

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**  
**COUNTY OF ROUTT, COLORADO**  
**2023 ANNUAL REPORT**

Board of County Commissioners of  
Routt County, Colorado  
*via Email [jharrington@co.routt.co.us](mailto:jharrington@co.routt.co.us)*

County Clerk and Recorder  
Routt County, Colorado  
*via Email [jthomas@co.routt.co.us](mailto:jthomas@co.routt.co.us)*

Office of the State Auditor  
1525 Sherman Street, 7th Floor  
Denver, Colorado 80203  
*via E-Filing Portal*

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, Colorado 80203  
*via E-Filing Portal*

Pursuant to Section 32-1-207(3)(c)(I), C.R.S., the Alpine Mountain Ranch Metropolitan District (the “**District**”) is required to submit an annual report for the preceding calendar year (the “**Report**”) no later than October 1 of each year to the County of Routt, Colorado (the “**County**”), the Colorado Division of Local Government, the Colorado State Auditor, the Routt County Clerk and Recorder; the Report must also be posted on the District’s website, if available.

For the year ending December 31, 2023 the District makes the following report:

1. **Boundary changes made to the District’s boundary as of December 31st:**  
There were no boundary changes made during fiscal year 2023.
2. **Intergovernmental agreements entered into or terminated as of December 31st:** The District did not enter into or terminate any Intergovernmental agreements during fiscal year 2023.
3. **Copies of the District’s Rules and Regulations, if any, as of December 31st:**  
The District’s adopted rules and regulations can be obtained from the District’s website at <https://www.amrmetrodistrict.org/>.
4. **A summary of any litigation involving public improvements by the District:**  
The District is not aware of any litigation involving public improvements.
5. **Status of the construction of public improvements by the District:** The District has not constructed any public improvements during fiscal year 2023.
6. **List of facilities or improvements constructed by the District that were conveyed to the County:** There were no facilities or improvements constructed by the District that were conveyed to the County during fiscal year 2023.

7. **Final Assessed Value of Taxable Property within the District's boundaries as of December 31, 2023:** The 2023 total assessed value of taxable property within the boundaries of the District is \$31,034,380.
8. **Current annual budget of the District:** Attached as Exhibit A is a copy of the District's Budget for the current fiscal year 2024.
9. **Most recently filed audited financial statements of the District. To the extent audited financial statements are required by state law or most recently filed audit exemption:** Attached as Exhibit B is a copy of the District's Audit for fiscal year 2023.
10. **Notice of any uncured defaults existing for more than 90 days under any debt instrument of the District:** No notices of any uncured default were issued during fiscal year 2023.
11. **The District's inability to pay any financial obligations as they come due under any obligation which continues beyond a ninety-day period:** To the best of my actual knowledge, the District has been able to pay its obligations as they come due during fiscal year 2023.

Respectfully submitted this 27<sup>th</sup> day of September, 2024.

ALPINE MOUNTAIN RANCH  
METROPOLITAN DISTRICT

By

  
\_\_\_\_\_  
Andrew P. Daly, Chairman

**EXHIBIT A**

2024 Budget

**CERTIFICATION OF 2024 BUDGET**  
**OF ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Alpine Mountain Ranch Metropolitan District, for the budget year ending December 31, 2024, as adopted on December 12, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Alpine Mountain Ranch Metropolitan District, Routt County, Colorado, this 12th day of December, 2023.

ALPINE MOUNTAIN RANCH  
METROPOLITAN DISTRICT

By: \_\_\_\_\_

Andrew Daly, Chairman

ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

Updated 12/29/23

**GENERAL FUND**

2023 Prelimi 31,034,380.00  
 Mill Levy 0.0110

12/22/23

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

|  | 2022<br>Year End<br>Actual | 2023<br>Approved<br>Budget | 2023<br>11 months<br>Actual | 2023<br>Projected<br>Year End | 2023<br>Approved<br>Amended | Projected<br>Year End<br>Variance | 2024<br>Approved<br>Budget |
|--|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|-----------------------------------|----------------------------|
| <b>GENERAL FUND Revenues</b>                                   |                            |                            |                             |                               |                             |                                   |                            |
| 42000 · Routt County Property Tax Revenues                     | 46,366                     | 48,822                     | 48,343                      | 48,822                        | 48,822                      | 0                                 | 341,378                    |
| Interest on tax collections                                    | 42                         |                            | 88                          | 90                            | 90                          | 90                                | 0                          |
| 42100 · RouttCty Specific Ownership Tax                        | 3,155                      | 2,000                      | 2,957                       | 3,000                         | 3,000                       | 1,000                             | 3,060                      |
| Property Tax Abatements  | (2,120)                    |                            |                             |                               |                             | 0                                 |                            |
| Abatement Interest   | (105)                      |                            |                             |                               |                             | 0                                 |                            |
| Guest Cabin 2 Lease Agreement                                  |                            |                            | 100                         | 300                           | 300                         | 300                               | 1,200                      |
| <b>Total 40000 · GENERAL FUND - Revenue</b>                    | <b>47,338</b>              | <b>50,822</b>              | <b>51,489</b>               | <b>52,212</b>                 | <b>52,212</b>               | <b>1,390</b>                      | <b>345,638</b>             |
| <b>GENERAL FUND Expenditures</b>                               |                            |                            |                             |                               |                             |                                   |                            |
| <b>60001 · ADMINISTRATIVE EXPENSES</b>                         |                            |                            |                             |                               |                             |                                   |                            |
| 62900 · Collection Fees (Cty Treas.)                           | 1,329                      | 1,465                      | 1,453                       | 1,465                         | 1,465                       | 0                                 | 10,241                     |
| 60400 · Dues, Subscriptions, Fees                              | 415                        | 400                        | 866                         | 866                           | 866                         | (466)                             | 1,000                      |
| 61300 · Insurance  | 5,100                      | 6,000                      |                             | 6,000                         | 6,000                       | 0                                 | 6,000                      |
| 62250 · Office Expense   | 1,049                      | 1,500                      | 2,799                       | 3,200                         | 3,200                       | (1,700)                           | 2,000                      |
| Software   | 306                        | 1,000                      | 994                         | 144                           | 144                         | 856                               | 200                        |
| Website  | 300                        | 600                        | 600                         | 600                           | 600                         | 0                                 | 600                        |
| 62310 · Accounting Fees  | 23,098                     | 30,000                     | 28,542                      | 35,000                        | 35,000                      | (5,000)                           | 35,000                     |
| 62315 · Administrative Fees                                    |                            | 15,000                     | 13,750                      | 15,000                        | 15,000                      | 0                                 | 23,400                     |
| 62320 · Audit Fees   | 4,700                      | 5,500                      | 6,000                       | 5,500                         | 5,500                       | 0                                 | 6,000                      |
| 62340 · Consulting Fees  |                            | 3,000                      | 0                           | 0                             | 0                           | 3,000                             | 3,000                      |
| 162350 · Legal Fees  | 11,763                     | 7,500                      | 13,714                      | 17,000                        | 17,000                      | (9,500)                           | 14,000                     |
| <b>Total Administrative Expense</b>                            | <b>48,059</b>              | <b>71,965</b>              | <b>68,719</b>               | <b>84,775</b>                 | <b>84,775</b>               | <b>(12,810)</b>                   | <b>101,441</b>             |
| <b>64000 · INFRASTRUCTURE EXPENSES</b>                         |                            |                            |                             |                               |                             |                                   |                            |
| 64510 · Snow Removal   | 52,116                     | 40,000                     | 55,579                      | 70,000                        | 70,000                      | (30,000)                          | 70,000                     |
| 64520 · Road Repairs   | 2,733                      | 20,000                     | 0                           |                               |                             | 20,000                            | 20,000                     |
| 64550 · Wildfire Mitigation                                    |                            |                            | 95,400                      | 95,400                        | 95,400                      | (95,400)                          |                            |
| <b>CONTINGENCY</b>   |                            | 20,000                     |                             | 0                             | 0                           | 20,000                            | 30,000                     |
| <b>Total 60000 · G &amp; A / GENERAL FUND Expenses</b>         | <b>102,908</b>             | <b>151,965</b>             | <b>219,697</b>              | <b>250,175</b>                | <b>250,175</b>              | <b>(98,210)</b>                   | <b>221,441</b>             |
| <b>REVENUE OVER (UNDER) EXPENDITURES</b>                       | <b>(55,570)</b>            | <b>(101,143)</b>           | <b>(168,208)</b>            | <b>(197,963)</b>              | <b>(197,963)</b>            | <b>(96,820)</b>                   | <b>124,197</b>             |
| <b>OTHER FINANCING SOURCES (USES)</b>                          |                            |                            |                             |                               |                             |                                   |                            |
| 41000 · HOA Contribution-GenFundPortion (Regular Contributio   | 50,000                     | 40,000                     | 80,000                      | 80,000                        | 80,000                      | 40,000                            | 140,000                    |
| 41001 · HOA Contribution-GenFundPortion (Special for Wildfire) |                            |                            | 50,000                      | 50,000                        | 50,000                      | 50,000                            |                            |
| Funding from Grants  |                            |                            | 37,762                      | 45,000                        | 45,000                      | 45,000                            |                            |
| Transfer (To) WATER Fund                                       |                            |                            |                             |                               |                             |                                   | (190,000)                  |
| <b>Total Other Financing Sources &amp; Uses</b>                | <b>50,000</b>              | <b>40,000</b>              | <b>167,762</b>              | <b>175,000</b>                | <b>175,000</b>              | <b>135,000</b>                    | <b>(50,000)</b>            |
| <b>FUND BALANCE - BEGINNING</b>                                | <b>51,034</b>              | <b>70,145</b>              | <b>45,464</b>               | <b>45,464</b>                 | <b>45,464</b>               | <b>(24,681)</b>                   | <b>22,501</b>              |
| <b>Restricted Funds:</b>                                       |                            |                            |                             |                               |                             |                                   |                            |
| Emergency reserves - 3% of GF Revenues                         | 2,920                      | 2,725                      |                             |                               |                             |                                   |                            |
| Unrestricted fund balance                                      | 42,544                     | 6,277                      |                             |                               |                             |                                   |                            |
| <b>FUND BALANCE - ENDING</b>                                   | <b>45,464</b>              | <b>9,002</b>               | <b>45,018</b>               | <b>22,501</b>                 | <b>22,501</b>               | <b>13,499</b>                     | <b>96,698</b>              |
| Appropriation  | 102,908                    | 151,965                    |                             | 151,964                       | 250,175                     |                                   | 411,441                    |
| Expenditures   | (102,908)                  | (151,965)                  |                             | (250,175)                     | (250,175)                   |                                   | (411,441)                  |
|  | 0                          | 0                          |                             | (98,210)                      | 0                           |                                   | 0                          |

ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

**CAPITAL PROJECTS FUND**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL, BUDGET AND FORECAST FOR THE PERIODS IND (Approved Supplemental Appropriation)

|  | 2022<br>Year End<br>Actual | 2023<br>Approved<br>Budget | 2023<br>11 months<br>Actual | 2023<br>Projected<br>Year End | 2023<br>Approved<br>Amended | Projected<br>Year End<br>Variance | 2024<br>Approved<br>Budget |
|--|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|-----------------------------------|----------------------------|
| <b>CAPITAL PROJECTS Revenues</b>                                 |                            |                            |                             |                               |                             |                                   |                            |
| Investment Income - Project fund                                 | 5,776                      |                            | 10,028                      | 12,000                        |                             | 12,000                            | 10,000                     |
| Mill Levy for Capital Expenditures                               |                            |                            |                             |                               |                             |                                   |                            |
| <b>Total 50000 · CAPITAL PROJECTS - Revenue</b>                  | <b>5,776</b>               | <b>0</b>                   | <b>10,028</b>               | <b>12,000</b>                 |                             | <b>12,000</b>                     | <b>10,000</b>              |
| <b>CAPITAL PROJECTS Expenditures</b>                             |                            |                            |                             |                               |                             |                                   |                            |
| roadwork 2020  |                            |                            |                             |                               |                             |                                   |                            |
| Water System Upgrades  |                            |                            |                             |                               |                             |                                   |                            |
| Water Meters   |                            |                            |                             |                               |                             |                                   |                            |
| Guard Rail Replacement   |                            |                            |                             |                               |                             |                                   |                            |
| Amenity Buildings  |                            | 25,000                     | 0                           | 0                             |                             | (25,000)                          | 25,000                     |
| Utility Upgrades   |                            |                            |                             |                               |                             |                                   |                            |
| HVAC Upgrades  |                            |                            |                             |                               |                             |                                   |                            |
| Rockledge Road/Panorama Drive                                    | 1,018,044                  | 300,000                    | 3,220                       | 3,220                         |                             | (296,780)                         | 0                          |
| Road & Signage Upgrades  |                            |                            | 10,948                      | 20,448                        |                             | 20,448                            | 65,000                     |
| CONTINGENCY  |                            |                            |                             |                               |                             |                                   |                            |
| <b>Total 60000 · CAPITAL PROJECTS Expenditures</b>               | <b>1,018,044</b>           | <b>325,000</b>             | <b>14,168</b>               | <b>23,668</b>                 |                             | <b>(310,832)</b>                  | <b>90,000</b>              |
|  |                            |                            |                             |                               |                             | 0                                 |                            |
| <b>REVENUE OVER (UNDER) EXPENDITURES</b>                         | <b>(1,012,268)</b>         | <b>(325,000)</b>           | <b>(4,140)</b>              | <b>(11,668)</b>               |                             | <b>320,860</b>                    | <b>(80,000)</b>            |
| <b>OTHER FINANCING SOURCES (USES)</b>                            |                            |                            |                             |                               |                             |                                   |                            |
| Transfer IN from General Fund                                    |                            |                            |                             |                               |                             |                                   |                            |
| 50200 · HOA Contribution to Capital Reserves                     | 70,000                     | 0                          |                             |                               |                             |                                   |                            |
| 50300 · Transfer Fee Revenue (HOA Contribution)                  |                            | 40,000                     | 0                           | 0                             |                             | (40,000)                          |                            |
| Transfer IN from Bond Proceeds- 2011 series fund balances        |                            |                            |                             |                               |                             |                                   |                            |
| Transfer IN From Bond Proceeds- PROJECT FUND                     |                            |                            |                             |                               |                             |                                   |                            |
| Developer Transfers  | (414,000)                  | 300,000                    | 300,000                     | 300,000                       |                             | 0                                 | (300,000)                  |
| Transfer TO/(FROM) Water Fund (Capital)                          |                            |                            |                             |                               |                             |                                   |                            |
| Temporary AJE to adjust actuals to audit 12/31/2021 - reversed 1 | (172,984)                  |                            |                             |                               |                             |                                   |                            |
| <b>Total Other Financing Sources &amp; Uses</b>                  | <b>(516,984)</b>           | <b>340,000</b>             | <b>300,000</b>              | <b>300,000</b>                |                             | <b>(40,000)</b>                   | <b>(300,000)</b>           |
| <b>FUND BALANCE - BEGINNING</b>                                  | <b>1,631,265</b>           | <b>333,181</b>             | <b>102,013</b>              | <b>102,013</b>                |                             | <b>(231,168)</b>                  | <b>390,346</b>             |
| Investment In Fixed Asset  |                            |                            |                             |                               |                             |                                   |                            |
| Funds Allocated  |                            |                            |                             |                               |                             |                                   |                            |
| Rockledge Road   |                            |                            |                             |                               |                             |                                   |                            |
| Unallocated Funds  | 102,013                    | 348,181                    | 397,873                     | 390,346                       |                             |                                   | 10,346                     |
| <b>FUND BALANCE - ENDING</b>                                     | <b>102,013</b>             | <b>348,181</b>             | <b>397,873</b>              | <b>390,346</b>                |                             | <b>49,692</b>                     | <b>10,346</b>              |
| Appropriation  | 1,605,029                  | 325,000                    |                             | 325,000                       |                             |                                   | 390,000                    |
| Expenditures   | (1,605,028)                | (325,000)                  |                             | (323,668)                     |                             |                                   | (390,000)                  |
|  | 1                          | 0                          |                             | 1,332                         |                             |                                   | 0                          |

ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT  
**WATER ENTERPRISE FUND**  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

(Approved  
 Supplemental  
 Appropriation)

**WATER OPERATING FUNDS SECTION**

|  | 2022<br>Year End<br>Actual | 2023<br>Approved<br>Budget | 2023<br>11 months<br>Actual | 2023<br>Projected<br>Year End | 2023<br>Approved<br>Amended | Projected<br>Year End<br>Variance | 2024<br>Approved<br>Budget |
|--|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|-----------------------------------|----------------------------|
| <b>OPERATING FUND BALANCE - BEGINNING</b>            | <b>105,572</b>             | <b>133,042</b>             | <b>128,888</b>              | <b>128,888</b>                |                             | <b>(4,154)</b>                    | <b>24,711</b>              |
| 45000 · WATER ENTERPRISE FUND - Revenue              |                            |                            |                             |                               |                             |                                   |                            |
| 47100 · Lease - Priest Creek Water Svc               | 9,337                      | 9,507                      | 7,971                       | 9,593                         |                             | 87                                | 9,881                      |
| 47200 · Water Tap Fees                               | 115,353                    |                            |                             |                               |                             |                                   |                            |
| 47300 · Water User Fees                              | 7,535                      | 35,000                     | 27,956                      | 33,000                        |                             | (2,000)                           | 33,000                     |
| <b>Total 50000 · WATER ENTERPRISE FUND - Revenue</b> | <b>132,225</b>             | <b>44,507</b>              | <b>35,927</b>               | <b>42,593</b>                 |                             | <b>(1,913)</b>                    | <b>42,881</b>              |
| 70000 · WATER ENTERPRISE FUND Operating Expenses     |                            |                            |                             |                               |                             |                                   |                            |
| 70200 · Augmentation Water                           | 8,200                      | 8,200                      | 8,812                       | 8,812                         |                             | (612)                             | 9,429                      |
| 70710 · Legal  | 2,763                      | 2,000                      | 574                         | 1,000                         |                             | 1,000                             | 2,000                      |
| 70720 · Consulting                                   | 1,671                      | 2,000                      | 160                         | 500                           |                             | 1,500                             | 2,000                      |
| 70700 · Testing & Treatment                          | 4,905                      | 4,500                      | 6,393                       | 7,000                         |                             | (2,500)                           | 7,000                      |
| 70600 · Water Operator Services                      | 22,816                     | 24,000                     | 26,623                      | 30,000                        |                             | (6,000)                           | 30,000                     |
| 70900 · Utilities (Water Operations)                 | 10,801                     | 12,500                     | 9,687                       | 12,500                        |                             | 0                                 | 13,000                     |
| 71000 · Repairs & Maintenance Water System           | 7,243                      | 15,000                     | 13,205                      | 15,000                        |                             | 0                                 | 15,000                     |
| 71600 · Repairs & Maintenance Ditch & Headgates      |                            | 15,000                     | 3,690                       | 21,690                        |                             | (6,690)                           | 10,000                     |
| 70300 · Metering Costs                               |                            |                            | 240                         | 269                           |                             | (269)                             | 360                        |
| CONTINGENCY  |                            | 20,000                     | 0                           |                               |                             | 20,000                            | 17,000                     |
| <b>Total Operating Expenses</b>                      | <b>58,399</b>              | <b>103,200</b>             | <b>69,384</b>               | <b>96,771</b>                 |                             | <b>6,429</b>                      | <b>105,789</b>             |
| <b>OPS REVENUE OVER (UNDER) EXPENDITURES</b>         | <b>73,827</b>              | <b>(58,693)</b>            | <b>(33,457)</b>             | <b>(54,177)</b>               |                             | <b>(4,516)</b>                    | <b>(62,908)</b>            |
| <b>OTHER SOURCES/USES OF OPERATING FUNDS</b>         |                            |                            |                             |                               |                             |                                   |                            |
| Transfer (TO)/FROM from General Fund                 |                            |                            |                             |                               |                             |                                   | 190,000                    |
| Water Operating Transferred to Water Capital         | (50,511)                   | (50,000)                   | (50,000)                    | (50,000)                      |                             | 0                                 | (100,000)                  |
| Transfer (TO)/FROM from Cap. Projects Fund (General) |                            |                            |                             |                               |                             |                                   |                            |
| <b>Total Other Sources/Uses of Operating Funds</b>   | <b>(50,511)</b>            | <b>(50,000)</b>            | <b>(50,000)</b>             | <b>(50,000)</b>               |                             | <b>0</b>                          | <b>90,000</b>              |
| <b>OPERATING FUND BALANCE - ENDING</b>               | <b>128,888</b>             | <b>24,349</b>              | <b>45,431</b>               | <b>24,711</b>                 |                             | <b>362</b>                        | <b>51,803</b>              |

|  | (Approved Supplemental Appropriation) <b>WATER CAPITAL FUNDS SECTION</b> |                            |                             |                               |                             |                                   |                            |
|--|--|----------------------------|-----------------------------|-------------------------------|-----------------------------|-----------------------------------|----------------------------|
|  | 2022<br>Year End<br>Actual   | 2023<br>Approved<br>Budget | 2023<br>10 months<br>Actual | 2023<br>Projected<br>Year End | 2023<br>Approved<br>Amended | Projected<br>Year End<br>Variance | 2024<br>Approved<br>Budget |
| <b>WATER CAPITAL FUNDS BALANCE - BEGINNING</b>                 | 5,000  | 172,984                    | 149,095                     | 149,095                       |                             | -23,890                           | 11,879                     |
| <b>SOURCES OF FUNDS</b>  |  |                            |                             |                               |                             |                                   |                            |
| 47200 · Water Tap Fees   |  | 60,000                     | 107,938                     | 107,938                       |                             | 47,938                            | 50,000                     |
| Water Operating Transferred to Water Capital                   | 50,511   | 50,000                     | 50,000                      | 50,000                        |                             | 0                                 | 100,000                    |
| Transfer (TO)/FROM from Cap. Projects Fund                     |  |                            |                             |                               |                             |                                   | 300,000                    |
| 51000 · HOA Contribution to WATER CAPITAL                      |  | 100,000                    | 60,000                      | 60,000                        |                             | -40,000                           |                            |
| Transfer FROM General Fund                                     |  |                            |                             |                               |                             |                                   |                            |
| Transfer FROM Bond Proceeds (debt Service)                     |  |                            |                             |                               |                             | 0                                 |                            |
| Temporary AJE to adjust actuals to audit 12/31/2021 - reversed | 172,984  |                            |                             |                               |                             | 0                                 |                            |
| <b>TOTAL OTHER SOURCES OF FUNDS</b>                            | <b>223,495</b>   | <b>210,000</b>             | <b>217,938</b>              | <b>217,938</b>                |                             | <b>7,938</b>                      | <b>450,000</b>             |
| Available to Spend   | <b>228,495</b>   | <b>382,984</b>             | <b>367,033</b>              | <b>367,033</b>                |                             | <b>-15,952</b>                    | <b>461,879</b>             |
| <b>CAPITAL EXPENDITURES (Other USES of funds)</b>              |  |                            |                             |                               |                             |                                   |                            |
| Water billing system - hardware/software                       |  |                            | 12,169                      | 12,169                        |                             | -12,169                           |                            |
| Water Meters   | 3,959  |                            |                             |                               |                             |                                   |                            |
| Water System Upgrades  | 75,442   | 342,984                    | 300,309                     | 342,984                       |                             | 0                                 | 100,000                    |
| Add Supply Well #5 (AKA Priest Creek Well #5)                  |  |                            |                             |                               |                             |                                   |                            |
| Add Steamboat Alpine Well #1                                   |  | 40,000                     |                             |                               |                             | 40,000                            | 60,000                     |
| <b>TOTAL Capital Expenditures</b>                              | <b>79,401</b>  | <b>382,984</b>             | <b>312,478</b>              | <b>355,154</b>                |                             | <b>27,831</b>                     | <b>160,000</b>             |
| <b>TOTAL OTHER SOURCES (USES)</b>                              | <b>144,095</b>   | <b>-172,984</b>            | <b>-94,540</b>              | <b>-137,216</b>               |                             | <b>-35,769</b>                    | <b>290,000</b>             |
| Allocated Capital Funds  | 149,095  |                            |                             |                               |                             |                                   |                            |
| Unallocated Capital Funds                                      | 0  | 0                          | 54,554                      | 11,879                        |                             | 11,879                            | 301,879                    |
| <b>WATER CAPITAL FUND BALANCE - ENDING</b>                     | <b>149,095</b>   | <b>0</b>                   | <b>54,554</b>               | <b>11,879</b>                 |                             | <b>11,879</b>                     | <b>301,879</b>             |
| <b>WATER FUND BALANCE - TOTAL OPERATING &amp; CAPITAL</b>      | <b>277,983</b>   | <b>24,349</b>              | <b>99,985</b>               | <b>36,590</b>                 |                             | <b>12,241</b>                     | <b>353,682</b>             |
| Appropriation  | 141,700  | 486,184                    |                             | 486,184                       |                             |                                   | 265,789                    |
| Expenditures   | (137,799)  | (486,184)                  |                             | (451,924)                     |                             |                                   | (265,789)                  |
|  | 3,901  | 0                          |                             | 34,260                        |                             |                                   | 0                          |
| <b>AGGREGATE WATER SYSTEM CIP</b>                              |  |                            |                             |                               |                             |                                   |                            |



ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT  
**DEBT SERVICE FUND**

(Approved  
 Supplemental  
 Appropriation)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

|  | 2022<br>Year End<br>Actual | 2023<br>Approved<br>Budget | 2023<br>10 months<br>Actual | 2023<br>Projected<br>Year End | 2023<br>Approved<br>Amended | Projected<br>Year End<br>Variance | 2024<br>Approved<br>Budget |
|--|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|-----------------------------------|----------------------------|
| <b>55000 · DEBT SERVICE Fund - Revenue</b>                         |                            |                            |                             |                               |                             |                                   |                            |
| 56000 · Investment Income - Reserves                               | 7,863                      | 3,500                      | 27,714                      | 29,000                        |                             | 25,500                            | 15,000                     |
| 59000 · Assessments Revenue for Bonds<br>Early Payoff Transactions | 549,073                    | 549,281                    | 549,281                     | 549,281                       |                             | (0)                               | 548,625                    |
| 87000 · County Treasurer Fees                                      |                            |                            |                             |                               |                             |                                   |                            |
| <b>Total 55000 · DEBT SERVICE Fund - Revenue</b>                   | <b>556,935</b>             | <b>552,781</b>             | <b>576,995</b>              | <b>578,281</b>                |                             | <b>25,500</b>                     | <b>563,625</b>             |
| <b>85000 · DEBT SERVICE Fund Expenditures</b>                      |                            |                            |                             |                               |                             |                                   |                            |
| Redeem 2011 Series Bonds   |                            |                            |                             |                               |                             |                                   |                            |
| 2011 Series Bond Interest  |                            |                            |                             |                               |                             |                                   |                            |
| 87000 · Interest Expense 2021 Series SID1                          | 128,659                    | 124,338                    | 62,169                      | 124,338                       |                             | 0                                 | 119,867                    |
| 87000 · Bond Regular Principal Pmts-SID1                           | 297,890                    | 111,788                    |                             | 111,788                       |                             | 0                                 | 116,485                    |
| <b>TOTAL SID1</b>  | <b>236,689</b>             | <b>236,126</b>             | <b>62,169</b>               | <b>236,126</b>                |                             | <b>0</b>                          | <b>236,352</b>             |
| 87000 · Interest Expense 2021 Series SID2                          | 217,390                    | 156,822                    | 78,411                      | 156,822                       |                             | 0                                 | 151,148                    |
| 87000 · Bond Regular Principal Pmts-SID2                           | 80,500                     | 141,833                    |                             | 141,833                       |                             | 0                                 | 146,625                    |
| <b>TOTAL SID2</b>  | <b>297,890</b>             | <b>298,655</b>             | <b>78,411</b>               | <b>298,655</b>                |                             | <b>0</b>                          | <b>297,773</b>             |
| Early Payoff Principal Payments 2011 Series                        |                            |                            |                             |                               |                             |                                   |                            |
| Early Payoff Principal Payments 2021 Series                        |                            |                            |                             |                               |                             |                                   |                            |
| Reimburse Developer Rock Ledge Road                                |                            |                            |                             |                               |                             |                                   |                            |
| Pay Down Principal Developer Note                                  | 414,000                    |                            |                             |                               |                             |                                   |                            |
| Cost of issuance 2021 Series bonds                                 |                            |                            |                             |                               |                             |                                   |                            |
| Collection Fees - DTA  | 9,056                      | 9,500                      | 0                           | 9,500                         |                             | 0                                 | 9,500                      |
| 88000 · Bond Administration Fees                                   | 5,000                      | 5,000                      | 5,000                       | 5,000                         |                             | 0                                 | 5,000                      |
| <b>Total 85000 · DEBT SERVICE Fund Expenditures</b>                | <b>962,636</b>             | <b>549,281</b>             | <b>145,580</b>              | <b>549,281</b>                |                             | <b>0</b>                          | <b>548,625</b>             |
| <b>REVENUE OVER (UNDER) EXPENDITURES</b>                           | <b>(405,701)</b>           | <b>3,500</b>               | <b>431,415</b>              | <b>29,000</b>                 |                             | <b>25,500</b>                     | <b>15,000</b>              |
| <b>OTHER FINANCING SOURCES (USES)</b>                              |                            |                            |                             |                               |                             |                                   |                            |
| Bond Proceeds Series 2021-A1                                       |                            |                            |                             |                               |                             |                                   |                            |
| Bond Proceeds Series 2021-A2                                       |                            |                            |                             |                               |                             |                                   |                            |
| Transfer (FROM) Other Fund   | 414,000                    |                            |                             |                               |                             |                                   |                            |
| Transfer to Project Funds  |                            |                            |                             |                               |                             |                                   |                            |
| Transfer From Other Fund (GENERAL)                                 |                            |                            |                             |                               |                             |                                   |                            |
| <b>Total Other Financing Sources</b>                               | <b>414,000</b>             | <b>0</b>                   | <b>0</b>                    | <b>0</b>                      |                             | <b>0</b>                          | <b>0</b>                   |
| <b>FUND BALANCE - BEGINNING</b>                                    | <b>536,438</b>             | <b>570,774</b>             | <b>574,737</b>              | <b>574,737</b>                |                             | <b>3,963</b>                      | <b>603,737</b>             |
| Restricted Funds:  |                            |                            |                             |                               |                             |                                   |                            |
| Allocation to Debt Service Reserve Fund                            | 563,720                    | 563,720                    | 563,720                     | 563,720                       |                             | 0                                 | 563,720                    |
| Unrestricted Fund Balance  | (18,983)                   | 10,554                     | 442,432                     | 40,017                        |                             | 0                                 | 55,017                     |
| <b>FUND BALANCE - ENDING</b>                                       | <b>544,737</b>             | <b>574,274</b>             | <b>1,006,152</b>            | <b>603,737</b>                |                             | <b>29,463</b>                     | <b>618,737</b>             |
| Appropriation  | 971,851                    | 549,281                    |                             | 549,281                       |                             |                                   | 548,625                    |
| Expenditures   | (962,636)                  | (549,281)                  |                             | (549,281)                     |                             |                                   | (548,625)                  |
|  | 9,216                      | 0                          |                             | 0                             |                             |                                   | 0                          |
| District wide Appropriation  | 2,821,488                  | 1,512,430                  |                             | 1,512,430                     | 1,610,640                   |                                   | 1,615,855                  |
| District wide Expenditures   | (2,808,371)                | (1,512,430)                |                             | (1,575,048)                   | (1,575,048)                 |                                   | (1,615,855)                |
|  | 13,118                     | 0                          |                             | (62,618)                      | 35,593                      |                                   | 0                          |

with Supplemental

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**  
**2024 BUDGET MESSAGE**

The modified accrual basis of accounting and governmental funds are used in the preparation of this budget. Revenue is recorded when susceptible to accrual and expenditures are recorded when the liability is incurred.

The District was organized on December 12, 2006, and is authorized to provide streets, parks and trails, drainage, sanitation, water, security and covenant enforcement services, as more fully set forth in the Service Plan of the District approved by the Board of County Commissioners of Routt County, and as defined by statute.

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**  
**RESOLUTION TO ADOPT BUDGET**

**WHEREAS**, the Board of Directors (“Board”) of the Alpine Mountain Ranch Metropolitan District (“District”) has appointed a budget committee to prepare and submit a proposed 2024 budget to the Board at the proper time; and

**WHEREAS**, such budget committee has submitted the proposed budget to the Board for its consideration; and

**WHEREAS**, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on December 12, 2023, and interested electors were given the opportunity to file or register any objections to the budget; and

**WHEREAS**, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“TABOR”) and other laws or obligations which are applicable to or binding upon the District; and

**WHEREAS**, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Alpine Mountain Ranch Metropolitan District:

1. That estimated expenditures for each fund are as follows:

|                        |              |
|------------------------|--------------|
| General Fund:          | \$ 411,441   |
| Capital Projects Fund: | \$ 390,000   |
| Water Enterprise Fund: | \$ 265,789   |
| Debt Service Fund:     | \$ 548,625   |
| Total                  | \$ 1,615,855 |

2. That estimated revenues are as follows:

|  |            |
|--|------------|
| <u>General Fund:</u>                         |            |
| From unappropriated surpluses                | \$ 22,501  |
| From fund transfers                          | \$ 0       |
| From sources other than general property tax | \$ 144,260 |
| From general property tax                    | \$ 341,378 |
| Total  | \$ 508,139 |

|  |                  |
|--|------------------|
| <u>Capital Projects Fund:</u>                |                  |
| From unappropriated surpluses                | \$ 390,346       |
| From fund transfers                          | \$ 0             |
| From sources other than general property tax | <u>\$ 10,000</u> |
| Total  | \$ 400,346       |

|  |                   |
|--|-------------------|
| <u>Water Enterprise Fund:</u>                |                   |
| From unappropriated surpluses                | \$ 36,590         |
| From fund transfers                          | \$ 190,000        |
| From sources other than general property tax | <u>\$ 392,881</u> |
| Total  | \$ 619,471        |

|  |              |
|--|--------------|
| <u>Debt Service Fund:</u>                    |              |
| From unappropriated surpluses                | \$ 603,737   |
| From fund transfers                          | \$ 0         |
|  | 0            |
| From sources other than general property tax | \$ 563,625   |
| From general property tax                    | <u>\$ 0</u>  |
| Total  | \$ 1,167,362 |

3. That the budget, as submitted, amended and herein summarized by fund be, and the same hereby is, approved and adopted as the budget of Alpine Mountain Ranch Metropolitan District for the 2024 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

**TO SET MILL LEVIES**

**WHEREAS**, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$341,378; and

**WHEREAS**, the 2023 valuation for assessment of the District, as certified by the Routt County Assessor, is \$31,034,380.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Alpine Mountain Ranch Metropolitan District:

1. That for the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a property tax of 11.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$341,378.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Routt County, Colorado, the mill levy for the District as hereinabove determined and set.

3. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Routt County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December or January) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

**TO APPROPRIATE SUMS OF MONEY**

**WHEREAS**, the Board of Directors of the District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Alpine Mountain Ranch Metropolitan District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

|                        |                   |
|------------------------|-------------------|
| General Fund:          | \$ 411,441        |
| Capital Reserve Fund:  | \$ 390,000        |
| Water Enterprise Fund: | \$ 265,789        |
| Debt Service Fund:     | <u>\$ 548,625</u> |
| Total                  | \$ 1,615,855      |

*The remainder of this page was intentionally left blank.*

Adopted this 12<sup>th</sup> day of December, 2023.

ALPINE MOUNTAIN RANCH  
METROPOLITAN DISTRICT

By:  \_\_\_\_\_  
Andrew Daly, Chairman

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Routt County, Colorado.

On behalf of the Alpine Mountain Ranch Metropolitan District,  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>


of the Alpine Mountain Ranch Metropolitan District  
(local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 31,034,380 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 31,034,380 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 1/02/2024 for budget/fiscal year 2024.  
(not later than Dec. 15)

| PURPOSE <small>(see end notes for definitions and examples)</small>                                  | LEVY <sup>2</sup>  | REVENUE <sup>2</sup>   |
|--|--|--|
| 1. General Operating Expenses <sup>H</sup>   | <u>11.000</u> mills  | \$ <u>341,378</u>  |
| 2. <Minus> Temporary General Property Tax Credit/<br>Temporary Mill Levy Rate Reduction <sup>I</sup> | < > mills  | \$ < >   |
| <b>SUBTOTAL FOR GENERAL OPERATING:</b>   | <span style="border: 1px solid black; padding: 2px;">11.000</span> mills | <span style="border: 1px solid black; padding: 2px;">\$ 341,378</span> |
| 3. General Obligation Bonds and Interest <sup>J</sup>  | _____ mills  | \$ _____   |
| 4. Contractual Obligations <sup>K</sup>  | _____ mills  | \$ _____   |
| 5. Capital Expenditures <sup>L</sup>   | _____ mills  | \$ _____   |
| 6. Refunds/Abatements <sup>M</sup>   | _____ mills  | \$ _____   |
| 7. Other <sup>N</sup> (specify): _____   | _____ mills  | \$ _____   |
| <b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>                  | <span style="border: 1px solid black; padding: 2px;">11.000</span> mills | <span style="border: 1px solid black; padding: 2px;">\$ 341,378</span> |

Contact person: David A. Greher Daytime phone: 303-218-7200  
Signed:  Title: Attorney

*Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.*

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy? **YES**

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

**EXHIBIT B**

Audited Financial Statements for 2023



**Alpine Mountain Ranch  
Metropolitan District**

Financial Statements

Year Ended December 31, 2023

with

Independent Auditor's Report

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### Independent Auditors' Report

Board of Directors  
Alpine Mountain Ranch Metropolitan District  
Routt County, Colorado

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund, and the aggregate remaining fund information of the Alpine Mountain Ranch Metropolitan District as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District as of December 31, 2023, and the respective changes in financial position, and where applicable, cash flows 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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

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

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

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

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

### **Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

*Simmons & Whelan P.C.*

Englewood, CO  
September 30, 2024

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For Year Ended December 31, 2023**

The management of Alpine Mountain Ranch Metropolitan District (“District”) offers the readers of the District’s financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2023.

Alpine Mountain Ranch Metropolitan District was established in 2006 as a special district to serve the needs of a residential planned development in Routt County, Colorado, generally known as Alpine Mountain Ranch & Club (the Development), which is owned and is being developed by Steamboat Alpine Development, LLC (the Developer). Infrastructure was completed for the Development in 2009 and was conveyed to the District in February 2011, at which time \$6,825,000 in special assessment bonds were issued by the Special Improvement District No. 1 (“SID1”) to pay for a portion of the improvements that were transferred to the District.

On July 22, 2021 the 2011 Series Bonds were retired and new Special Assessment Bonds were issued by SID1 in the amount of \$3,424,000. In addition, a second Special Improvement District (“SID2”) was formed which issued a second set of Special Assessment Bonds in the amount of \$4,175,000. The purpose of these bonds was to reduce the interest amount of the bonds from 9% to 4% as well as to finance needed capital improvements and make a payment toward Developer Debt. \$1,644,867.50 was transferred to the Capital Improvements Fund and a payment of \$2,000,000 was made to the Developer to accomplish these goals.

In 2022 the Rockledge Road extension project was completed at a total cost of \$1,017,219. New guardrails were installed at a cost of \$38,210 and in 2023 an upgrade to a 4-way stop and signage was completed at a cost of \$16,168. At the end of 2023 the Capital Projects fund balance was \$390,346.

In the Water Fund, an additional \$304,017 was invested in the multi-year Water System Upgrades project with a total investment to date of \$418,027. There is an additional \$100k budgeted in 2024 to continue work on this project. Also in 2023 the District moved to a metered tiered water billing system, which provided an additional \$24,732 in water user fees to help offset the cost of providing water. Capital investment for a meter reading water billing system for this project was \$13k.

In terms of Sales and Development in 2023, four lots sold totaling \$10,870,000. Two of these, Lots 25 and 56, were sold from the Developer’s inventory. Two others, Lots 34 and 61, were resales. In January 2023 the community had 14 homes under construction. Seven of these received certificates of occupancy throughout the year, bringing the total of completed homes with CO’s within the development to 16. Construction commenced on four additional custom homes in 2023, concluding the year with 11 active construction sites. Tap fees for seven homes were collected in 2023, generating \$107,938 for the District. Six new water users came online. The District is projecting \$50k in tap fees in 2024.

## **Financial Statement Presentation**

The activity presented in these financial statements represents all material activity for the District since its inception in 2006.

With the implementation of Governmental Accounting Standards Board Statement 34, a government's presentation of financial statements focuses on the government as a whole (government-wide) and on the major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the readers' understanding of the District's financial condition.

## **Financial Highlights**

- \$549,281 in special assessments was collected for bond payments and associated expenses of the same amount.
- General Fund Operating Expenses increased (\$176k) over previous year driven by increases in property & liability insurance of (\$31k), accounting fees (\$7k), administrative payroll reimbursements of (\$15k), legal fees (\$4.2k), snow removal (\$21k) and wildfire mitigation expense of (\$95k).
- General Fund balance at year end was \$5,351, helped out by an HOA contribution of \$130k and a USFS grant of \$45k toward the wildfire mitigation project.
- Water fund ended the year with an operating fund balance of \$42,261, supported by water user fees of \$41,861, and spending into the fund balance by (\$166,309). Water fund expenses increased overall (\$15.2k) with a increases in testing & treatment (\$1.5k), legal fees (\$5.9k) and repairs & maintenance of (\$10.8k) , offset by savings in legal & consulting of \$3.4k. The water capital funds year-end balance was \$41,847 for a total Water Fund balance of \$84,108.

## **Overview of the Financial Statements**

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements, presented on pages 1-25 are comprised of government-wide financial statements, fund financial statements, and notes to financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

## **Government-wide and Proprietary Financial Statements**

The government-wide financial statements give readers a broad overview of the entire District's financial position and changes in financial position, similar to consolidated financial statements in a private sector business. These statements include the *Statement of Net Position* and the *Statement of Revenues, Expenses and Changes in Net Position*.

The *Statement of Net Position* presents information on all of the District's (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases and decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The government-wide financial statements distinguish functions of the District that are typically supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all of or a significant portion of their costs through user fees and charges (*Business-type Activities*). The District has only the business-type activity of providing water services and receives property taxes as non-operating revenues.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information that reflects how the District's net position changed during the most recent fiscal year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* reports the District's cash flows from operating, non-capital financing, capital and investing activities.

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The *Notes to Financial Statements* can be found on pages 10-25 of this report.



## Government-wide Financial Analysis

In order to enhance the analysis of the District's finances at the government-wide level, the information presented here includes a comparison of prior year data.

The *Statement of Net Position* and reviews of changes in assets, liabilities, deferred inflows and net position are condensed with comments and presented as follows:

| <b>Statement of Net Position</b>     |                                |                       |                                 |                     |
|--------------------------------------|--------------------------------|-----------------------|---------------------------------|---------------------|
|                                      | <b>Governmental Activities</b> |                       | <b>Business-type Activities</b> |                     |
|                                      | <u>2023</u>                    | <u>2022</u>           | <u>2023</u>                     | <u>2022</u>         |
| Current assets                       | \$ 1,445,379                   | \$ 1,118,248          | \$ 95,473                       | \$ 307,966          |
| Capital assets (net of depreciation) | <u>6,333,138</u>               | <u>6,789,286</u>      | <u>2,976,553</u>                | <u>2,824,845</u>    |
| Total assets                         | <u>7,778,517</u>               | <u>7,907,534</u>      | <u>3,072,026</u>                | <u>3,132,811</u>    |
| Current liabilities                  | 3,221,146                      | 3,303,840             | 11,365                          | 29,984              |
| Long-term liabilities                | <u>8,573,266</u>               | <u>8,536,376</u>      | -                               | -                   |
| Total liabilities                    | <u>11,794,412</u>              | <u>11,840,216</u>     | <u>11,365</u>                   | <u>29,984</u>       |
| Deferred inflows of resources        | <u>341,378</u>                 | <u>48,822</u>         | -                               | -                   |
| Total deferred inflows of resources  | <u>341,378</u>                 | <u>48,822</u>         | <u>-</u>                        | <u>-</u>            |
| Net investment in capital assets     | (2,844,616)                    | (2,049,533)           | 2,976,553                       | 2,824,845           |
| Restricted                           | 655,247                        | 598,182               | -                               | -                   |
| Unrestricted                         | <u>(2,167,904)</u>             | <u>(2,530,153)</u>    | <u>84,108</u>                   | <u>277,982</u>      |
| Total net position                   | <u>\$ (4,357,273)</u>          | <u>\$ (3,981,504)</u> | <u>\$ 3,060,661</u>             | <u>\$ 3,102,827</u> |

The District's Governmental Activities liabilities and deferred inflows of resources exceeded its assets by (\$4,357,273) (net position). The restricted portion of net position represents emergency reserves as required by state statute. Net investment in capital assets represents the acquisition of capital assets for the provision of water services and roads, parks & trails. Due to the nature of these assets (long-term assets, which are not readily convertible to liquid assets) they are not considered to be available for spending or appropriation. The unrestricted portion of net assets represents funds available to cover capital improvements as well as general operating and water system expenses in future years.

## Changes in Net Position

As taken from the *Statement of Revenues, Expenses and Changes in Net Position* in the basic financial statements, the following table depicts the changes in net position for the fiscal year 2023:

| <b>Summary of Changes in Net Position</b> |                                |                       |                                 |                     |
|---|--------------------------------|-----------------------|---------------------------------|---------------------|
|   | <u>Governmental Activities</u> |                       | <u>Business-type Activities</u> |                     |
|   | <u>2023</u>                    | <u>2022</u>           | <u>2023</u>                     | <u>2022</u>         |
| Charges for services                      | \$ -                           | \$ -                  | \$ 41,861                       | \$ 16,872           |
| Operating grants and contributions        | 185,400                        | 50,000                | 50,000                          | -                   |
| Capital grants and contributions          | -                              | 70,000                | 107,938                         | 115,353             |
| Property taxes (net of fees)              | 50,778                         | 45,968                | -                               | -                   |
| Special assessments (net of fees)         | 549,281                        | 540,015               | -                               | -                   |
| Non-operating revenues                    | 48,189                         | 13,681                | 256                             | -                   |
| Total revenues                            | <u>833,648</u>                 | <u>719,664</u>        | <u>200,055</u>                  | <u>132,225</u>      |
| General government                        | 1,209,417                      | 990,820               | -                               | -                   |
| Water                                     | -                              | -                     | 242,221                         | 223,550             |
| Total expenses                            | <u>1,209,417</u>               | <u>990,820</u>        | <u>242,221</u>                  | <u>223,550</u>      |
| Income before transfers and special items | (375,769)                      | (271,156)             | (42,166)                        | (91,325)            |
| Transfers                                 | -                              | (227,984)             | -                               | 227,984             |
| Change in net position                    | (375,769)                      | (499,140)             | (42,166)                        | 136,659             |
| Total net position - beginning of year    | <u>(3,981,504)</u>             | <u>(3,482,364)</u>    | <u>3,102,827</u>                | <u>2,966,168</u>    |
| Total net position - end of year          | <u>\$ (4,357,273)</u>          | <u>\$ (3,981,504)</u> | <u>\$ 3,060,661</u>             | <u>\$ 3,102,827</u> |

Revenues - The majority of the District's revenues were realized from HOA contributions and special assessments for debt service. Additional revenues consisted of property taxes and water fees.

Expenses - The District's government-wide total expenses were from general government and water operations and from interest and depreciation expenses related to the acquisition of the capital assets.

## Capital Asset Activity

Activity in Capital Assets in 2023 included upgrading the 4 way stop and signage, continued work on the Water Systems Upgrade project and investment in a metered water billing system. The water system is listed under Other Assets as Construction-In-Progress.

As of the end of 2023, the District's investment in capital assets (net of depreciation) was \$9,309,691.

|                         |    |           |
|-------------------------|----|-----------|
| Streets                 | \$ | 8,988,043 |
| Parks and Equipment     | \$ | 2,790,155 |
| Water System            | \$ | 3,298,241 |
| Water Rights            | \$ | 1,376,000 |
| Contrustion in Progress | \$ | 421,262   |

Planned investment in Capital Assets in 2024 is \$100,000 in continued work on water system upgrades, \$60,000 for the addition of Steamboat Alpine Well #1, \$25,000 in amenity building upgrades and \$65,000 for additional road & signage upgrades.

## Long Term Debt

At the end of 2023, the District had bonds payable debt in the amount of \$6,775,376. The reimbursement obligation outstanding to the Developer, (subject to annual appropriation), is \$2,061,000 with associated accrued interest of \$2,877,576.

## Financial Analysis of Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* - The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board.

The accounts of the District are organized into more detailed information about the District's most significant funds. Funds are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives.

*Proprietary finds* - These funds are used to account for business-type activities and are measured similar to commercial business accounting. The District uses Enterprise Funds to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation and

amortization) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The District currently uses this type of fund for its Water Enterprise Fund.

### **Budgetary Highlights**

The District prepares its budget on the modified accrual basis of accounting to recognize the fiscal impact of operations, non-operating revenue, and contributions. Depreciation expense is not reflected on the budget since it does not affect “funds available”. This budgetary accounting is required by State statutes.

On 12/12/23 a budget amendment(1) was approved for the General Fund to accommodate the addition of the wildfire mitigation project, including a supplemental appropriation of \$100k. On 9/26/24 an additional budget amendment(2) was approved to accommodate a higher than anticipated and late received property & liability insurance invoice. For final year end General Fund expenditures were flat to the amended(2) budget and higher than 2022 by (\$176k). HOA contributions increased by \$50k from 2022 to cover the portion of the wildfire mitigation project not covered by the grant.

Water fund expenditures were below budget \$29k but higher than the prior year by (\$15.2k) Water Fund Revenue was lower than budget by (\$2.6k) due to lower than projected water user fees on the new system.

### **Next Year’s Budget**

In the 2024 fiscal year, the District has appropriated \$411,441 for general fund spending; \$265,789 for water fund spending, \$548,625 for debt service repayment, and \$390,000 for Capital Projects. These expenditures will be funded from property taxes, special assessments, water tap & service fees, interest income, HOA contributions and unappropriated surpluses.

### **Economic and Other Factors**

The District’s primary sources of revenue are property taxes and HOA contributions, which are imposed upon all of the service area of the District. The District also charges a water user and water tap fees which are used for water operations and there is a water lease agreement with a neighboring development. In 2023 the single-family residence water user rate moved to a metered tiered structure with a \$100 monthly base fee per water tap plus usage fees. The Priest Creek Ranch water lease rate was \$787.63 per month. Water tap fees are calculated at \$2.00 per gross square foot of building area. Bond payments are funded by special assessments upon the properties located within each SID.

### **Water Operator Services**

The District contracts with an independent water operator for the provision of water treatment, monitoring and system maintenance services. The District is billed monthly for these services, with the amount varying based on time and services required each month.

## **Request for Information**

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Alpine Mountain Ranch Metropolitan District  
Leslie Monroe – District Accountant  
PO Box 773659  
Steamboat Springs, CO 80477

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## STATEMENT OF NET POSITION

December 31, 2023

|  | <u>Governmental</u><br><u>Activities</u> | <u>Business-Type</u><br><u>Activities</u> | <u>Total</u>   |
|--|--|---|----------------|
| <b>ASSETS</b>                                |  |   |                |
| <b>CURRENT ASSETS</b>                        |  |   |                |
| Cash and investments                         | \$ 48,441                                | \$ 90,935                                 | \$ 139,376     |
| Cash and investments - restricted            | 1,055,343                                | -   | 1,055,343      |
| Property taxes receivable - current          | 217                                      | -   | 217            |
| Property taxes receivable - advance          | 341,378                                  | -   | 341,378        |
| Total Current Assets                         | 1,445,379                                | 95,473                                    | 1,540,852      |
| <b>CAPITAL ASSETS</b>                        |  |   |                |
| Nondepreciable                               | -  | 1,797,262                                 | 1,797,262      |
| Depreciable, net of accumulated depreciation | 6,333,138                                | 1,179,291                                 | 7,512,429      |
| Total Capital Assets                         | 6,333,138                                | 2,976,553                                 | 9,309,691      |
| Total Assets                                 | 7,778,517                                | 3,072,026                                 | 10,850,543     |
| <b>LIABILITIES</b>                           |  |   |                |
| <b>CURRENT LIABILITIES</b>                   |  |   |                |
| Accounts payable                             | 57,876                                   | 11,365                                    | 69,241         |
| Accrued interest payable                     | 2,900,160                                | -   | 2,900,160      |
| Bonds payable, due within one year           | 263,110                                  | -   | 263,110        |
| Total Current Liabilities                    | 3,221,146                                | 11,365                                    | 3,232,511      |
| <b>LONG-TERM LIABILITIES</b>                 |  |   |                |
| Bonds payable, net of current portion        | 8,573,266                                | -   | 8,573,266      |
| Total Liabilities                            | 11,794,412                               | 11,365                                    | 11,805,777     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>         |  |   |                |
| Deferred property taxes                      | 341,378                                  | -   | 341,378        |
| Total deferred inflows of resources          | 341,378                                  | -   | 341,378        |
| <b>NET POSITION</b>                          |  |   |                |
| Net investment in capital assets             | (2,844,616)                              | 2,976,553                                 | 131,937        |
| Restricted for:                              |  |   |                |
| Emergency reserve                            | 14,569                                   | -   | 14,569         |
| Debt service                                 | 640,678                                  | -   | 640,678        |
| Unrestricted                                 | (2,167,904)                              | 84,108                                    | (2,083,796)    |
| Total Net Position (Deficit)                 | \$ (4,357,273)                           | \$ 3,060,661                              | \$ (1,296,612) |

The notes to the financial statements are an integral part of these statements.

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2023

| <u>Functions/Programs</u>                    | <u>Expenses</u>     | <u>Program Revenues</u>         |   |   | <u>Net (Expense) Revenue<br/>and Changes in Net Position</u> |                                     |                       |
|--|---------------------|---------------------------------|---|---|--|-------------------------------------|-----------------------|
|  |                     | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> | <u>Governmental<br/>Activities</u>                           | <u>Business-type<br/>Activities</u> | <u>Total</u>          |
| Primary Government:                          |                     |                                 |   |   |  |                                     |                       |
| Governmental Activities:                     |                     |                                 |   |   |  |                                     |                       |
| General government                           | \$ 276,379          | \$ -                            | \$ 185,400  | \$ -  | \$ (90,979)  | \$ -                                | \$ (90,979)           |
| Interest and related costs on long-term debt | 462,592             | -                               | -   | -   | (462,592)  | -                                   | (462,592)             |
| Depreciation                                 | 470,446             | -                               | -   | -   | (470,446)  | -                                   | (470,446)             |
| Total Governmental Activities                | <u>1,209,417</u>    | <u>-</u>                        | <u>185,400</u>                                    | <u>-</u>  | <u>(1,024,017)</u>   | <u>-</u>                            | <u>(1,024,017)</u>    |
| Business-type Activities:                    |                     |                                 |   |   |  |                                     |                       |
| Water - operations                           | 73,647              | 41,861                          | 50,000  | 107,938   | -  | 126,152                             | 126,152               |
| Water - depreciation                         | 168,574             | -                               | -   | -   | -  | (168,574)                           | (168,574)             |
| Total Business-type Activities               | <u>242,221</u>      | <u>41,861</u>                   | <u>50,000</u>                                     | <u>107,938</u>                                  | <u>-</u>   | <u>(42,422)</u>                     | <u>(42,422)</u>       |
| Total  | <u>\$ 1,451,638</u> | <u>\$ 41,861</u>                | <u>\$ 235,400</u>                                 | <u>\$ 107,938</u>                               | <u>(1,024,017)</u>   | <u>(42,422)</u>                     | <u>(1,066,439)</u>    |
| General Revenues:                            |                     |                                 |   |   |  |                                     |                       |
| Property taxes (net of fees)                 |                     |                                 |   |   | 47,354   | -                                   | 47,354                |
| Specific ownership taxes                     |                     |                                 |   |   | 3,424  | -                                   | 3,424                 |
| Special assessments (net of fees)            |                     |                                 |   |   | 549,281  | -                                   | 549,281               |
| Interest income                              |                     |                                 |   |   | 48,089   | 256                                 | 48,345                |
| Total general revenues and transfers         |                     |                                 |   |   | <u>648,248</u>   | <u>256</u>                          | <u>648,504</u>        |
| Change in Net Position                       |                     |                                 |   |   | (375,769)  | (42,166)                            | (417,935)             |
| Net Position (Deficit) - Beginning           |                     |                                 |   |   | <u>(3,981,504)</u>   | <u>3,102,827</u>                    | <u>(878,677)</u>      |
| Net Position (Deficit) - Ending              |                     |                                 |   |   | <u>\$ (4,357,273)</u>  | <u>\$ 3,060,661</u>                 | <u>\$ (1,296,612)</u> |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2023

|  | <u>General</u>        | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|-----------------------|-------------------------|-----------------------------|---|
| <b>ASSETS</b>  |                       |                         |                             |   |
| Cash and investments   | \$ 48,441             | \$ -                    | \$ -                        | \$ 48,441                               |
| Cash and investments - restricted  | 14,569                | 640,678                 | 400,096                     | 1,055,343                               |
| Cash with county treasurer   | 217                   | -                       | -                           | 217                                     |
| Property taxes receivable  | <u>341,378</u>        | <u>-</u>                | <u>-</u>                    | <u>341,378</u>                          |
| <br>Total Assets   | <br><u>\$ 404,605</u> | <br><u>\$ 640,678</u>   | <br><u>\$ 400,096</u>       | <br><u>\$ 1,445,379</u>                 |
| <b>LIABILITIES</b>   |                       |                         |                             |   |
| Accounts payable   | <u>\$ 57,876</u>      | <u>\$ -</u>             | <u>\$ -</u>                 | <u>\$ 57,876</u>                        |
| <br>Total Liabilities  | <br><u>57,876</u>     | <br><u>-</u>            | <br><u>-</u>                | <br><u>57,876</u>                       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                     |                       |                         |                             |   |
| Deferred property taxes  | <u>341,378</u>        | <u>-</u>                | <u>-</u>                    | <u>341,378</u>                          |
| <br>Total Deferred Inflows of Resources                                  | <br><u>341,378</u>    | <br><u>-</u>            | <br><u>-</u>                | <br><u>341,378</u>                      |
| <b>FUND BALANCES:</b>  |                       |                         |                             |   |
| Restricted:  |                       |                         |                             |   |
| Emergencies  | 14,569                | -                       | -                           | 14,569                                  |
| Debt service   | -                     | 640,678                 | -                           | 640,678                                 |
| Capital projects   | -                     | -                       | 400,096                     | 400,096                                 |
| Unreserved   | <u>(9,218)</u>        | <u>-</u>                | <u>-</u>                    | <u>(9,218)</u>                          |
| <br>Total Fund Balance   | <br><u>5,351</u>      | <br><u>640,678</u>      | <br><u>400,096</u>          | <br><u>1,046,125</u>                    |
| <br>Total Liabilities, Deferred Inflows of<br>Resources and Fund Balance | <br><u>\$ 404,605</u> | <br><u>\$ 640,678</u>   | <br><u>\$ 400,096</u>       |   |

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

|   |                       |
|---|-----------------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds          | 6,333,138             |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds: |                       |
| Bonds payable   | (6,775,376)           |
| Accrued interest on bonds payable   | (22,584)              |
| Developer advance payable   | (2,061,000)           |
| Accrued interest on developer advance   | <u>(2,877,576)</u>    |
| Net Position (Deficit) of Governmental Activities   | <u>\$ (4,357,273)</u> |

The notes to the financial statements are an integral part of these statements.



**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2023

|  | <u>General</u>  | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Total</u>        |
|--|-----------------|-------------------------|-----------------------------|---------------------|
| <b>REVENUES</b>  |                 |                         |                             |                     |
| Property taxes   | \$ 48,822       | \$ -                    | \$ -                        | \$ 48,822           |
| Ownership taxes  | 3,424           | -                       | -                           | 3,424               |
| HOA contribution   | 140,000         | -                       | -                           | 140,000             |
| Special assessments  | -               | 549,281                 | -                           | 549,281             |
| Interest income  | 117             | 35,721                  | 12,251                      | 48,089              |
| Miscellaneous income   | <u>100</u>      | <u>-</u>                | <u>-</u>                    | <u>100</u>          |
| Total Revenues   | <u>192,463</u>  | <u>585,002</u>          | <u>12,251</u>               | <u>789,716</u>      |
| <b>EXPENDITURES</b>  |                 |                         |                             |                     |
| General expenses:  |                 |                         |                             |                     |
| Accounting   | 30,426          | -                       | -                           | 30,426              |
| Audit  | 6,000           | -                       | -                           | 6,000               |
| Computer and internet expenses                               | 744             | -                       | -                           | 744                 |
| Administrative fees  | 15,000          | -                       | -                           | 15,000              |
| Dues / subscriptions   | 866             | -                       | -                           | 866                 |
| Office supplies  | 3,197           | -                       | -                           | 3,197               |
| Insurance  | 35,800          | -                       | -                           | 35,800              |
| Legal  | 16,024          | -                       | -                           | 16,024              |
| Consulting   | -               | -                       | -                           | -                   |
| Miscellaneous expense  | -               | -                       | -                           | -                   |
| Snow removal   | 73,051          | -                       | -                           | 73,051              |
| Road repairs   | -               | -                       | -                           | -                   |
| Wildfire mitigation  | 95,400          | -                       | -                           | 95,400              |
| Treasurers fees  | 1,468           | -                       | -                           | 1,468               |
| Debt service:  |                 |                         |                             |                     |
| Bond principal   | -               | 253,621                 | -                           | 253,621             |
| Bond interest  | -               | 281,160                 | -                           | 281,160             |
| Paying agent fees  | -               | 5,000                   | -                           | 5,000               |
| Capital projects:  |                 |                         |                             |                     |
| Capital outlay   | <u>-</u>        | <u>-</u>                | <u>14,298</u>               | <u>14,298</u>       |
| Total Expenditures   | <u>277,976</u>  | <u>539,781</u>          | <u>14,298</u>               | <u>832,055</u>      |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> |                 |                         |                             |                     |
|  | (85,513)        | 45,221                  | (2,047)                     | (42,339)            |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                 |                         |                             |                     |
| Developer advance  | -               | -                       | 300,000                     | 300,000             |
| Wildfire mitigation grant                                    | <u>45,400</u>   | <u>-</u>                | <u>-</u>                    | <u>45,400</u>       |
| Total Other Financing Sources (Uses)                         | <u>45,400</u>   | <u>-</u>                | <u>300,000</u>              | <u>345,400</u>      |
| <b>NET CHANGE IN FUND BALANCES</b>                           |                 |                         |                             |                     |
|  | (40,113)        | 45,221                  | 297,953                     | 303,061             |
| <b>FUND BALANCES:</b>  |                 |                         |                             |                     |
| BEGINNING OF YEAR  | <u>45,464</u>   | <u>595,457</u>          | <u>102,143</u>              | <u>743,064</u>      |
| END OF YEAR  | <u>\$ 5,351</u> | <u>\$ 640,678</u>       | <u>\$ 400,096</u>           | <u>\$ 1,046,125</u> |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2023

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

|  |                     |
|--|---------------------|
| Net change in fund balances - Total governmental funds   | \$ 303,061          |
| <p>Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful lives of the asset. Therefore, this is the amount of capital outlay, net of depreciation, in the current period.</p>  |                     |
| Capital outlay   | 14,298              |
| Depreciation expense   | (470,446)           |
| <p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the 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.</p> |                     |
| Bond principal payment   | 253,621             |
| <p>Some expenses in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.</p>   |                     |
| Accrued interest on developer advances   | (177,279)           |
| Accrued interest on bonds payable  | 847                 |
|  | <hr/>               |
| Change in Net Position of Governmental Activities  | <u>\$ (375,898)</u> |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## STATEMENT OF NET POSITION

### PROPRIETARY FUND

December 31, 2023

#### ASSETS

##### CURRENT ASSETS

|                                |    |               |
|--------------------------------|----|---------------|
| Cash and investments           | \$ | 90,935        |
| Accounts receivable - customer |    | <u>4,538</u>  |
| Total Current Assets           |    | <u>95,473</u> |

##### CAPITAL ASSETS

|   |  |                    |
|---|--|--------------------|
| Capital assets, not depreciated           |  | 1,797,262          |
| Capital assets, being depreciated         |  | 3,298,241          |
| Capital assets - accumulated depreciation |  | <u>(2,118,950)</u> |
| Total Capital Assets                      |  | <u>2,976,553</u>   |

|              |  |                  |
|--------------|--|------------------|
| Total Assets |  | <u>3,072,026</u> |
|--------------|--|------------------|

#### LIABILITIES

##### CURRENT LIABILITIES

|                           |  |               |
|---------------------------|--|---------------|
| Accounts payable          |  | <u>11,365</u> |
| Total Current Liabilities |  | <u>11,365</u> |

#### NET POSITION

|                                  |    |                         |
|----------------------------------|----|-------------------------|
| Net investment in capital assets |    | 2,976,553               |
| Unrestricted                     |    | <u>84,108</u>           |
| Total Net Position               | \$ | <u><u>3,060,661</u></u> |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2023

|  |                     |
|--|---------------------|
| OPERATING REVENUES                     |                     |
| Program revenue                        | \$ 41,861           |
| Total Operating Revenues               | <u>41,861</u>       |
| OPERATING EXPENSES                     |                     |
| Depreciation                           | 168,574             |
| Augmentation                           | 8,812               |
| Legal                                  | 1,054               |
| Utilities                              | 10,301              |
| Water operator services                | 28,742              |
| Metering costs                         | 270                 |
| Repairs and maintenance                | 18,038              |
| Water testing                          | 3,334               |
| Water treatment                        | <u>3,096</u>        |
| Total Operating Expenses               | <u>242,221</u>      |
| INCOME (LOSS) FROM OPERATIONS          | <u>(200,360)</u>    |
| NONOPERATING REVENUES (EXPENSES)       |                     |
| HOA contribution                       | 50,000              |
| Tap fees                               | 107,938             |
| Interest income                        | <u>256</u>          |
| Total Nonoperating Revenues (Expenses) | <u>158,194</u>      |
| NET INCOME - CHANGE IN NET POSITION    | (42,166)            |
| NET POSITION - BEGINNING OF YEAR       | <u>3,102,827</u>    |
| NET POSITION - END OF YEAR             | <u>\$ 3,060,661</u> |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended December 31, 2023

### CASH FLOWS FROM OPERATING ACTIVITIES:

|                         |                 |
|-------------------------|-----------------|
| Receipts from customers | \$ 41,861       |
| Payments to suppliers   | <u>(96,709)</u> |

Net Cash Provided (Required) by Operating Activities (54,848)

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

|                  |                  |
|------------------|------------------|
| HOA Contribution | 50,000           |
| Tap fees         | 107,938          |
| Capital outlay   | <u>(320,282)</u> |

Net Cash Provided (Required) by Capital and Related Financing Activities (162,344)

### CASH FLOWS FROM INVESTING ACTIVITIES:

|                   |            |
|-------------------|------------|
| Investment income | <u>256</u> |
|-------------------|------------|

Net Cash Provided (Required) by Investing Activities 256

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (216,936)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 307,871

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 90,935

### RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES

Net income (loss) from operations \$ (200,360)

### ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES

Depreciation 168,574

### Changes in Assets and Liabilities:

Accounts payable (18,619)

Net Adjustments 145,512

NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES \$ (54,848)

The notes to the financial statements are an integral part of these statements.

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL FUND

For the Year Ended December 31, 2023

|  | Original<br><u>Budget</u> | <u>Final Budget</u> | <u>Actual</u>   | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|--|---------------------------|---------------------|-----------------|---|
| <b>REVENUES</b>  |                           |                     |                 |   |
| Property taxes   | \$ 48,822                 | \$ 48,822           | \$ 48,822       | \$ -  |
| Ownership taxes  | 2,000                     | 2,000               | 3,424           | 1,424   |
| HOA contribution   | 40,000                    | 140,000             | 140,000         | -   |
| Interest income  | -                         | 117                 | 117             | -   |
| Miscellaneous income   | -                         | 100                 | 100             | -   |
|  | <u>90,822</u>             | <u>191,039</u>      | <u>192,463</u>  | <u>1,424</u>                                  |
| <b>Total Revenues</b>  |                           |                     |                 |   |
| <b>EXPENDITURES</b>  |                           |                     |                 |   |
| Accounting   | 30,000                    | 30,426              | 30,426          | -   |
| Audit  | 5,500                     | 6,000               | 6,000           | -   |
| Computer and internet expenses                               | 1,600                     | 744                 | 744             | -   |
| Administrative fees  | 15,000                    | 15,000              | 15,000          | -   |
| Dues / subscriptions   | 400                       | 866                 | 866             | -   |
| Office supplies  | 1,500                     | 3,197               | 3,197           | -   |
| Insurance  | 6,000                     | 35,800              | 35,800          | -   |
| Legal  | 7,500                     | 16,024              | 16,024          | -   |
| Consulting   | 3,000                     | -                   | -               | -   |
| Miscellaneous expense  | -                         | 2,024               | -               | 2,024   |
| Snow removal   | 40,000                    | 73,051              | 73,051          | -   |
| Road repairs   | 20,000                    | -                   | -               | -   |
| Wildfire mitigation  | -                         | 95,400              | 95,400          | -   |
| Treasurers fees  | 1,465                     | 1,468               | 1,468           | -   |
| Contingency  | 20,000                    | -                   | -               | -   |
| Emergency reserve  | 2,725                     | -                   | -               | -   |
|  | <u>154,690</u>            | <u>280,000</u>      | <u>277,976</u>  | <u>2,024</u>                                  |
| <b>Total Expenditures</b>                                    |                           |                     |                 |   |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER<br/>EXPENDITURES</b> | <b>(63,868)</b>           | <b>(88,961)</b>     | <b>(85,513)</b> | <b>3,448</b>                                  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                           |                     |                 |   |
| Wildfire mitigation grant                                    | -                         | 45,400              | 45,400          | -   |
|  | <u>-</u>                  | <u>45,400</u>       | <u>45,400</u>   | <u>-</u>                                      |
| <b>Total Other Financial Sources (Uses)</b>                  |                           |                     |                 |   |
| <b>NET CHANGE IN FUND BALANCE</b>                            | <b>(63,868)</b>           | <b>(43,561)</b>     | <b>(40,113)</b> | <b>3,448</b>                                  |
| <b>FUND BALANCE:</b>   |                           |                     |                 |   |
| BEGINNING OF YEAR  | <u>70,145</u>             | <u>45,464</u>       | <u>45,464</u>   | <u>-</u>                                      |
| END OF YEAR  | <u>\$ 6,277</u>           | <u>\$ 1,903</u>     | <u>\$ 5,351</u> | <u>\$ 3,448</u>                               |

The notes to the financial statements are an integral part of these statements.

## Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

### Note 1: Summary of Significant Accounting Policies

The accounting policies of the Alpine Mountain Ranch Metropolitan District, (“District”), located in Routt County, Colorado (“County”); conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

#### Definition of Reporting Entity

The District was organized on December 12, 2006, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to finance and construct certain public infrastructure improvements that benefit the residents and taxpayers of the District. The District's primary revenues are HOA contributions and Special Assessments. The District is governed by an elected Board of Directors.

On February 4, 2011, the District authorized the creation of Alpine Mountain Ranch Metropolitan District, Special Improvement District No. 1 (the “SID”), for the purpose of financing, acquiring, constructing and installing certain infrastructure improvements. A special improvement district is not an independent governmental entity; rather it is a geographical division of the special district created for the purpose of financing costs of improvements and assessing the costs against the property specially benefiting from such improvements. Special improvement districts have no governing body, officers or governmental powers. The SID is included and presented as a blended component unit of the District, included in the debt service fund.

On July 14, 2012, the District authorized the creation of Alpine Mountain Ranch Metropolitan District, Special Improvement District No. 2 (“SID No. 2”), for the purpose of financing, acquiring, constructing and installing certain infrastructure improvements. A special improvement district is not an independent governmental entity; rather it is a geographical division of the special district created for the purpose of financing costs of improvements and assessing the costs against the property specially benefiting from such improvements. Special improvement districts have no governing body, officers or governmental powers. The SID is included and presented as a blended component unit of the District, included in the debt service fund.

## Alpine Mountain Ranch Metropolitan District

### Notes to Financial Statements December 31, 2023

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

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

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

#### Basis of Presentation

The accompanying financial statements are presented per GASB No. 34.

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. For the most part, the effect of interfund activity has been removed from these statements.

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

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

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



## Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

### 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*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes and special assessments are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

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

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

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as needed.

The District reports the following major proprietary funds:

Proprietary Fund - The Proprietary Fund accounts for the activities associated with providing water services to the property of the District.

The Proprietary Funds account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

## Alpine Mountain Ranch Metropolitan District

### Notes to Financial Statements December 31, 2023

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's ongoing operations. Operating revenues consist of charges to customers for services provided. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation of assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses or capital contributions. The District's proprietary fund consists of the Water Enterprise Fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The District has elected not to follow subsequent private-sector guidance.

#### Budgetary Accounting

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

On December 12, 2023, and subsequently on September 26, 2024, the District amended total appropriations in the General Fund from \$151,596 to \$280,000 primarily due to unanticipated expenses.

#### Statement of Cash Flows

For purposes of the statement of cash flows, the District considers cash deposits with a maturity of three months or less to be cash equivalents.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Assets, Liabilities and Net Position:

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

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

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Special Assessments

Special assessments are levied against the properties in the SID in order to repay the Series 2021 Bonds. Property owners have the option to pay the special assessment in full or in installments. The installments accrue interest at 9% per annum and are paid annually to the County treasurer which includes principal and interest commencing with tax year 2011 and continuing each year thereafter through 2030. The original Special Assessment amount was \$175,000 per lot on a total of 39 lots. During 2021, the special assessments were amended to extend the amortization of the special assessments through calendar year 2040, amend the unpaid special assessment amount to \$103,757.58 and amend the interest to 4.314% per annum. As of 2023, six homeowners within the District have exercised their right to prepay in full the remaining balance of the Special Assessment attached to their lots. The lots have been subsequently released of the Special Assessment lien by the District.

## Alpine Mountain Ranch Metropolitan District

### Notes to Financial Statements December 31, 2023

Special assessments are levied against the properties in SID No. 2 in order to repay the Series 2021 Bonds. Property owners have the option to pay the special assessment in full or in installments. The installments accrue interest at 4.403% per annum and are paid annually to the County treasurer which includes principal and interest commencing with tax year 2022 and continuing each year thereafter through 2040. The SID No. 2 Special Assessment amount was \$86,979 per lot on a total of 48 lots. As of 2023, two homeowners within the District have exercised their right to prepay in full the remaining balance of the Special Assessment attached to their lots. The lots have been subsequently released of the Special Assessment lien by the District.

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

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

#### 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 or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the assets 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 using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

|                  |          |
|------------------|----------|
| Streets          | 20 years |
| Parks, equipment | 20 years |
| Water system     | 20 years |

Property Taxes

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Property owners within the boundaries of the District have been assessed at \$341,378 for 2023. Since these taxes are not normally available to the District until 2024, they are classified as deferred income until 2024.

The District will incur ongoing operations and maintenance expenses associated with its continuing activities. Pursuant to the service plan, the District may impose an aggregate mill levy not permitted to exceed 55.000 mills (Gallagherized).

Long-Term Obligations

In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of any bond premium or discount where applicable.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$14,569 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$640,678 is restricted for the payment of the debt service costs associated with the Special Assessment Revenue Bonds, Series 2021 for the SID and SID No. 2 (see Note 4).

The restricted fund balance in the Capital Projects Fund in the amount of \$400,096 is restricted for the payment of the costs for capital improvements within the District.

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a 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

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

*Net investment in capital assets* – consists of net capital assets, except for construction in progress, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

*Restricted net position* – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

*Unrestricted net position* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2023, cash and investments are classified in the accompanying financial statements as follows:

|                                   |                     |
|-----------------------------------|---------------------|
| Statement of net position:        |                     |
| Cash and investments              | \$ 139,376          |
| Cash and investments - Restricted | <u>1,055,343</u>    |
| Total                             | <u>\$ 1,194,719</u> |

Cash and investments as of December 31, 2023, consist of the following:

|                                      |                     |
|--------------------------------------|---------------------|
| Deposits with financial institutions | \$ 443,562          |
| Investments – Colotrust              | 307,696             |
| Investments – UMB Bank               | <u>831,849</u>      |
|                                      | <u>\$ 1,941,719</u> |

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Deposits:

Custodial Credit Risk

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

The District does not have a formal policy for deposits; however, it follows state statutes for deposits. None of the District’s deposits were exposed to custodial credit risk.

Investments:

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investment is not required to be categorized within the fair value hierarchy. This investment’s value is calculated using the amortized cost method.

As of December 31, 2023, the District had the following investments:

MSILF Government Portfolio Fund

During 2023, the debt service money and a portion of the bond proceeds to be used for construction that was included in the trust accounts at UMB Bank (“UMB”), was invested in the MSILF Government Portfolio Fund. The portfolio is a money market fund, and each share is equal to \$1.00. The fund is rated AAAM by Standard and Poor’s. It invests exclusively in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. The average maturity of the underlying securities is 14 days or less. As of December 31, 2023, the District had \$831,849 invested in the Fund.



## Alpine Mountain Ranch Metropolitan District

### Notes to Financial Statements December 31, 2023

#### COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust (“COLOTRUST”) is rated AAAM by Standard & Poor’s with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of \$1.00. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians’ internal records identify the investments owned by COLOTRUST. At December 31, 2023, the District had \$307,696 invested in COLOTRUST.

#### Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

#### Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

#### Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2023, follows:

|  | Balance<br>01-01-23 | Additions           | Deletions   | Balance<br>12-31-23 |
|--|---------------------|---------------------|-------------|---------------------|
| <u>Governmental Type Activities:</u>         |                     |                     |             |                     |
| <u>Capital assets not being depreciated:</u> |                     |                     |             |                     |
| Construction in progress                     | \$ -                | \$ -                | \$ -        | \$ -                |
| Total capital assets not being depreciated:  | <u>-</u>            | <u>-</u>            | <u>-</u>    | <u>-</u>            |
| <u>Capital assets being depreciated:</u>     |                     |                     |             |                     |
| Streets                                      | \$ 8,973,745        | \$ 14,298           | \$ -        | \$ 8,988,043        |
| Parks, equipment                             | <u>2,790,155</u>    | <u>-</u>            | <u>-</u>    | <u>2,790,155</u>    |
| Total capital assets being depreciated:      | 11,763,900          | 14,298              | -           | 11,778,198          |
| Accumulated depreciation:                    |                     |                     |             |                     |
| Streets                                      | (3,300,522)         | (330,938)           | -           | (3,631,460)         |
| Parks, equipment                             | <u>(1,674,092)</u>  | <u>(139,508)</u>    | <u>-</u>    | <u>(1,813,600)</u>  |
| Total accumulated depreciation               | <u>(4,974,614)</u>  | <u>(470,446)</u>    | <u>-</u>    | <u>(5,445,060)</u>  |
| Net capital assets being depreciated:        | <u>6,789,286</u>    | <u>(456,148)</u>    | <u>-</u>    | <u>6,333,138</u>    |
| Government type assets, net                  | <u>\$ 6,789,286</u> | <u>\$ (456,148)</u> | <u>\$ -</u> | <u>\$ 6,333,138</u> |
| <u>Business Type Activities:</u>             |                     |                     |             |                     |
| <u>Capital assets not being depreciated:</u> |                     |                     |             |                     |
| Water rights                                 | \$ 1,376,000        | \$ -                | \$ -        | \$ 1,376,000        |
| Construction in progress                     | <u>114,011</u>      | <u>307,251</u>      | <u>-</u>    | <u>421,262</u>      |
| Total capital assets not being depreciated:  | <u>1,490,011</u>    | <u>307,251</u>      | <u>-</u>    | <u>1,797,262</u>    |
| <u>Capital assets being depreciated:</u>     |                     |                     |             |                     |
| Water system                                 | <u>3,285,210</u>    | <u>13,031</u>       | <u>-</u>    | <u>3,298,241</u>    |
| Total capital assets being depreciated:      | <u>3,285,210</u>    | <u>13,031</u>       | <u>-</u>    | <u>3,298,241</u>    |
| Accumulated depreciation:                    |                     |                     |             |                     |
| Water system                                 | <u>(1,950,376)</u>  | <u>(168,574)</u>    | <u>-</u>    | <u>(2,118,950)</u>  |
| Total accumulated depreciation               | <u>(1,950,376)</u>  | <u>(168,574)</u>    | <u>-</u>    | <u>(2,118,950)</u>  |
| Net capital assets being depreciated:        | <u>1,334,834</u>    | <u>(155,543)</u>    | <u>-</u>    | <u>1,179,291</u>    |
| Business type assets, net                    | <u>\$ 2,824,845</u> | <u>\$ 151,708</u>   | <u>\$ -</u> | <u>\$ 2,976,553</u> |

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Depreciation expense was charged to functions/programs of the primary government as follows:

|  |                   |
|--|-------------------|
| Governmental activities:                                 |                   |
| Streets  | \$ 330,938        |
| Parks  | <u>139,508</u>    |
| Total depreciation expense -<br>governmental activities  | <u>\$ 470,446</u> |
| Business-type activities:                                |                   |
| Water  | <u>\$ 168,574</u> |
| Total depreciation expense –<br>business type activities | <u>\$ 168,574</u> |

The District will retain all capital assets. The District is responsible for all maintenance and repair costs. The Homeowners’ Association within the District has agreed to contribute funds as necessary in order to ensure the District meets its responsibilities in maintaining the capital assets.

Note 4: Long Term Debt

The following is an analysis of changes in long-term debt for the government fund activity for the period ending December 31, 2023:

|  | Balance<br>1/1/2023 | Additions         | Retirements       | Balance<br>12/31/2023 | Current<br>Portion Due |
|--|---------------------|-------------------|-------------------|-----------------------|------------------------|
| <u>Governmental Funds:</u>                                 |                     |                   |                   |                       |                        |
| <u>General Obligation Bonds</u>                            |                     |                   |                   |                       |                        |
| Special Assessment Revenue Bonds -<br>Series 2021 - SID #1 | \$ 3,108,455        | \$ -              | \$ 111,788        | \$ 2,996,667          | \$ 116,485             |
| Special Assessment Revenue Bonds -<br>Series 2021 - SID #2 | <u>3,920,542</u>    | <u>-</u>          | <u>141,833</u>    | <u>3,778,709</u>      | <u>146,625</u>         |
| Total General Obligation Bonds                             | <u>7,028,997</u>    | <u>-</u>          | <u>253,621</u>    | <u>6,775,376</u>      | <u>263,110</u>         |
| <u>Other - Developer Advances</u>                          |                     |                   |                   |                       |                        |
| Developer Advance - Facilities<br>Acquisition              | <u>1,761,000</u>    | <u>300,000</u>    | <u>-</u>          | <u>2,061,000</u>      | <u>-</u>               |
| Total Other - Developer Advances                           | <u>1,761,000</u>    | <u>300,000</u>    | <u>-</u>          | <u>2,061,000</u>      | <u>-</u>               |
| Total Long-term debt                                       | <u>\$ 8,789,997</u> | <u>\$ 300,000</u> | <u>\$ 253,621</u> | <u>\$ 8,836,376</u>   | <u>\$ 263,110</u>      |

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

A description of the long-term obligations as of December 31, 2023, is as follows:

Special Assessment Revenue Bonds, Series 2021 – SID #1 – On July 22, 2021, the District issued \$3,424,000 of Special Assessment Revenue Bonds, Series 2021 (“the SID #1 Bonds”), for the purpose of refunding the Series 2011 Bonds. The SID #1 Bonds bear interest at the rate of 4%, payable semiannually on each June 1 and December 1, commencing on December 1, 2021. The SID #1 Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2021. The SID #1 Bonds are subject to Extraordinary Mandatory Redemption by prepaid SID special assessments received to the nearest integral multiple of \$1.

The SID #1 Bonds are payable solely from and to the extent of (a) the Special Assessments from the SID #1 fund and (b) any other legally available moneys that the District determines to use for payment. The ad valorem property tax is not pledged to the payment of the SID #1 Bonds and the SID #1 Bond holders do not have any claim to such revenue.

Special Assessment Revenue Bonds, Series 2021 – SID #2 – On July 22, 2021, the District issued \$4,175,000 of Special Assessment Revenue Bonds, Series 2021 (“the SID #2 Bonds”), for the purpose of financing the acquisition of public infrastructure specially benefiting property within the District. The SID #2 Bonds bear interest at the rate of 4%, payable semiannually on each June 1 and December 1, commencing on June 1, 2022. The SID #1 Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2022. The SID #2 Bonds are subject to Extraordinary Mandatory Redemption by prepaid SID special assessments received to the nearest integral multiple of \$1.

The SID #2 Bonds are payable solely from and to the extent of (a) the Special Assessments from the SID #2 fund and (b) any other legally available moneys that the District determines to use for payment. The ad valorem property tax is not pledged to the payment of the SID #2 Bonds and the Series #2 Bond holders do not have any claim to such revenue.

The following is a summary of the annual long-term debt principal and interest requirements for the SID #1 Bonds .

|           | Principal    | Interest     | Total        |
|-----------|--------------|--------------|--------------|
| 2024      | \$ 116,485   | \$ 119,867   | \$ 236,352   |
| 2025      | 121,182      | 115,207      | 236,389      |
| 2026      | 125,879      | 110,360      | 236,239      |
| 2027      | 130,576      | 105,325      | 235,901      |
| 2028      | 136,212      | 100,102      | 236,314      |
| 2029-2033 | 767,484      | 414,234      | 1,181,718    |
| 2034-3038 | 934,697      | 247,887      | 1,182,584    |
| 2039-2040 | 664,152      | 44,753       | 708,905      |
|           | \$ 2,996,667 | \$ 1,257,735 | \$ 4,254,402 |

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

The following is a summary of the annual long-term debt principal and interest requirements for the SID #2 Bonds.

|           | Principal    | Interest     | Total        |
|-----------|--------------|--------------|--------------|
| 2024      | \$ 146,625   | \$ 151,148   | \$ 297,773   |
| 2025      | 152,375      | 145,283      | 297,658      |
| 2026      | 159,083      | 139,188      | 298,271      |
| 2027      | 164,833      | 132,825      | 297,658      |
| 2028      | 171,542      | 126,232      | 297,774      |
| 2029-2033 | 968,875      | 522,331      | 1,491,206    |
| 2034-3038 | 1,176,834    | 312,570      | 1,489,404    |
| 2039-2040 | 838,542      | 56,504       | 895,046      |
|           | \$ 3,778,709 | \$ 1,586,081 | \$ 5,364,790 |

Note 5: Debt Authorization

On November 7, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$15,500,000. On November 2, 2010, the voters of the SID authorized use of special assessments to repay such debt. As of December 31, 2023, the District had remaining voted debt authorization of approximately \$4,500,000. However, per the District’s Service Plan, the District cannot issue debt in excess of \$11,000,000. Therefore, as of December 31, 2024, the District did not have any remaining Service Plan Debt authorization.

Note 6: Related Party

Two members of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. One member is formerly associated with the Developer. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

Note 7: Commitments and Agreements

Infrastructure Acquisition and Reimbursement Agreement – On December 2, 2009, the District entered into an agreement with Alpine Mountain Ranch at Steamboat Springs, LLLP (“the Developer”) in which the Developer agrees to advance funds for the purpose of construction of infrastructure improvements. The District agrees to reimburse the Developer at 9% per annum simple interest for the advances subject to annual appropriation by the Board. On February 4, 2011, the District accepted \$13,865,081 in infrastructure from the Developer. The developer was paid \$5,869,000 from bond proceeds and contributed assets in the amount of \$3,821,081, the balance of \$4,175,000 will be reimbursed to the Developer as funds become available. During 2021, prior to the issuance of the SID #2 Bonds, the Developer agreed to forgive \$1,494,000 of accrued interest and the Developer was paid \$2,000,000 from the SID #2 bond proceeds. In 2022, the Developer was repaid \$414,000. As of December 31, 2023, the balance due to the developer was \$1,791,000 and the accrued interest totaled \$2,877,576.

Out of Service Water Agreement – On June 1, 2007, the District entered into an agreement with the Priest Creek Ranch Owners Association (the “Association”) located in Priest Creek Ranch, an area adjacent to the District’s boundaries. The District agrees to provide water service to the Association for \$7,500 per year. Commencing June 1, 2012, the fee is adjusted annually for the Consumer Price Index (“CPI”) not to exceed 3% per year until 47 homes of the 63 homes have been built. Once that occurs, the water charges will be reassessed.

Wildfire Mitigation Grant – On June 9, 2023, the Colorado State Forest Service, (“CSFS”), granted the District \$45,400 for wildfire mitigation within the boundaries of the District. The District’s obligation was to implement the mitigation project for a minimum of \$181,600. The District expensed \$95,400 whereas the HOA incurred the remaining of the required amount.

Note 8: Tax, Spending and Debt Limitations

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

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

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

Alpine Mountain Ranch Metropolitan District

Notes to Financial Statements  
December 31, 2023

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

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

On November 7, 2006, majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 9: Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past four fiscal years.

SUPPLEMENTAL INFORMATION



# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2023

|                                   | <u>Original and<br/>Final Budget</u> | <u>Actual</u>            | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|-----------------------------------|--------------------------------------|--------------------------|---|
| <b>REVENUES</b>                   |                                      |                          |   |
| Special assessments               | \$ 549,281                           | \$ 549,281               | \$ -  |
| Interest income                   | <u>3,500</u>                         | <u>35,721</u>            | <u>32,221</u>                                   |
| Total Revenues                    | <u>552,781</u>                       | <u>585,002</u>           | <u>32,221</u>                                   |
| <b>EXPENDITURES</b>               |                                      |                          |   |
| Bond principal                    | 263,621                              | 253,621                  | 10,000  |
| Bond interest                     | 281,160                              | 281,160                  | -   |
| Paying agent fees                 | 5,000                                | 5,000                    | -   |
| Collection fees                   | <u>9,500</u>                         | <u>-</u>                 | <u>9,500</u>                                    |
| Total Expenditures                | <u>559,281</u>                       | <u>539,781</u>           | <u>19,500</u>                                   |
| <b>NET CHANGE IN FUND BALANCE</b> | <b>(6,500)</b>                       | <b>45,221</b>            | <b>51,721</b>                                   |
| <b>FUND BALANCE:</b>              |                                      |                          |   |
| BEGINNING OF YEAR                 | <u>570,774</u>                       | <u>595,457</u>           | <u>24,683</u>                                   |
| END OF YEAR                       | <u><u>\$ 564,274</u></u>             | <u><u>\$ 640,678</u></u> | <u><u>\$ 76,404</u></u>                         |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

|  | <u>Original and<br/>Final Budget</u> | <u>Actual</u>     | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|--------------------------------------|-------------------|---|
| <b>REVENUES</b>  |                                      |                   |   |
| HOA contribution   | \$ 40,000                            | \$ -              | \$ (40,000)                                     |
| Interest income  | <u>-</u>                             | <u>12,251</u>     | <u>12,251</u>                                   |
| Total Revenues   | <u>40,000</u>                        | <u>12,251</u>     | <u>(27,749)</u>                                 |
| <b>EXPENDITURES</b>  |                                      |                   |   |
| Capital improvements   | <u>325,000</u>                       | <u>14,298</u>     | <u>310,702</u>                                  |
| Total Expenditures   | <u>325,000</u>                       | <u>14,298</u>     | <u>310,702</u>                                  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER<br/>EXPENDITURES</b> | (285,000)                            | (2,047)           | 282,953   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                      |                   |   |
| Developer advances   | <u>300,000</u>                       | <u>300,000</u>    | <u>-</u>  |
| Total Other Financing Sources (Uses)                         | <u>300,000</u>                       | <u>300,000</u>    | <u>-</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>                            | 15,000                               | 297,953           | 282,953   |
| <b>FUND BALANCE:</b>   |                                      |                   |   |
| BEGINNING OF YEAR  | <u>333,181</u>                       | <u>102,143</u>    | <u>(231,038)</u>                                |
| END OF YEAR  | <u>\$ 348,181</u>                    | <u>\$ 400,096</u> | <u>\$ 51,915</u>                                |

The notes to the financial statements are an integral part of these statements.

# ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) - PROPRIETARY FUND

For the Year Ended December 31, 2023

|  | <u>Original and</u> | <u>Actual</u>    | Variance<br>Favorable<br><u>(Unfavorable)</u> |
|--|---------------------|------------------|---|
|  | <u>Final Budget</u> |                  |   |
| Revenues:  |                     |                  |   |
| Program revenue                                      | \$ 44,507           | \$ 41,861        | \$ (2,646)                                    |
| Tap fees   | 60,000              | 107,938          | 47,938  |
| Interest income                                      | -                   | 256              | 256   |
| HOA contribution                                     | <u>100,000</u>      | <u>50,000</u>    | <u>(50,000)</u>                               |
| Total Revenues                                       | <u>204,507</u>      | <u>200,055</u>   | <u>(4,452)</u>                                |
| Expenditures:  |                     |                  |   |
| Augmentation   | 8,200               | 8,812            | (612)   |
| Consulting   | 2,000               | -                | 2,000   |
| Utilities  | 12,500              | 10,301           | 2,199   |
| Water operator services                              | 24,000              | 28,742           | (4,742)                                       |
| Repairs and maintenance - equipment                  | 30,000              | 18,038           | 11,962  |
| Metering costs                                       | -                   | 270              | (270)   |
| Water testing  | 4,500               | 3,334            | 1,166   |
| Water treatment                                      | -                   | 3,096            | (3,096)                                       |
| Legal  | 2,000               | 1,054            | 946   |
| Capital expenditures                                 | 382,984             | 320,282          | 62,702  |
| Contingency  | <u>20,000</u>       | <u>-</u>         | <u>20,000</u>                                 |
| Total Expenditures                                   | <u>486,184</u>      | <u>393,929</u>   | <u>92,255</u>                                 |
| Excess (Deficiency) of Revenues over<br>Expenditures | (281,677)           | (193,874)        | (96,707)                                      |
| Funds available - beginning of year                  | <u>305,936</u>      | <u>277,982</u>   | <u>(27,954)</u>                               |
| Funds available - end of year                        | <u>\$ 24,259</u>    | <u>\$ 84,108</u> | <u>\$ (124,661)</u>                           |

Funds available at December 31, 2022 is computed as follows:

|                     |                  |
|---------------------|------------------|
| Current assets      | \$ 95,473        |
| Current liabilities | <u>(11,365)</u>  |
|                     | <u>\$ 84,108</u> |

The notes to the financial statements are an integral part of these statements.

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

**RECONCILIATION OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS (ACTUAL) TO STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUND**

For the Year Ended December 31, 2023

The following is a reconciliation of the budgetary basis, as presented, to generally accepted accounting principals (GAAP). The basis on which the financial statements were prepared.

|   |                           |
|---|---------------------------|
| <u>Revenue (budgetary basis)</u>  | \$ <u>200,055</u>         |
| Total revenue per statement of revenues, expenses and changes in funds available:       | 200,055                   |
| <u>Expenditures - (budgetary basis)</u>   | <u>393,929</u>            |
| Capital improvements  | (320,282)                 |
| Depreciation  | <u>168,574</u>            |
| Total expenses per statement of revenues, expenses and changes in fund balance:         | 242,221                   |
| Changes in net position per statement of revenue, expenses and changes in net position: | \$ <u><u>(42,166)</u></u> |

The notes to the financial statements are an integral part of these statements.

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

SUMMARY OF ASSESSED VALUATION, MILL LEVY  
AND PROPERTY TAXES COLLECTED

December 31, 2023

| <u>Year Ended</u><br><u>December 31,</u>          | <b>Prior</b><br><b>Year Assessed</b><br><b>Valuation</b><br><b>for Current</b><br><b>Year Property</b><br><u>Tax Levy</u> | <u>Mills Levied</u> |                     | <u>Total Property Tax</u> |                  | <u>Percent</u><br><u>Collected</u><br><u>to Levied</u> |
|---|---|---------------------|---------------------|---------------------------|------------------|--|
|   |   | <u>General Fund</u> | <u>Debt Service</u> | <u>Levied</u>             | <u>Collected</u> |  |
| 2010  | \$ 217,312  | 30.000              | 0.000               | \$ 6,519                  | \$ 6,519         | 99.99%   |
| 2011  | \$ 515,056  | 5.000               | 0.000               | \$ 2,575                  | \$ 2,576         | 100.03%  |
| 2012  | \$ 565,739  | 5.000               | 0.000               | \$ 2,829                  | \$ 2,829         | 100.01%  |
| 2013  | \$ 861,300  | 5.000               | 0.000               | \$ 4,307                  | \$ 4,307         | 100.01%  |
| 2014  | \$ 758,290  | 5.000               | 0.000               | \$ 3,791                  | \$ 3,791         | 99.99%   |
| 2015  | \$ 758,290  | 5.000               | 0.000               | \$ 3,791                  | \$ 3,788         | 99.91%   |
| 2016  | \$ 816,990  | 5.000               | 0.000               | \$ 4,085                  | \$ 4,085         | 100.00%  |
| 2017  | \$ 816,990  | 5.000               | 0.000               | \$ 4,085                  | \$ 4,085         | 100.00%  |
| 2018  | \$ 791,070  | 5.000               | 0.000               | \$ 3,955                  | \$ 4,001         | 101.15%  |
| 2019  | \$ 901,640  | 5.000               | 0.000               | \$ 4,508                  | \$ 4,508         | 100.00%  |
| 2020  | \$ 1,483,280  | 5.000               | 0.000               | \$ 7,416                  | \$ 7,416         | 99.99%   |
| 2021  | \$ 1,576,080  | 5.000               | 0.000               | \$ 7,880                  | \$ 7,880         | 99.99%   |
| 2022  | \$ 9,286,910  | 5.000               | 0.000               | \$ 46,435                 | \$ 44,141        | 95.06%   |
| 2023  | \$ 9,764,370  | 5.000               | 0.000               | \$ 48,822                 | \$ 48,822        | 100.00%  |
| Estimated for year<br>ending December 31,<br>2024 | \$ 31,034,380   | 11.000              | 0.000               | \$ 341,378                |                  |  |

**NOTE:**

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.