HANCE RANCH METROPOLITAN DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2023

HANCE RANCH METROPOLITAN DISTRICT
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YEAR ENDED DECEMBER 31, 2023

WATSON COON RYAN
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Hance Ranch Metropolitan District
Jefferson County, Colorado

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the Hance Ranch Metropolitan District, Jefferson County, Colorado, as of and for the year ended December 31, 2023, which collectively comprise the Hance Ranch Metropolitan District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Hance Ranch Metropolitan District, as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparisons for the General Fund and Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Hance Ranch Metropolitan 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 opinion.

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 Hance Ranch Metropolitan District's ability to continue as a going concern for twelve months beyond the

RANDY WATSON | JEREMY RYAN| TROY COON | KELLY WATSON | KARL FLOWER

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 Hance Ranch Metropolitan 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 Hance Ranch Metropolitan District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Hance Ranch Metropolitan District's basic financial statements. The supplemental information listed in the table of contents are presented for the purpose of additional analysis and was not a required part of the financial statements.

The supplemental schedules of Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 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 Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual are fairly stated in all material respects in relation to the financial statements as a whole.

The Schedule of Debt Service Requirements to Maturity and Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express any opinion or provide any assurance on them.

Watson Coon Ryan, LLC

Watson Coon Ryan, LLC
January 7, 2025
Centennial, Colorado

BASIC FINANCIAL STATEMENTS

HANCE RANCH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and Investments	$ 11,148
Cash and Investments - Restricted	292,842
Prepaid Insurance	875
Receivable - TIF	9,260
Receivable from County Treasurer	453
Property Tax Receivable	187,603
Capital Assets:	
Capital Assets Not Being Depreciated	1,910,997
Total Assets	2,413,178
LIABILITIES	
Accounts Payable	38,677
Unearned Revenue	1,445
Accrued Bond Interest Payable	70,374
Noncurrent Liabilities:	
Due in More Than One Year	2,810,429
Total Liabilities	2,920,925
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	187,603
Total Deferred Inflows of Resources	187,603
NET POSITION	
Restricted for:	
Emergency Reserve	3,200
Debt Service	1,051
Unrestricted	(699,601)
Total Net Position	$ (695,350)

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 157,233	$ 72,195	$ -	$ -	$ (85,038)
Interest on Long-Term Debt and Related Costs	161,325	-	-	-	(161,325)
Total Governmental Activities	$ 318,558	$ 72,195	$ -	$ -	(246,363)

GENERAL REVENUES	
Property Taxes	93,392
Property Taxes - TIF	9,259
Specific Ownership Taxes	7,316
Interest Income	15,742
Total General Revenues	125,709
CHANGES IN NET POSITION	(120,654)
Net Position - Beginning of Year	(574,696)
NET POSITION - END OF YEAR	$ (695,350)

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Special Revenue	Debt Service	Total Governmental Funds
ASSETS				
Cash and Investments	$ -	$ 11,148	$ -	$ 11,148
Cash and Investments - Restricted	830	2,200	289,812	292,842
Receivable from County Treasurer	133	-	320	453
Receivable - TIF	2,724	-	6,536	9,260
Due from Other Funds	-	25,870	-	25,870
Prepaid Insurance	875	-	-	875
Property Tax Receivable	55,177	-	132,426	187,603
Total Assets	$ 59,739	$ 39,218	$ 429,094	$ 528,051
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 19,788	$ 14,889	$ 4,000	$ 38,677
Unearned Revenue	-	1,445	-	1,445
Due to Other Funds	25,870	-	-	25,870
Total Liabilities	45,658	16,334	4,000	65,992
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	55,177	-	132,426	187,603
Prepaid Owner Fees	-	-	-	-
Total Deferred Inflows of Resources	55,177	-	132,426	187,603
FUND BALANCES				
Nonspendable:				
Prepaid Expense	875	-	-	875
Restricted for:				
Emergency Reserves	1,000	2,200	-	3,200
Debt Service	-	-	292,668	292,668
Committed:				
Operations	-	20,684	-	20,684
Unassigned	(42,971)	-	-	(42,971)
Total Fund Balances	(41,096)	22,884	292,668	274,456
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 59,739	$ 39,218	$ 429,094	
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.				1,910,997
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.				
Bonds Payable				(2,606,044)
Accrued Interest on Bonds Payable				(70,374)
Developer Advance Payable				(178,390)
Accrued Interest on Developer Advance				(25,995)
Net Position of Governmental Activities				$ (695,350)

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General	Special Revenue	Debt Service	Capital Projects	Total Governmental Funds
REVENUES					
Property Taxes	$ 27,468	$ -	$ 65,924	$ -	$ 93,392
Specific Ownership Taxes	2,152	-	5,164	-	7,316
Operations Fees	-	72,195	-	-	72,195
Interest Income	17	-	15,725	-	15,742
TIF Revenue	2,723	-	6,536	-	9,259
Total Revenues	32,360	72,195	93,349	-	197,904
EXPENDITURES					
Current:					
Accounting	30,605	-	-	-	30,605
Auditing	5,800	-	-	-	5,800
County Treasurer's Fee	412	-	989	-	1,401
District Management	-	16,017	-	-	16,017
Dues And Membership	328	-	-	-	328
Election	4,289	-	-	-	4,289
Engineering	1,155	-	-	-	1,155
Insurance	4,290	-	-	-	4,290
Landscaping	-	12,363	-	-	12,363
Legal	35,085	-	-	-	35,085
Miscellaneous	-	600	-	-	600
Repairs And Maintenance	-	11,719	-	-	11,719
Snow Removal	-	19,663	-	-	19,663
Trash Collection	-	14,907	-	-	14,907
Debt Service:					
Bond Interest	-	-	121,013	-	121,013
Paying Agent Fees	-	-	4,000	-	4,000
Total Expenditures	81,964	75,269	126,002	-	283,235
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(49,604)	(3,074)	(32,653)	-	(85,331)
OTHER FINANCING SOURCES (USES)					
Developer Advance	15,000	-	-	-	15,000
Repay Developer Advance	-	-	-	(6)	(6)
Total Other Financing Sources (Uses)	15,000	-	-	(6)	14,994
NET CHANGE IN FUND BALANCES	(34,604)	(3,074)	(32,653)	(6)	(70,337)
Fund Balances (Deficits) - Beginning of Year	(6,492)	25,958	325,321	6	344,793
FUND BALANCES (Deficits) - END OF YEAR	$ (41,096)	$ 22,884	$ 292,668	$ -	$ 274,456

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

Net Change in Fund Balances - Total Governmental Funds	$	(70,337)
Amounts reported for governmental activities in the statement of activities are different because:		
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.		
Developer Advance		(15,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of Bond Premium		190
Accrued Interest on Developer Advance - Change in Liability		(14,226)
Accrued Interest on Bonds - Change in Liability		(21,281)
Changes in Net Position of Governmental Activities	$	(120,654)

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budget Original	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	$ 27,303	$ 27,303	$ 27,468	$ 165
Specific Ownership Taxes	1,911	1,911	2,152	241
Interest Income	-	-	17	17
TIF Revenue	2,723	2,723	2,723	-
Total Revenues	31,937	31,937	32,360	423
EXPENDITURES				
Accounting	30,000	30,000	30,605	(605)
Auditing	5,500	5,500	5,800	(300)
Contingency	-	5,000	-	5,000
County Treasurer's Fee	410	410	412	(2)
Dues And Membership	500	500	328	172
Election	3,500	3,500	4,289	(789)
Engineering	-	-	1,155	(1,155)
Insurance	4,000	4,000	4,290	(290)
Legal	35,000	35,000	35,085	(85)
Miscellaneous	1,090	1,090	-	1,090
Total Expenditures	80,000	85,000	81,964	3,036
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(48,063)	(53,063)	(49,604)	3,459
OTHER FINANCING SOURCES (USES)				
Developer Advance	50,000	50,000	15,000	(35,000)
Total Other Financing Sources (Uses)	50,000	50,000	15,000	(35,000)
NET CHANGE IN FUND BALANCE	1,937	(3,063)	(34,604)	(31,541)
Fund Balance (Deficits) - Beginning of Year	3,350	3,350	(6,492)	(9,842)
FUND BALANCE (Deficits) - END OF YEAR	$ 5,287	$ 287	$ (41,096)	$ (41,383)

See accompanying Notes to Basic Financial Statements.

HANCE RANCH METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Operations Fees	$ 64,260	$ 64,260	$ 72,195	$ 7,935
Transfer Fees	1,800	1,800	-	(1,800)
Other Revenue	940	940	-	(940)
Total Revenues	67,000	67,000	72,195	5,195
EXPENDITURES				
Contingency	-	13,000	-	13,000
District Management	22,500	22,500	16,017	6,483
Landscaping	15,000	15,000	12,363	2,637
Miscellaneous	500	500	600	(100)
Repairs And Maintenance	4,000	4,000	11,719	(7,719)
Snow Removal	12,500	12,500	19,663	(7,163)
Trash Collection	10,000	10,000	14,907	(4,907)
Utilities	2,500	2,500	-	2,500
Total Expenditures	67,000	80,000	75,269	4,731
NET CHANGE IN FUND BALANCE	-	(13,000)	(3,074)	9,926
Fund Balance - Beginning of Year	14,589	14,589	25,958	11,369
FUND BALANCE - END OF YEAR	$ 14,589	$ 1,589	$ 22,884	$ 21,295

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Hance Ranch Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court in and for Jefferson County, Colorado on November 19, 2019, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

At a special election of the eligible electors of the District held on November 5, 2019, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the acquisition, construction, installation, and completion of certain public improvements.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

The Special Revenue Fund is used to account for Operations Fees received and expenditures incurred in connection with operations and maintenance services of the District.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

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

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports 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 and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as inflows of resources in the period that the amounts become available.

Equity

Net Position

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

Fund Balance

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Deficits

The General Fund reported a deficit in the fund financial statements as of December 31, 2023. The deficit will be eliminated with the receipt of funds advanced by the Developer in 2024.

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:	
Cash and Investments	$ 11,148
Cash and Investments - Restricted	292,842
Total Cash and Investments	$ 303,990

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

Deposits with Financial Institutions	$ 15,093
Investments	288,897
Total Cash and Investments	$ 303,990

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash Deposits

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

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

At December 31, 2023, the District's cash deposits had a bank balance and carrying balance of $15,093.

Investments

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST PRIME)	Weighted-Average Under 60 Days	$ 288,897

COLOTRUST

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

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

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

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

NOTE 4 CAPITAL ASSETS

An analysis of the changes in the District's capital assets for the period ended December 31, 2023, follows:

	Balance at December 31, 2022	Increases	Decreases	Balance at December 31, 2023
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 1,910,997	$ -	$ -	$ 1,910,997
Total Capital Assets, Not Being Depreciated	$ 1,910,997	$ -	$ -	$ 1,910,997

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Limited Tax General Obligation Bonds:					
Series 2020A(3)	$ 2,375,000	$ -	$ -	$ 2,375,000	$ -
Series 2020A(3) - Premium	4,234	-	190	4,044	-
Series 2020B(3)	227,000	-	-	227,000	-
Total Bonds Payable	2,606,234	-	190	2,606,044	-
Other Debts:					
Developer Advances:					
Operational	94,055	15,000	-	109,055	-
Capital	69,335	-	-	69,335	-
Accrued Interest on:					
Developer Advances:					
Operational	10,693	8,679	-	19,372	-
Capital	1,076	5,547	-	6,623	-
Total Long-Term Obligations	$ 2,781,393	$ 29,226	$ 190	$ 2,810,429	$ -

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

Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A(3) (the Senior Bonds) and **Subordinate Limited Tax General Obligation Bonds, Series 2020B(3)** (the Subordinate Bonds, and together with the Senior Bonds, the Bonds)

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Bond Proceeds

The District issued the Bonds on December 10, 2020, in the par amounts of $2,375,000 for the Senior Bonds and $227,000 for the Subordinate Bonds. Proceeds from the sale of the Senior Bonds were used to fund: (i) the costs of public improvements for the benefit of the District; (ii) capitalized interest on the Senior Bonds; (iii) certain funds created in the Senior Indenture; and (iv) costs of issuing the Bonds. Proceeds of the Subordinate Bonds were used to fund additional costs of public improvements.

Senior Bonds Details

The Senior Bonds were issued as two term bonds that bear interest at the rates of 5.000% and 5.125% (5.087% yield), mature on December 1, 2040 and December 1, 2050, respectively, and are payable semiannually on June 1 and December 1, beginning on June 1, 2021. The Senior Bonds have annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2028. To the extent the principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 31, 2060. To the extent interest on any Senior Bond is not paid when due, such unpaid interest shall compound semiannually on each interest payment date, at the rate then borne by the Senior Bond. The Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 31, 2060. The Senior Bonds are not subject to acceleration. The Senior Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Senior Bonds.

The Senior Bonds are secured by and payable solely from and to the extent of Senior Pledged Revenue from the following sources, net of any costs of collection and any tax refunds or abatements authorized by or on behalf of the County: (a) the Senior Required Mill Levy; (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy; (c) the Cooperation Agreement Revenues; and (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

Cooperation Agreement Revenues means the net incremental property tax revenues derived from any debt service mill levy imposed by the District and paid by the Authority to the District pursuant to the Cooperation Agreement.

Prior to the Conversion Date, the District has covenanted to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount sufficient to pay the Senior Bonds when due and, if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve, but (i) not in excess of 60.000 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2018), and (ii) for so long as the Surplus Fund is required to be maintained and the amount on deposit therein is less than the Maximum Surplus Amount, not less than 60.000 mills (subject to adjustment), or such lesser mill levy which will pay the Senior Bonds when due, will replenish the Reserve Fund to the amount of the Required Reserve and, for so long as the Surplus Fund is required to be maintained, will fund the Surplus Fund to the Maximum Surplus Amount.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Senior Bonds Details (Continued)

The Conversion Date means the date that: (i) the Debt to Assessed Ratio is 50% or less; (ii) no payments of principal or interest on the Senior Bonds are past due; and (iii) the amount on deposit in the Reserve Fund is not less than the Required Reserve. On and after the Conversion Date, a Senior Required Mill Levy is to be imposed upon all taxable property of the District each year in an amount sufficient to pay the Senior Bonds when due and, if necessary, to replenish the Reserve Fund to the amount of the Required Reserve, without limitation of rate.

Additional Security for Senior Bonds

The Senior Bonds are additionally secured by capitalized interest which was funded from proceeds of the Senior Bonds in the amount of $221,243, by the Reserve Fund which was funded from proceeds of the Senior Bonds in the amount of the Required Reserve of $221,243, and by amounts, if any, in the Surplus Fund. The balance in the capitalized interest account as of December 31, 2023, is $-0.-

Subject to the receipt of sufficient Senior Pledged Revenue, the Reserve Fund is to be maintained in the amount of the Reserve Requirement for as long as any Senior Bonds are outstanding. The balance in the Reserve Fund as of December 31, 2023, is $227,455.

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of $237,500. Subject to the receipt of sufficient Senior Pledged Revenue, the Surplus Fund is to be maintained until the earlier of: (i) the Conversion Date or (ii) the date on which no Senior Bonds remain outstanding. On and after the Conversion Date, amounts on deposit in the Surplus Fund are to be released to the District for application to any lawful purpose. Pursuant to the Subordinate Indenture, amounts released from the Surplus Fund are pledged to the repayment of the Subordinate Bonds. The balance in the Surplus Fund as of December 31, 2023, is $61,419.

Events of Default of the Senior Bonds

Events of default occur if the District fails to impose the Senior Required Mill Levy, or to apply the Pledged Revenues as required by the Senior Indenture or does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Senior Indenture.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Bonds Details

The Subordinate Bonds bear interest at the rate of 8.000% per annum and are payable annually on December 15, beginning December 15, 2021, from, and to the extent of, available Subordinate Pledged Revenue, if any, and mature on December 15, 2050. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. To the extent principal on the Subordinate Bonds is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 31, 2060. To the extent interest on the Subordinate Bonds is not paid when due, such unpaid interest shall compound annually on each December 15, at the rate then borne by the Subordinate Bonds. The Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 31, 2060. The Bonds are not subject to acceleration. The Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Subordinate Bonds.

The Subordinate Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue which means the moneys derived by the District from the following sources, net of any costs of collection and any property tax refunds or abatements authorized by or on behalf of the County: (a) the Subordinate Required Mill Levy; (b) the portion of the Specific Ownership Tax resulting from imposition of the Subordinate Required Mill Levy; (c) the portion of the Cooperation Agreement Revenues, if any, available after application to the payment of the Senior Bonds; (d) the amounts, if any, in the Surplus Fund released to the District; and (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

The District has covenanted to impose a Subordinate Required Mill Levy upon all taxable property in the District each year in an amount of 60 mills (subject to adjustment) less the amount of the Senior Bond Required Mill Levy. Senior Bond Required Mill Levy means the ad valorem mill levy applied in connection with any Senior Bonds.

Events of Default of the Subordinate Bonds

Events of default occur if the District fails to impose the Subordinate Required Mill Levy, or to apply the Pledged Revenues as required by the Subordinate Indenture or does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Subordinate Indenture.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Optional Redemption

The Senior Bonds and the Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter, upon payment of 100% of the principal amount redeemed, plus accrued interest to the redemption date, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium
December 1, 2025 to November 30, 2026	3.00 %
December 1, 2026 to November 30, 2027	2.00
December 1, 2027 to November 30, 2028	1.00
December 1, 2028, and Thereafter	-

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

Year Ending December 31,	Principal	Interest	Total
2024	$ -	$ 121,013	$ 121,013
2025	-	121,013	121,013
2026	-	121,013	121,013
2027	-	121,013	121,013
2028	10,000	121,013	131,013
2029-2033	110,000	594,063	704,063
2034-2038	280,000	550,813	830,813
2039-2043	495,000	460,931	955,931
2044-2048	820,000	302,375	1,122,375
2049-2050	660,000	57,144	717,144
Total	$ 2,375,000	$ 2,570,388	$ 4,945,388

The annual debt service requirements on the Subordinate Bonds are not included in the schedule above since they are payable only from available Subordinate Pledged Revenue.

Authorized Debt

At December 31, 2023, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 5, 2019 Election	Authorization Used Series 2020	Remaining at December 31, 2023
Public Improvements	$ 60,000,000	$ 2,602,000	$ 57,398,000
Operations and Maintenance	6,000,000	-	6,000,000
Private Agreements	6,000,000	-	6,000,000
In-District Special Assessment	6,000,000	-	6,000,000
Intergovernmental Agreements	6,000,000	-	6,000,000
Refunding	60,000,000	-	60,000,000
Total	$ 144,000,000	$ 2,602,000	$ 141,398,000

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to $6,000,000.

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

NOTE 6 NET POSITION

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

The restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2023, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	$ 3,200
Debt Service	1,051
Total Restricted Net Position	$ 4,251

The District has a deficit in unrestricted net position. This deficit is primarily due to costs of debt issuance, and operating expenses paid by advances from Developer.

NOTE 7 AGREEMENTS

Cooperation Agreement

The District is located within the I-70/Kipling Corridors Urban Renewal Area (the Urban Renewal Area) created by the Wheat Ridge Urban Renewal Authority (the Authority) pursuant to the I-70/Kipling Corridors Urban Renewal Plan (the Urban Renewal Plan) adopted on August 10, 2009. The Urban Renewal Plan has an effective date of December 15, 2015. The Urban Renewal Plan states that taxes, if any, levied after the effective date of December 15, 2015, upon the Urban Renewal Area shall be divided for a period not to exceed 25 years from the effective date of the Urban Renewal Plan and that a portion of property tax revenues shall be allocated to and paid into a special fund of the Authority, to pay the principal of, interest on, and any premiums due in connection with any bonds, loans, or indebtedness incurred by the Authority.

NOTE 7 AGREEMENTS (CONTINUED)

Cooperation Agreement (Continued)

Accordingly, until 2040, property tax revenues collected as a result of the District's mill levies upon the incremental value of property within the District are payable to the Authority. However, the District and the Authority entered into a Cooperation Agreement effective October 1, 2019, pursuant to which the Authority agrees to remit any revenues collected from the District's mill levy upon the tax increment portion of the District's assessed valuation back to the District.

Intergovernmental Agreement with the City of Wheat Ridge

Pursuant to the Intergovernmental Agreement with the city of Wheat Ridge (the City) dated August 26, 2019, the District shall dedicate the Public Improvements, as defined in the Service Plan, to the City or other appropriate jurisdiction or owners' association in a manner consistent with the approved development plans and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized to operate and maintain any part or all of the Public Improvements which are not dedicated to the City or other public entity The Agreement also restates and affirms certain of the obligations and limitations set forth in the District's Service Plan.

NOTE 8 RELATED PARTIES

The property within the District is being developed by Hance Ranch Station, LLC (the Developer). During 2023, all of the members of the Board of Directors were officers or employees of, or otherwise associated with the Developer, and may have conflicts of interest in matters involving the District.

Public Improvements Acquisition and Reimbursement Agreement

The District and the Developer entered into a Public Improvements Acquisition and Reimbursement Agreement on December 11, 2019. Pursuant to the agreement, the District and the Developer acknowledge that the District is authorized to construct, acquire, and install public improvements and other facilities and services that benefit the property within the boundaries of the District, subject to the limitations set forth in the Service Plan and the Special District Act.

NOTE 8 RELATED PARTIES (CONTINUED)

Public Improvements Acquisition and Reimbursement Agreement (Continued)

Pursuant to the Agreement, the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or 20 years from the execution date. The District agrees to reimburse the Developer for certified construction costs related to public improvements together within simple interest that shall accrue on amounts reimbursable to the Developer under the Agreement, until paid, at the rate of 8% per annum. Prior to reimbursement, the Developer is required to provide certain materials to the District for review. Following receipt of such materials the District's accountant and engineer shall review the materials to substantiate the costs and issue a cost certification to the District. No payment is due until the District has adopted an Acceptance Resolution.

As of December 31, 2023, outstanding advances under this Agreement totaled $69,335 and accrued interest totaled $6,623.

Funding and Reimbursement Agreement

The District and the Developer entered into a Funding and Reimbursement Agreement on November 13, 2019, an amendment on October 20, 2021, and an amendment on October 20, 2022, for the purposes of funding operations and maintenance costs. The Developer agreed to loan to the District one or more sums of money, not to exceed an aggregate of $200,000 through December 31, 2023.

Thereafter, the Developer may agree to renew its obligations by providing written notice thereof to the District, in which case the termination date shall be amended to the date provided in such notice, which date shall not be earlier than December 31 of the succeeding year.

Pursuant to the Agreement the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or 20 years from the execution date. With respect to each loan advance made under this agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be 8% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount.

As of December 31, 2023, outstanding advances under this Agreement totaled $109,055 and accrued interest totaled $19,372.

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATION

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

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

On November 5, 2019, the District's voters approved for an annual increase in taxes of $5,000,000 for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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

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

SUPPLEMENTARY INFORMATION

HANCE RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Original Budget Original	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 65,528	$ 65,924	$ 396
Specific Ownership Taxes	4,587	5,164	577
Interest Income	10,885	15,725	4,840
TIF Revenue	6,536	6,536	-
Total Revenues	87,536	93,349	5,813
EXPENDITURES			
County Treasurer's Fee	983	989	(6)
Paying Agent Fees	7,000	4,000	3,000
Bond Interest	121,013	121,013	-
Contingency	8,004	-	8,004
Total Expenditures	137,000	126,002	10,998
NET CHANGE IN FUND BALANCE	(49,464)	(32,653)	16,811
Fund Balance - Beginning of Year	320,981	325,321	4,340
FUND BALANCE - END OF YEAR	$ 271,517	$ 292,668	$ 21,151

HANCE RANCH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Total Revenues	$ -	$ -	$ -	$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Repay Developer Advance	-	(6)	(6)	-
Total Other Financing Uses	-	(6)	(6)	-
NET CHANGE IN FUND BALANCE	-	(6)	(6)	-
Fund Balance - Beginning of Year	-	6	6	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

OTHER INFORMATION

HANCE RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2023

	$2,375,000 General Obligation Limited Tax Bonds Series 2020A(3) Senior Bond Issue, Dated December 10, 2020 Interest Rate 5.000% - 5.125% Interest Payable June 1 and December 1		
Year Ending December 31,	Principal	Interest	Total
2024	$ -	$ 121,013	$ 121,013
2025	-	121,013	121,013
2026	-	121,013	121,013
2027	-	121,013	121,013
2028	10,000	121,013	131,013
2029	10,000	120,513	130,513
2030	20,000	120,013	140,013
2031	20,000	119,013	139,013
2032	30,000	118,013	148,013
2033	30,000	116,513	146,513
2034	45,000	115,013	160,013
2035	45,000	112,763	157,763
2036	55,000	110,513	165,513
2037	60,000	107,763	167,763
2038	75,000	104,763	179,763
2039	75,000	101,013	176,013
2040	90,000	97,263	187,263
2041	95,000	92,763	187,763
2042	115,000	87,894	202,894
2043	120,000	82,000	202,000
2044	140,000	75,850	215,850
2045	145,000	68,675	213,675
2046	165,000	61,244	226,244
2047	175,000	52,788	227,788
2048	195,000	43,819	238,819
2049	205,000	33,825	238,825
2050	455,000	23,319	478,319
Total	$ 2,375,000	$ 2,570,388	$ 4,945,388

HANCE RANCH METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2023

Year Ended December 31,	Prior Year Gross Assessed Valuation for Current Year Property Tax Levy	Prior Year Net Assessed Valuation for Current Year Property Tax Levy	Total Mills Levied		Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Levied	Collected	
2020	$ 457,562	$ 457,562	75.524	-	$ 34,557	$ 33,809	97.84 %
2021	576,002	550,975	25.174	60.419	47,159	47,159	100.00 %
2022	799,033	747,519	25.174	60.419	63,982	64,356	100.58 %
2023	1,167,629	1,060,268	25.751	61.803	92,831	93,392	100.60 %
Estimated for Year Ending December 31, 2024	$ 2,116,092	$ 1,872,326	29.470	70.728	$ 187,603		