

Dawson Trails Metropolitan District No. 1

Year Ended December 31, 2024
with
Independent Auditor's Report

Dawson Trails Metropolitan District No. 1

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with
Independent Auditor's Report

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Board of Directors
Dawson Trails Metropolitan District No. 1
Douglas, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Dawson Trails Metropolitan District No. 1 (the "District"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Dawson Trails Metropolitan District No. 1 as of December 31, 2024, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), 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.

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Other Matters

Required Supplemental Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates 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 to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

The logo for Wipfli LLP, featuring the company name in a stylized, handwritten-style script.

Wipfli LLP
Denver, Colorado

February 4, 2026

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Dawson Trails Metropolitan District No. 1

Statement of Net Position December 31, 2024 (See Independent Auditor's Report)

	Statement of Net Position
Assets:	
Cash and investments	\$ 231,870
Cash and investments - restricted	108,574,095
Receivable from county treasurer	33
Property tax receivable	5,712
Capital assets:	
Capital assets, not being depreciated	<u>19,640,402</u>
Total assets	<u>\$ 128,452,112</u>
Liabilities:	
Accounts payable	\$ 5,872,453
Retainage payable	871,967
Payroll liabilities payable	5,248
Noncurrent liabilities:	
Due after one year	<u>134,728,519</u>
Total liabilities	<u>141,478,187</u>
Deferred inflows of resources:	
Deferred property tax revenue	<u>5,712</u>
Net position:	
Restricted for:	
Emergency reserve	6,720
Unrestricted	<u>(13,038,507)</u>
Total net position	<u>\$ (13,031,787)</u>

(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Statement of Activities Year Ended December 31, 2024 (See Independent Auditor's Report)

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 6,377,667	\$ -	\$ 10,289	\$ -	\$ (6,367,378)
Interest in Long-Term Debt and related costs	9,726,728	-	-	-	(9,726,728)
Total Governmental Activities	<u>\$ 16,104,395</u>	<u>\$ -</u>	<u>\$ 10,289</u>	<u>\$ -</u>	(16,094,106)
General Revenues					
Property Taxes					4,939
Specific Ownership Taxes					370
Interest Income					3,146,400
Other Revenue					120
Total General Revenues and Transfers					<u>3,151,829</u>
Changes in Net Position					(12,942,277)
Net Position - Beginning of Year					<u>(89,510)</u>
Net Position - End of Year					<u>\$ (13,031,787)</u>

(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Balance Sheet – Governmental Funds December 31, 2024 (See Independent Auditor's Report)

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and investments	\$ 231,870	\$ -	\$ 231,870
Cash and investments - restricted	6,720	108,567,375	108,574,095
Receivable from county treasurer	33	-	33
Property tax receivable	5,712	-	5,712
	<u>5,712</u>	<u>-</u>	<u>5,712</u>
Total assets	<u>\$ 244,335</u>	<u>\$ 108,567,375</u>	<u>\$ 108,811,710</u>
Liabilities:			
Accounts payable	49,419	5,823,034	5,872,453
Retainage payable	-	871,967	871,967
Payroll liabilities payable	5,248	-	5,248
	<u>5,248</u>	<u>-</u>	<u>5,248</u>
Total liabilities	<u>54,667</u>	<u>6,695,001</u>	<u>6,749,668</u>
Deferred inflows of resources:			
Deferred property tax	5,712	-	5,712
	<u>5,712</u>	<u>-</u>	<u>5,712</u>
Fund balance:			
Restricted for:			
Emergency reserve	6,720	-	6,720
Capital projects	-	101,872,374	101,872,374
Assigned to:			
Subsequent year's expenditures	115,000	-	115,000
Unassigned	62,236	-	62,236
	<u>62,236</u>	<u>-</u>	<u>62,236</u>
Total fund balances	<u>183,956</u>	<u>101,872,374</u>	<u>102,056,330</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 244,335</u>	<u>\$ 108,567,375</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	19,640,402
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(134,728,519)</u>
Net Position of Governmental Activities	<u>\$ (13,031,787)</u>

(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit) – Governmental Funds Year Ended December 31, 2024 (See Independent Auditor's Report)

	General	Capital Projects	Total Governmental Funds
Revenues:			
Property tax	\$ 4,939	\$ -	\$ 4,939
Specific ownership tax	370	-	370
Interest income	2,177	3,144,223	3,146,400
Other revenue	120	-	120
Intergovernmental Revenues	10,289	-	10,289
Total revenues	<u>17,895</u>	<u>3,144,223</u>	<u>3,162,118</u>
Expenditures:			
Current:			
Accounting	39,949	29,055	69,004
Auditing	7,878	-	7,878
County Treasurer's Fee	74	-	74
Directors' Fees	23,368	-	23,368
Dues and membership	1,817	-	1,817
Insurance	21,721	-	21,721
District management	15,771	9,377	25,148
Legal	48,100	70,033	118,133
Miscellaneous	2,907	-	2,907
Payroll Taxes	2,035	-	2,035
Election	732	-	732
Paying Agent Fees	-	70,197	70,197
Capital Projects:			
Bond issue costs	-	4,190,941	4,190,941
Developer advance - interest	-	119,294	119,294
Engineering	-	1,482,276	1,482,276
Capital Outlay	-	20,851,199	20,851,199
Total expenditures	<u>164,352</u>	<u>26,822,372</u>	<u>26,986,724</u>
Excess of revenue over (under) expenditures	(146,457)	(23,678,149)	(23,824,606)
Other Financing Sources (Uses)			
Bonds proceeds	-	141,646,888	141,646,888
Bond discount	-	(12,296,943)	(12,296,943)
Developer Advance	-	5,414,771	5,414,771
Repay Developer Advance	-	(8,714,771)	(8,714,771)
Total Other Financing Sources (Uses)	<u>-</u>	<u>126,049,945</u>	<u>126,049,945</u>
Net change in fund balances	(146,457)	102,371,796	102,225,339
Fund balances (deficit) - beginning of year	<u>330,413</u>	<u>(499,422)</u>	<u>(169,009)</u>
Fund balances - end of year	<u>\$ 183,956</u>	<u>\$ 101,872,374</u>	<u>\$ 102,056,330</u>

(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities Year Ended December 31, 2024 (See Independent Auditor's Report)

Net Change in Fund Balances - Total Governmental funds	\$	102,225,339
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.

Capital outlay - capitalized amount	16,228,625
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Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

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

Bond issuance	(141,646,888)
Bond discount	12,296,943
Developer advance	(5,414,771)
Repayment of developer advances	8,714,771

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

Accrued interest payable developer advance - change in liability	32,278
Bond accretion	(5,378,574)

Change in Net Position of Governmental Activities	\$	<u>(12,942,277)</u>
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(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget General Fund Year Ended December 31, 2024 (See Independent Auditor's Report)

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Property tax	\$ 4,939	\$ 4,939	\$ -
Specific ownership tax	445	370	(75)
Interest income	15,000	2,177	(12,823)
Other revenue	-	120	120
Intergovernmental Revenues	10,257	10,289	32
	<u>30,641</u>	<u>17,895</u>	<u>(12,746)</u>
Total revenues			
Expenditures:			
Accounting	40,000	39,949	51
Auditing	-	7,878	(7,878)
County Treasurer's Fee	74	74	-
Directors' Fees	6,000	23,368	(17,368)
Dues and membership	2,500	1,817	683
Insurance	25,000	21,721	3,279
District management	25,000	15,771	9,229
Legal	100,000	48,100	51,900
Miscellaneous	9,000	2,907	6,093
Payroll Taxes	-	2,035	(2,035)
Election	1,500	732	768
Paying Agent Fees	4,000	-	4,000
Contingency	10,926	-	10,926
	<u>224,000</u>	<u>164,352</u>	<u>59,648</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	(193,359)	(146,457)	46,902
Fund balance - beginning of year	276,310	330,413	54,103
Fund balance - end of year	<u>\$ 82,951</u>	<u>\$ 183,956</u>	<u>\$ 101,005</u>

(See Notes to Basic Financial Statements)

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

1. Definition of Reporting Entity and Summary of Significant Accounting Policies

Dawson Trails Metropolitan District No. 1 (the District), a quasi municipal corporation and political subdivision of the state of Colorado was organized under the name of Dawson Ridge Metropolitan District No. 1 by recorded order and decree of the District Court for Douglas County, Colorado in 1985. On November 18, 2022, the district changed its name to Dawson Trails Metropolitan District No. 1, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under an Amended and Restated Service Plan approved by the City on September 6, 2022. The District's service boundaries are located entirely within the Town of Castle Rock (the Town). The District is one of seven related districts: Dawson Trails Metropolitan Districts Nos. 1, 2, 3, 4, 5, 6 and 7 (the Districts). As of December 31, 2024, the Districts have the same membership of their respective Boards of Directors.

The District, pursuant to a coordinating agreement described below, is responsible for managing, implementing, and coordinating the financing, acquisition, construction, completion, operation and maintenance of all public infrastructure and services within Dawson Trails. The Financing Districts provide the funding for the improvements and the tax base needed to support ongoing operations of the Districts.

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

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

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

Basis of presentation

The accompanying financial statements are presented per GASB Statement No. 34, *Special Purpose Governments*.

The government funds balance sheet/statement of net position and the statement of governmental fund revenues, expenditures and changes in fund balances/statement of activities report information on all of the governmental activities of the District. The statement of activities demonstrates the degree to which expenditures/revenues of the governmental funds are supported by general revenues. The effect of interfund activity has been removed from these statements.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

1. Definition of Reporting Entity and Summary of Significant Accounting Policies (continued)

Basis of presentation (continued)

The statement of net position reports all financial and capital resources of the District. The difference between (a) assets and deferred outflows of resource 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 of 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 operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. 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 accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Government 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 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 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.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

1. Definition of Reporting Entity and Summary of Significant Accounting Policies (continued)

Measurement focus, basis of accounting and financial statement presentation (continued)

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, except those required to be accounted for in other funds.

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

The effect of interfund activity has been eliminated from the government-wide financial statements.

Budgets

In accordance with the Colorado's Local Government 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.

Cash

The District follows the practice of pooling cash 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.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported 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 purchases or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

1. Definition of Reporting Entity and Summary of Significant Accounting Policies (continued)

Capital assets

The cost 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 capital assets, as applicable.

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.

Deferred outflows/inflows of resources

In addition to assets, the statement of net 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 does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net 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 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.

Original issue discount/premium

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

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

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

1. Definition of Reporting Entity and Summary of Significant Accounting Policies (continued)

Fund balances

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:

Non-spendable fund balance: The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact

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

Committed fund balance: The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors, prior to the end of the fiscal year. 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 above criteria.

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

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.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements Year Ended December 31, 2024 (See Independent Auditor's Report)

2. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The County certifies the assessed valuation of the District in August of the preceding year, and the District is obligated to certify the mill levies to the County by December 15 of the preceding year. Taxes are levied on December 22 and due in either one installment on April 30, or two installments on February 28 and June 15. The County bills and collects the District's property taxes. The 2024 general property taxes, which are assessed and collected in 2025, have been accrued as receivables and deferred revenue at December 31, 2024. As taxes are collected during 2025, the accrual and deferral are reduced accordingly.

3. Cash and Investments

Cash and investments as of December 31, 2024 are classified on the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 231,870
Cash and investments - restricted	108,574,095
	<u>\$ 108,805,965</u>

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

Deposits with Financial Institutions	\$ 111,622
Investments	108,694,343
Total cash and investments	<u>\$ 108,805,965</u>

Deposits with financial institutions

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

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

At December 31, 2024, the District's cash deposits had a bank balance and carrying balance of \$111,622.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

3. Cash and Investments (continued)

Investments

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 a pooled money market savings account and is not required to be categorized within the fair value hierarchy.

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.

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

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 108,694,343
		<u>\$ 108,694,343</u>

CSAFE

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

CSAFE CASH FUND operates similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market fund and highest rated commercial paper, any security allowed under Section 24-75-601 C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

3. Cash and Investments (continued)

Investments (continued)

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as a safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAA/S1 by FitchRatings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

4. Capital Assets

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

	Balance at December 31, 2023	Additions	Deletions	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in progress	\$ 3,411,777	\$ 16,228,625	\$ -	\$ 19,640,402
Total Capital Assets, Not Being Depreciated	<u>3,411,777</u>	<u>16,228,625</u>	<u>-</u>	<u>19,640,402</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,411,777</u>	<u>\$ 16,228,625</u>	<u>\$ -</u>	<u>\$ 19,640,402</u>

The District reported \$20,851,199 of Capital Outlay expense for the year ended December 31, 2024. Of this, \$16,228,625 was related the Districts' own assets and was capitalized during 2024. The remainder is related to assets held by the Town of Castle Rock as part of the CVI Funding Agreement (See Note 6) and remain as expenses on the Districts' books as of December 31, 2024

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements Year Ended December 31, 2024 (See Independent Auditor's Report)

5. Long Term Obligations

The following is an analysis of changes in long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Accretion	Balance at December 31, 2024	Current Portion
Bonds Payable:						
General Obligation Bonds Series 2024	\$ -	\$ 141,646,888	\$ -	\$ 5,378,574	\$ 147,025,462	\$ -
Other Debts:						
Developer Advance - Capital	3,300,000	5,414,771	8,714,771	-	-	-
Developer Advance - Capital Interest	32,278	87,016	119,294	-	-	-
Subtotal Other Debts	3,332,278	5,501,787	8,834,065	-	-	-
Bond Premium/Discount						
Bond Discount - Series 2024	-	(12,296,943)	-	-	(12,296,943)	-
Total Long-Term Obligations	<u>\$ 3,332,278</u>	<u>\$ 134,851,732</u>	<u>\$ 8,834,065</u>	<u>\$ 5,378,574</u>	<u>\$ 134,728,519</u>	<u>\$ -</u>

General Obligation Limited Tax Capital Appreciation Bonds, Series 2024 (Bonds)

The District issued the Bonds on May 16, 2024, in the original principal amount of \$141,646,888 and appreciating to a principal amount of \$237,990,000. The Bonds included an original issue discount of \$12,296,943 which will be amortized over the remaining life of the bonds once the bonds reach their fully accreted value.

Bond Proceeds

Proceeds from the sale of the Bonds are anticipated to be used for public improvements including construction of a road interchange project and future public improvement projects to be determined to serve the development, along with costs of issuing the Bonds.

Bond Details

The Bonds were issued as capital appreciation bonds, convertible to current interest bonds on the Conversion Date (defined below). The 2024 Bonds accrete in value at an annual yield equal to 7.0% from their date of issuance to December 1, 2031 (Conversion Date). The accreted amount compounds semiannually on June 1 and December 1, beginning on June 1, 2024, to and including December 1, 2031. Such accreted amount, together with the original principal amount at the Conversion Date, will be \$237,990,000, assuming no redemptions prior to that date. The Bonds shall be deemed fully satisfied on May 16, 2074 and any remaining unpaid amount shall be discharged.

Upon conversion to cash flow bonds on the Conversion Date, the Bonds will bear interest at 7.0% per annum, payable annually on December 1 to the extent of Pledged Revenue. The Bonds are structured as "cash flow" bonds, meaning that there are no scheduled payments of principal or interest prior to the maturity date.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

5. Long Term Obligations (continued)

Redemption Terms

The 2024 Bonds are subject to redemption prior to the Conversion Date, at the option of the District, on June 1, 2026 and any date thereafter at the accreted value of the bonds redeemed plus a redemption premium equal a percentage of the accreted value as follows:

<u>Redemption Date</u>	<u>Redemption Premium</u>
June 1, 2026 to May 31, 2027	3.00%
June 1, 2027 to May 31, 2028	2.00%
June 1, 2028 to May 31, 2029	1.00%
June 1, 2029 and thereafter	0.00%

The Bonds are subject to mandatory redemption on December 1 of each year prior to the Conversion Date to the extent of moneys in the bond fund sufficient to redeem at least \$1,000 in accreted value of the Bonds.

On December 1 of each year after the Conversion Date, commencing December 1, 2032, the bonds are subject to redemption to the extent of excess funds beyond amounts required to pay all interest then due from the bond fund, as defined in the indenture.

Pledged Revenues

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue. The indenture defines Pledged Revenue as: 1) the property tax revenues of the Districts, 2) the portion of the specific ownership tax which is allocable to revenues of the Districts, 3) capital facilities fee revenue from the Districts 4) public improvement fee (PIF) revenue 5) sales tax rebate revenue, 6) primary PILOT revenue, 7) fallback PILOT revenue and 8) any other legally available moneys which the Districts determine, in their absolute discretion, to apply as Pledged Revenue.

Unused Lines of Credit

The Bonds do not have any unused lines of credit.

Collateral

Certain funds established under the indenture are pledged as collateral on the Bonds, as well as a deed of trust on the property of the development.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

5. Long Term Obligations (continued)

Events of Default

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

- a) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Indenture;
- b) The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Indenture or Bond Resolution, and fails to remedy the same after notice thereof;
- c) The District fails to enforce or cooperate in the enforcement of any of the Trust Estate Instruments on a material default, if such default could result in impairing or diminishing the collection of Pledged Revenue, and the District fails to remedy the same after notice thereof;
- d) The Occurrence of any one or more of the following: 1) the road interchange project fails to open to the public on or prior to December 31, 2028, 2) failure to pay in full all accreted value of the bonds outstanding on the final maturity date, 3) there is a deed of trust default as defined in the Indenture, or
- e) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bonds.

Authorized Debt

On May 3, 2022, a majority of the eligible electors of the District authorized the issuance of indebtedness in an amount not to exceed \$12,000,000,000 at an interest rate not to exceed 18%. At December 31, 2024, the District had authorized but unissued indebtedness of \$11,858,353,112:

Pursuant to the Amended Service Plan, the District is permitted to issue bonded indebtedness of up to \$1,062,390,000.

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.

Developer Advances

The District entered into a Funding and Reimbursement Agreement (Operations and Maintenance) with ACM Dawson Trails VIII JV, LLC (Developer), in 2022, for the purpose of funding certain operation and maintenance expenses (see Note 6).

The District entered into an Infrastructure Acquisition and Reimbursement Agreement with ACM Dawson Trails VIII JV, LLC (Developer), in 2022, for the purpose of funding certain capital expenditures (see Note 6).

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

6. District Agreements

Town Intergovernmental Agreement

On October 19, 2022 the District, together with Dawson Trails Metropolitan District Nos. 2-7 (District Nos. 2-7) entered into an Intergovernmental Agreement with the Town (Town IGA). In accordance with the Town IGA, the Taxing Districts agree to comply with all provisions of the Service Plan and the Special District Act. In accordance with the Town IGA, the Districts are authorized to own, operate and maintain Public Improvements not otherwise dedicated to the Town or another governmental entity. Also in accordance with the Town IGA, at any time a District imposes a mill levy for Debt, such District shall also impose a Regional Mill Levy. The revenues received from the Regional Mill Levy shall be remitted to the Town on an annual basis by no later than December 1. The parties to the Town IGA agree that such agreement may be enforced at law or in equity, specifically including suits for specific performance and/or monetary damages.

CVI Contribution Funding Agreement

On October 9, 2023, the District and the Town entered into the CVI Contribution Funding Agreement (the "Interchange Funding Agreement"). The Interchange Funding Agreement became effective when \$50 million of the proceeds from the 2024A Senior Bonds were deposited into the Interchange Project Fund. In accordance with the Interchange Funding Agreement, the Town and the District agree that the Interchange Project Fund held by the Trustee complies with the requirements of Section 8.04(c)(i) of the Development Agreement with respect to the holding of the Developer's Interchange Contribution in a cash construction escrow, and that the Interchange Funding Agreement governs the terms and conditions on which the Issuing District and the Town may each request disbursements from the Interchange Project Fund for the purpose of making progress payments to contractors with respect to the construction of the Interchange. As described in the Interchange Funding Agreement, it is contemplated that the Town and the District may enter into contracts to effectuate the construction of the Interchange. Both the Town and the District are able to requisition funds from the Interchange Project Fund for payment or reimbursement of costs related to the construction of the Interchange, as further described in the Interchange Funding Agreement. As of July 28, 2025, \$19,858,269 remained in the Interchange Project Fund.

Funding and Reimbursement Agreement (Operations and Maintenance)

On October 19, 2022, the District and ACM Dawson Trails VIII JV, LLC (Developer) entered into the Funding and Reimbursement Agreement (Operations and Maintenance) (FRA), as amended by the First Amendment to Funding and Reimbursement Agreement effective as of January 1, 2025. Pursuant to the FRA, the Developer agreed to advance funds (Developer Advance) up to \$50,000 per annum, not to exceed \$200,000 through December 31, 2026, towards the District's operations, maintenance and administrative expenses incurred through December 31, 2026. Simple interest shall accrue on each Developer Advance from the date of deposit into the District's account or from the date of direct payment by Developer, until paid in full Developer's obligation to make any Developer Advances expires on December 31, 2026. Any Developer Advance not reimbursed by the District to the Developer by December 31, 2042 shall be deemed to be forever discharged and satisfied in full. As of December 31, 2024 there were no amounts outstanding under this agreement.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

6. District Agreements

Infrastructure Acquisition and Reimbursement Agreement – ACM Dawson Trails VIII, LLC

On October 19, 2022, the District and ACM Dawson Trails VIII, LLC (Developer) entered into the Infrastructure Acquisition and Reimbursement Agreement (IARA). Pursuant to the IARA, the District agreed to reimburse the Developer for related expenses, subject to cost verification and other terms of the IARA. The parties agreed that only completed phases of work shall be eligible for reimbursement by the District. The District agrees to acquire certain public infrastructure constructed or caused to be constructed by the Developer to be owned by the District. Any Construction Related Expenses not reimbursed by the District to the Developer by December 31, 2042 shall be deemed to be forever discharged and satisfied in full. At December 31, 2024, all advances were repaid with proceeds from the 2024 bonds.

Infrastructure Acquisition and Reimbursement Agreement – Westside Property Investment Company, Inc.

On March 19, 2024, the District and Westside Property Investment Company, Inc. (WP) entered into an Infrastructure Acquisition and Reimbursement Agreement (2024 IARA). Pursuant to the 2024 IARA, the District agreed to reimburse WP for costs related to the acquisition, financing, planning, design, construction and installation of Public Infrastructure, subject to cost verification and others terms of the 2024 IARA, including accrued interest on such costs at 7.78%. The parties agreed that only completed phases of work shall be eligible for reimbursement by the District. The District agrees to acquire certain public infrastructure constructed or caused to be constructed by WP to be owned by the District. Any Construction Related Expenses not reimbursed by the District to WP by March 19, 2044 shall be deemed to be forever discharged and satisfied in full. At December 31, 2024, all advances were repaid with proceeds from the 2024 bonds.

Mill Levy Allocation Agreement

On May 16, 2024, the Districts entered into a Mill Levy Allocation Agreement where the Districts agreed that the obligations of Districts 2-7 under their respective pledge agreements to pledge property tax revenues to the District are fair and equitable regarding the benefits received from the District, and Districts 2-7 agree to impose and certify its respective required mill levy under their respective pledge agreements with the District.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

6. District Agreements (continued)

Boulevard Management Agreement

On May 21, 2024, the District and the Town entered into the Dawson Trails Boulevard Management Agreement, as amended on June 15, 2025 (the "Dawson Trails Boulevard Management Agreement"). The Dawson Trails Boulevard Management Agreement sets forth the parameters of how the District will perform certain District Work. "District Work" is defined in the Interchange Funding Agreement as: (i) the construction of Dawson Trails Boulevard from the current southern boundary of the Town north to the federal project limits of the Interchange, and the demolition necessitated in connection therewith; and (ii) certain round-a-bouts, related improvements and additional paving of Dawson Trails Boulevard. The District Work is to be completed by the District as provided in the Dawson Trails Boulevard Management Agreement, but the cost of the District Work shall be borne entirely by the Town. In consideration of the District performing its obligations under the Dawson Trails Boulevard Management Agreement, the District shall be paid an amount that does not exceed 3.5% of the initial contract price for the District Work, plus any increases in the contract price attributable to the issuance of a change order or other form of order or directive by the District. The Town shall have exclusive ownership of the District Work, and the District Work shall be maintained by the Town, at its sole cost and expense.

Administrative Services Agreement

On November 28, 2022, the Districts entered into a District Maintenance and Administrative Services Agreement (the "Administrative Services Agreement") which sets forth the rights and obligations of District Nos. 2-7 to fully fund, and of the District to provide, Maintenance Services and Administrative Services on behalf of District Nos. 2-7. In accordance with the Administrative Services Agreement, the District will own, operate and maintain all Public Improvements within its boundaries and within the boundaries of the Districts that are not dedicated to the Town or any other public entity, which ownership, operation and maintenance shall be on behalf of the Districts which are obligated to provide the financing for such ownership, operation and maintenance. The District agrees to provide certain Maintenance Services and Administrative Services (as defined therein) for benefit of the Districts, provided that each District observes and performs the covenants and agreements set forth in the Administrative Services Agreement. The Districts shall pay all costs incurred in any given year by the District in providing the Maintenance Services and Administrative Services (the "Costs"), not exceeding the Final Budget (defined in the Administrative Services Agreement). It is the desire and intent of the Districts that, to the extent possible, the Costs incurred by the Operating District in the performance of the duties and services required by the Administrative Services Agreement be paid through the imposition by the Districts of the Operations Mill Levy against the taxable property lying within their boundaries.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

7. Net Position

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

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2024, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 6,720
Total Restricted Net Position	<u>\$ 6,720</u>

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of expenses paid by advances from Developer.

8. Related Parties

The property within the District is being developed by ACM Dawson Trails VIII JV, LLC (Developer). Westside Property Investment Company, Inc. is the asset manager for the Developer (Asset Manager). The Developer and Asset Manager have advanced funds to the District. The members of the Board of Directors of the District hold direct or indirect interests in the Developer and Asset Manager or are otherwise associated with the Developer and Asset Manager and may have conflicts of interest in dealing with the District. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

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) as of December 31, 2024. 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.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

9. Risk Management (continued)

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation 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.

10. Tax, Spending and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provision of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above tax policy change directly causing a net tax revenue gain to any local government.

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.

Dawson Trails Metropolitan District No. 1

Notes to Basic Financial Statements
Year Ended December 31, 2024
(See Independent Auditor's Report)

11. Subsequent Event

On September 18, 2025, the District issued \$65,456,000 of Subordinate Limited Tax General Obligation Bonds, Series 2025B ("Series 2025B Bonds") for the purpose of paying for the costs of various public infrastructure improvements, potentially including street, bridge, water, and sewer systems, as well as general district purposes. The Series 2025B Bonds bear interest at a rate of 9.25% payable annually on each December 15, commencing on December 15, 2025, and mature on December 15, 2055. The Series 2025B Bonds are subject to early redemption at the option of the District commencing June 1, 2026 with a redemption premium ranging from 1% to 3%.

Supplementary Information

Dawson Trails Metropolitan District No. 1

Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Actual and Budget Capital Projects Fund Year Ended December 31, 2024 (See Independent Auditor's Report)

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Interest income	\$ 3,500,000	\$ 3,144,223	\$ (355,777)
Total revenues	<u>3,500,000</u>	<u>3,144,223</u>	<u>(355,777)</u>
Expenditures:			
Accounting	25,000	29,055	(4,055)
District management	-	9,377	(9,377)
Legal	50,000	70,033	(20,033)
Paying Agent Fees	-	70,197	(70,197)
Bond issue costs	2,970,353	4,190,941	(1,220,588)
Engineering	50,000	1,482,276	(1,432,276)
Interest - Developer Advances	-	119,294	(119,294)
Capital Outlay	<u>76,553,788</u>	<u>20,851,199</u>	<u>55,702,589</u>
Total expenditures	<u>79,649,141</u>	<u>26,822,372</u>	<u>52,826,769</u>
Excess of revenues over expenditures	(76,149,141)	(23,678,149)	52,470,992
Other financing sources (uses)			
Bond proceeds	86,017,626	141,646,888	55,629,262
Bond discount	(8,046,061)	(12,296,943)	
Repay developer advance	(62,304,798)	(8,714,771)	53,590,027
Developer advance	<u>60,482,374</u>	<u>5,414,771</u>	<u>(55,067,603)</u>
Total other financing sources (uses)	<u>76,149,141</u>	<u>126,049,945</u>	<u>54,151,686</u>
Net change in fund balance	-	102,371,796	106,622,678
Fund balance (deficit) - beginning of year	<u>-</u>	<u>(499,422)</u>	<u>(499,422)</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 101,872,374</u>	<u>\$ 106,123,256</u>