligations to RGI. The Third Amendment reduces the District's reimbursement obligation to RGI by $10,537,996, consisting of $10,092,142 in principal and $445,854 in interest, and expressly confirmed that RGI will not seek recovery of this amount that has been transferred to District No. 1.

During 2025, the District received $19,462,000 of Developer Advances. As of December 31, 2025, the principal and accrued interest balances outstanding under the Amended East Side CF&R Agreement were $39,229,858 and $2,047,672, respectively. Therefore, the remaining balance of the funding obligation available for use as of December 31, 2025, is $11,908,000.

East Side Operations Funding Agreement

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

A First Amendment to East Side Operations Funding Agreement was entered into on October 26, 2022, which extends the term of the Developer's funding obligation through fiscal year 2025. The term of the Agreement and the date of the District's obligation to reimburse RGI were also extended to commence on December 1, 2019, and shall expire on December 31, 2055.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances (Continued)

East Side Operations Funding Agreement (Continued)

During 2025, the District received $-0- of Developer Advances under the terms of the East Side Operations Funding Agreement. As of December 31, 2025, the principal and accrued interest balances outstanding and owed to RGI pursuant to the East Side Operations Funding Agreement are $325,000 and $51,953, respectively.

NOTE 6 DEBT AUTHORIZATION

Pursuant to the Amended and Restated Service Plan dated April 19, 2005, the limit on the District's ability to issue debt is set forth in its Service Plan as $500,000,000 (the "Service Plan Debt Issuance Limit"). In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit.

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election or elections, the actual costs of construction were not known. Without knowing the costs of construction, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer, or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power.

With that understanding, on May 5, 2020, the District electors voted to authorize debt issuance, by power, in an amount not to exceed the Service Plan Debt Issuance Limit. In addition, the maximum interest rate authorized for any debt issued by the District is 18% per annum and the maximum debt service mill levy for the District is 50 mills, as adjusted for changes in the ratio of actual assessed value or property within the District.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area; however, as of the date of this audit, the amount and timing of any debt issuance is not determinable.

NOTE 7 NET POSITION

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2025, as follows:

NOTE 7 NET POSITION (CONTINUED)

Restricted Net Position:	
Emergency Reserves - TABOR	$ 7,800
Debt Service	2,565,790
Capital Projects	1,790,439
Total Restricted Net Position	$ 4,364,029

The District has a deficit in unrestricted net position as of December 31, 2025. This deficit is a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

NOTE 8 RELATED PARTIES

RidgeGate Investments, Inc. (RGI) is the entity that is developing the property, which is referred to herein as the "Developer". Certain members of the Board of Directors of the District are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District. See Note 6 – Long-Term Obligations concerning advances made by the Developer. In addition, one member of the Board of Directors of the District is employed by a builder of residential units within the property boundaries of the East Side Districts.

NOTE 9 AGREEMENTS

Annexation and Development Agreement

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

NOTE 9 AGREEMENTS (CONTINUED)

Annexation and Development Agreement (Continued)

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

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

District Facilities Construction and Service Agreement

On December 1, 2019, the District entered into the East Side District Facilities Construction and Service Agreement with District No. 4 as the “Regional District”, and Rampart Range Metropolitan District Nos. 6 and 8 as the “East Side DFCSA Taxing Districts” (the East Side Master IGA). In accordance with the East Side Master IGA, as the Operating District, District No. 5 agrees to construct, manage the financing, operate, and maintain the public facilities and services within the East Side Districts. The East Side DFCSA Taxing Districts will pay all costs related to the construction, operation, and maintenance of these facilities and services, and pursuant to the East Side Master IGA, they agree to consider obligating themselves to pay their respective shares of the costs of facilities and services provided by District No. 5.

PWSD Financial Guarantee and Improvements Agreements

During 2022, District No. 5 and PWSD entered into a set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement (when used together, a PWSD Project Agreement set) for Filing No. 1 Water and Sanitary Sewer – Phase 2 on April 7, 2022, both of which were specifically for the construction of the RidgeGate East Filing No. 1 Earthwork and Utility TOD Phase 2 Project (MD5-014B), with Total Estimated Costs of $215,735, and the Guarantee amount of $43,147. The District paid the full Surety amount of $258,882 to PWSD on March 25, 2022. District No. 5 received a letter of Initial Acceptance of the RidgeGate East Filing No. 1 Earthwork and Utility TOD Phase 2 Project (MD5-014B) from PWSD on December 9, 2022, which started the two-year warranty period. The District received one Release for the full 100% of the Total Estimated Costs of $215,735 from PWSD on June 20, 2023. The District received a letter of Final Acceptance of the RidgeGate East Filing No. 1 Earthwork and Utility TOD Phase 2 Project (MD5-014B) on January 28, 2025, and the final Surety release of $43,147 was received from PWSD on March 17, 2025.

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Financial Guarantee and Improvements Agreements (Continued)

During 2023, District No. 5 and PWSD entered into a PWSD Project Agreement set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for RidgeGate East Filing No. 3 water and sanitary sewer improvements, which were both executed on January 3, 2024, both of which were specifically for the construction of the RidgeGate East Filing No. 3 Earthwork and Utility Project (MD5-015), with Total Estimated Costs of $271,215, and the Guarantee amount of $54,243. The District paid the full Surety amount of $325,458 to PWSD on December 20, 2023. The District received the first, second, and third Releases of 25% of Total Estimated Costs totaling $203,411 in 2024. The Distrct received the fourth Release of 25% of Total Estimated Costs of $67,804 in 2025. As of December 31, 2025, PWSD was still holding $54,243 of the Surety on the RidgeGate East Filing No. 3 Project.

Also in 2023, District No. 5 and PWSD simultaneously entered into a PWSD Project Agreement set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for RidgeGate East Filing No. 4 water and sanitary sewer improvements, which were both executed on March 5, 2024, both of which were specifically for the construction of the RidgeGate East Filing No. 4 Street and Utility Project (MD5-026), with Total Estimated Cost of $679,138, and the Guarantee amount of $135,828. The District paid the full Surety amount of $814,966 to PWSD on March 13, 2024. The District received the first, second, and third Releases of 25% of Total Estimated Costs totaling $509,354 in 2024. The District received the fourth Release of 25% of Total Estimated Costs of $169,785 in 2025. As of December 31, 2025, PWSD was still holding $135,828 of the Surety on the RidgeGate East Filing No. 4 Project.

Also in 2023, District No. 5 and PWSD simultaneously entered into a PWSD Project Agreement set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for the Badger Gulch Trunk Sanitary Sewer on March 12, 2024, both of which were specifically for the construction of the Badger Gulch Sanitary Outfall Project (MD5-007), with Total Estimated Costs of $1,002,842, and the Guarantee amount of $200,569. The District paid the full Surety amount of $1,203,411 on March 13, 2024. The District received the first, second, and third Releases of 25% of Total Estimated Costs totaling $752,132 in 2024. The District received the fourth Release of 25% of Total Estimated Costs of $250,711 in 2025. As of December 31, 2025, PWSD was still holding $200,569 of the Surety on the Badger Gulch Trunk Sanitary Project.

Also in 2023, District No. 5 and PWSD simultaneously entered into a PWSD Project Agreement set of interrelated agreements, the Cash in Lieu of Letter of Credit Financial Guarantee Agreement and the Water and/or Sewer Main Improvement Agreement for Ridgegate East Filing No. 5 on May 23, 2025, both of which were specifically for the construction of the Ridgegate East Filing No. 5 (MD5-029), with Total Estimated Costs of $103,869, and the Guarantee amount of $20,774. The District paid the full Surety amount of $124,643 on June 17, 2025. The District received the first, second, and third Releases of 25% of Total Estimated Costs totaling $77,900 in 2025. As of December 31, 2025, PWSD was still holding $46,742 of the Surety on the Ridgegate East Filing No. 5 Project.

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Financial Guarantee and Improvements Agreements (Continued)

District No. 5 had five projects constructed or still under construction within the PWSD boundaries that had not reached Final Acceptance during 2025; therefore, as of December 31, 2025, the District had total Surety funds on deposit with PWSD in the amount of $437,382.

Operations Pledge Agreement

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

Inclusion Agreement

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

Cost Sharing and Reimbursement Agreement (Rail Way Sidewalk)

Effective July 13, 2021, the District and RidgeGate Station Affordable LLC (RGSA) entered into a cost sharing agreement (the Rail Way CSA). RGSA is developing a parcel of land within the District, RidgeGate East Filing No. 1, 2nd Amendment, Lot 2-A-4. As part of its residential development on this property RGSA is constructing some private improvements, and adjacent to these improvements along South Havana Street and Rail Way, the District is constructing some public improvements (as defined in the Rail Way CSA). Pursuant to the Rail Way CSA, in between these public and private improvements, RGSA shall construct a sidewalk along the north side of Rail Way. After preliminary acceptance by the appropriate accepting jurisdiction and prior to final acceptance, the District shall acquire the Rail Way sidewalk, and will reimburse RGSA for the agreed upon reasonable “Verified Costs” of the sidewalk. As of December 31, 2025, the Rail Way sidewalk has not yet been reimbursed. No income or expense has been accrued related to this reimbursement.

NOTE 9 AGREEMENTS (CONTINUED)

City IGAs Regarding the Havana Street Bikeway Project

During 2023, the City entered into three integrated Intergovernmental Agreements regarding the Havana Street Bikeway Project (Bikeway Project), (City Bikeway IGAs). The first of the City Bikeway IGAs is a State of Colorado Intergovernmental Contract with the Colorado Department of Transportation (CDOT) for the construction of the Bikeway Project, establishing the City as the Local Agency, with an effective date of June 6, 2023. Second, the Inter-governmental Agreement Concerning Construction Funding and Management (Havana Street Bikeway Project) between the City and the District, dated December 5, 2023, specifies that the District is to provide the local funding for the Bikeway Project, that the City is to make payment for all construction invoices, and to outline the management responsibilities of the project, the (District Bikeway Funding IGA). The District Bikeway Funding IGA identifies the Bikeway Project as consisting of the reconstruction of S. Havana Street that includes the addition of two (2) six foot-wide bike lanes along the corridor, and to provide a partially protected intersection to facilitate bicycle travel from on-street to off-street bikeways. The total construction costs for the Bikeway Project are estimated at $1,600,000, with the CDOT contribution to be $1,100,000, and the District contribution to be a minimum of $500,000, to be provided to the City before the contract is awarded; however, the District is responsible for any Bikeway Project cost overruns, but is also entitled to keep any project cost savings. The third of the City Bikeway IGAs is the Project Management Work Allocation Agreement – Havana Street Bikeway, also dated December 5, 2023, which further defines the responsibilities of the City and the District regarding certain aspects of the management associated with the Bikeway Project. The District has incurred costs of $428,720 related to the Bikeway Project through December 31, 2025.

Intergovernmental Agreement Regarding Cost Reallocation

On May 27, 2025, the District and District No. 1 entered into an Intergovernmental Agreement Regarding Cost Reallocation to formalize the sharing of costs for the Ridgegate East Filing 2 and Filing 3 Street & Utility project and the Happy Canyon Creek Stream Improvement project currently being constructed within the East Side Districts. Both Districts agree that these improvements will benefit the owners, occupants, tenants, visitors, and taxpayers of both the East Side and West Side and, as such, agree that the associated costs should be shared between them. Based on an independent engineer’s report, the recommended project cost allocation split was 39.2% to District No. 1 and 60.8% to the District, resulting in a total of $10,537,996, which consist of $10,092,142 in principal and $445,854 in interest, that was reallocated to District No. 1. RGI had advanced funds to the District to finance the construction of these improvements. District No. 1 agreed to reimburse this amount, either directly to the District or directly to RGI.

NOTE 9 AGREEMENTS (CONTINUED)

PWSD Reimbursement Agreement (RidgeGate East Filing 5)

On September 9, 2025, the District entered into a Reimbursement Agreement with PWSD in connection with the RidgeGate East Filing 5 Roadway and Utilities Project. Because the construction and installation of certain water facilities for this project include a raw water line that will connect future well sites owned by PWSD and serve the greater region, PWSD intends to reimburse the District for the cost of this raw later line.

The District is solely responsible for construction and testing the raw water line, and for ensuring compliance with PWSD's standards. Upon satisfactory inspection and preliminary acceptance by PWSD, the District shall deliver a bill of sale to PWSD, and PWSD will reimburse the District $40,504.

District Infrastructure Agreement (Couplet Grocer Center)

On December 16, 2025 the District entered into a District Infrastructure Agreement with RGI and RidgeGate Couplet Grocery Center, LLC (RCGC) related to the construction of an approximately .35 acre public park within the couplet area. Under the agreement, RCGC is responsible for the design, permitting, and construction of the park in accordance with approved plans and applicable requirements. Upon completion and acceptance, the park will be conveyed to the District. The District is responsible for reimbursing RCGC for eligible construction costs, which will be funded by RGI pursuant to existing East Side Capital Funding & Reimbursement Agreements. Reimbursement to RCGC is limited to verified costs that have been certified by an independent engineer and reviewed by the District's accountant, and are payable following final acceptance and receipt of all required documentations.

NOTE 10 COMMITMENTS AND CONTINGENCIES

As of December 31, 2025, the District had unexpended construction related contract commitments of $3,322,338.

NOTE 11 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.

NOTE 11 RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for general liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the

Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 12 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 that apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. On November 7, 2000, a majority of the District's electors approved an election question to remove limits on the amount of all revenues, excluding revenues generated from ad valorem taxes, the District is allowed to collect and spend or retain without regard to any limitations under TABOR.

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

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

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

NOTE 12 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. Annual operating property tax revenue is limited to a 5.25% increase (10.5% increase over a two-year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1- 1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
IGA Revenue #6 - Net Property Taxes	$ 631,114	$ 631,047	$ (67)
IGA Revenue #6 - Specific Ownership Taxes	57,666	49,316	(8,350)
IGA Revenue #6 - System Development Fee	588,000	392,640	(195,360)
IGA Revenue #6 - Property Tax Interest	1,413	5,542	4,129
IGA Revenue #8 - Net Property Taxes	414,026	413,945	(81)
IGA Revenue #8 - Specific Ownership Taxes	37,833	32,353	(5,480)
IGA Revenue #8 - System Development Fee	101,000	132,222	31,222
IGA Revenue #8 - Property Tax Interest	27	-	(27)
IGA Revenue #8 - PILOT Revenue	72,814	72,814	-
Water Resource Credit Fee	1,525,000	1,480,000	(45,000)
PIF Revenue	-	924	924
Net Investment Income	686,107	498,067	(188,040)
Total Revenues	4,115,000	3,708,870	(406,130)
EXPENDITURES			
Miscellaneous	1,000	625	375
Paying Agent Fees	4,000	4,000	-
Debt Service:			
Bond Interest Expense - Series 2021	4,800,000	4,800,000	-
Contingency	20,000	-	20,000
Total Expenditures	4,825,000	4,804,625	20,375
NET CHANGE IN FUND BALANCE	(710,000)	(1,095,755)	(385,755)
Fund Balance - Beginning of Year	12,070,000	12,061,545	(8,455)
FUND BALANCE - END OF YEAR	$ 11,360,000	$ 10,965,790	$ (394,210)

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	$ 153,750	$ 147,562	$ (6,188)
Total Revenues	153,750	147,562	(6,188)
EXPENDITURES			
General and Administrative:			
Accounting	360,000	247,620	112,380
District Management	225,000	250,166	(25,166)
Legal	160,000	75,993	84,007
Construction Expenses:			
Construction Management	100,000	117,622	(17,622)
Engineering	20,000	200,375	(180,375)
Miscellaneous	6,330	869	5,461
Operations Expenses Until Final Acceptance	5,000	4,291	709
Planning/Design	300,000	16,107	283,893
Platting Fees	25,000	-	25,000
Capital Outlay:			
Grading - City Center	-	22,396	(22,396)
Landscaping - RG Parkway East	300,000	88,065	211,935
Landscaping - RG Station TOD Improvements	115,000	35,924	79,076
Parks - Couplet	100,000	1,125	98,875
Parks - Badger Gulch Park	200,000	58,809	141,191
Parks - Badger Gulch Park Ped. Bridge	3,250,000	1,642,396	1,607,604
Streets - High Note Avenue	1,586,000	46,065	1,539,935
Streets - RG Parkway Couplet	1,100,000	873,638	226,362
Streets - Lyric F2 Havana Bikeway	2,000,000	119,795	1,880,205
Streets - High Note North (Filing 5)	-	1,453,301	(1,453,301)
Streetscape - Lighting Design	20,000	-	20,000
Streetscape - Havana Street Signals	40,000	(1,266)	41,266
Streetscape - RG Parkway East	1,300,000	273,761	1,026,239
Streetscape - RG Parkway Couplet Signals	1,575,000	3,355,846	(1,780,846)
Streetscape - RG Station TOD Improvements	-	252,423	(252,423)
Streetscape - Bridge Aesthetic	357,720	157,765	199,955
Streetscape - High Note North (Filing 5)	-	293,956	(293,956)
Sewer - Badger Gulch Sanitary Outfall	-	289	(289)
Sewer - RG Parkway Couplet	-	149,398	(149,398)
Sewer - High Note North (Filing 5)	-	87,065	(87,065)
Storm Drainage - Happy Canyon Detention/WQ	10,242,950	10,554,886	(311,936)
Storm Drainage - Badger Gulch Detention/WQ	850,000	610,900	239,100
Storm Drainage - High Note Avenue	-	1,082	(1,082)
Storm Drainage - RG Parkway Couplet	-	(2,313)	2,313
Storm Drainage - High Note North (Filing 5)	-	184,747	(184,747)
Water - RG Parkway Couplet	-	75,017	(75,017)
Water - High Note North (Filing 5)	-	176,628	(176,628)
Contingency	162,000	-	162,000
Total Expenditures	24,400,000	21,424,741	2,975,259
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(24,246,250)	(21,277,179)	2,969,071

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)			
Developer Advance	21,183,250	19,462,000	(1,721,250)
Total Other Financing Sources (Uses)	21,183,250	19,462,000	(1,721,250)
NET CHANGE IN FUND BALANCE	(3,063,000)	(1,815,179)	1,247,821
Fund Balance - Beginning of Year	3,823,000	4,043,000	220,000
FUND BALANCE - END OF YEAR	$ 760,000	$ 2,227,821	$ 1,467,821

RAMPART RANGE METROPOLITAN DISTRICT NO. 5
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
YEAR ENDED DECEMBER 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$120,000,000 Limited Tax Supported and Special Revenue Bonds Dated October 5, 2021 Series 2021 Interest Rate 4.00% Interest Due June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2026	$ -	$ 4,800,000	$ 4,800,000
2027	-	4,800,000	4,800,000
2028	-	4,800,000	4,800,000
2029	-	4,800,000	4,800,000
2030	-	4,800,000	4,800,000
2031	530,000	4,800,000	5,330,000
2032	1,185,000	4,778,800	5,963,800
2033	1,360,000	4,731,400	6,091,400
2034	2,075,000	4,677,000	6,752,000
2035	2,455,000	4,594,000	7,049,000
2036	2,745,000	4,495,800	7,240,800
2037	3,170,000	4,386,000	7,556,000
2038	3,910,000	4,259,200	8,169,200
2039	4,075,000	4,102,800	8,177,800
2040	4,690,000	3,939,800	8,629,800
2041	4,885,000	3,752,200	8,637,200
2042	5,560,000	3,556,800	9,116,800
2043	5,795,000	3,334,400	9,129,400
2044	6,530,000	3,102,600	9,632,600
2045	6,805,000	2,841,400	9,646,400
2046	7,610,000	2,569,200	10,179,200
2047	7,925,000	2,264,800	10,189,800
2048	8,815,000	1,947,800	10,762,800
2049	9,175,000	1,595,200	10,770,200
2050	10,145,000	1,228,200	11,373,200
2051	20,560,000	822,400	21,382,400
Total	$ 120,000,000	$ 95,779,800	$ 215,779,800