

Granby Ranch Metropolitan District Regular Board Meeting Agenda (Thursday August 08, 2024)

Directors	Office	Term Expiration
Matt Girard	President	May 2025 (Elected)
Natascha O'Flaherty		May 2025 (Elected)
Stefan Haberer	Treasurer	May 2027 (Elected)
Jason Bearden	Secretary	May 2027 (Appointed)
Tom Young		May 2025 (Appointed)

Meeting Start Time: 6:00pm

Meeting Location: Online video conference site is as follows: <https://www.gotomeet.me/Wolfersberger>

I. Administrative Items:

- A. Call To order
- B. Declaration of quorum
- C. Director qualifications / disclosure matters
- D. Meeting protocol and logistics
- E. Review and consider July 01, 2024 board meeting minutes [**Exhibit 01**]
- F. Unscheduled public comments (limited to 3 minutes/each)

II. Financial and Other Administrative Matters:

- A. Review and ratify contractor invoices [**Exhibit 02**]
- B. Review and consider July 31, 2024 financial reports [**Exhibit 03**]
- C. 2023 financial statement audit – status update [**Exhibit 04**]

III. Legal Items:

- A. LPA Litigation update
- B. **Executive Session** per C.R.S. 24-6-402(4)(b) to confer with legal counsel regarding (1) December 31, 2012 Second Amended and Restated Lease Purchase Agreement (LPA) and the June 1, 2005 Amenity Fee Agreement and (2) status of associated ongoing litigation with HMD/GPGH/GR Terra regarding the LPA
- C. Post executive session discussion & potential action regarding LPA litigation
- D. CFF Litigation update
- E. **Executive Session** per C.R.S. 24-6-402(4)(b) to confer with legal counsel regarding the status of associated ongoing litigation initiated by GRCO, LLC against the District on May 26, 2023 regarding the District's capital facility fees
- F. Post executive session discussion & potential action regarding CFF litigation

IV. Adjournment

The next regular board meeting is scheduled for Thursday November 07, 2024 at 6:00pm to be held online at the following location: <https://www.gotomeet.me/Wolfersberger>

EXHIBIT 01

GRANBY RANCH METROPOLITAN DISTRICT

Special Board Meeting Minutes

Meeting Date: Monday July 01, 2024

Meeting Time: 6:01pm to 6:39pm

Meeting Location: Online video conference site as follows: <https://www.gotomeet.me/Wolfersberger>

I. Roll Call (6:01pm)

A special meeting of the Board of Directors of the Granby Ranch Metropolitan District (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Directors	Office	Attendance
Matt Girard	President	Present
Stefan Haberer	Treasurer	Present
Natascha O' Flaherty		Present
Jason Bearden	Secretary	Present
Tom Young		Present

Also, in attendance was District Manager Charles Wolfersberger (Wolfersberger, LLC); general counsel for the District, Alan Pogue (Icenogle, Sever & Pogue, PC); attorneys from law firm Husch Blackwell LLP (David Richardson and Katie Jenner); and the following residents/homeowners: Mark Hermanson and Greg Miller.

II. Administrative Matters

- a) Call to order: The meeting was called to order by Director Girard. Director Girard also stated the meeting will be recorded and posted on the District's website.
- b) Declaration of quorum: Director Girard noted five of five directors were present at the commencement of the meeting and quorum is met for this meeting.
- c) Review director qualifications and present disclosures of potential conflicts of interest: All Directors confirmed their qualifications to serve on the Board. The Board reviewed the agenda for the meeting, following which no directors disclosed conflicts of interest with the business to be discussed and conducted at the meeting.
- d) Meeting protocol & logistics of public comment: Director Girard briefly reviewed and discussed the protocol & logistics for public comments during this meeting, which will be considered and allowed for each and every agenda item.
- e) Review and consider May 23, 2024 meeting minutes: The Board reviewed and discussed the May 23, 2024 board meeting minutes. Director Girard motioned to approve the minutes as presented. Director Haberer seconded the motion and the Board voted 4-0 to approve the motion. Director O' Flaherty abstained because she did not attend that meeting.

- f) Unscheduled public comments: None

III. Financial Matters

- a) Review and consider bids to audit the District’s 2023 financial statements: The Board reviewed and discussed bids and potential bids submitted by CPA firms to audit the District’s 2023 financial statements. The Board noted one written proposal was submitted by Rae CPA firm and three additional firms were interested in submitting audit proposals (Flynn CPA firm, Adams Group CPA firm and Plant & Moran, LLC). Director Girard motioned to approve the bid from Rae CPA firm and Director O’ Flaherty seconded the motion. The Board voted down the motion 2-1 (Director Bearden opposed) and Director Haberer and Director Young abstained from voting. The Board further discussed the audit bids. Director O’ Flaherty motioned to approve the bid from Rae CPA firm and to bid out the 2024 audit to interested CPA firms at the end of this year. Director Bearden seconded the motion and the Board voted 5-0 to approve the motion.

Action Item 1: The District Manager will submit the signed bid for the 2023 financial statement audit to Rae CPA and work with Rae CPA firm regarding the audit. The 2023 financial statement audit must be completed and filed with the State of Colorado by September 30th.

IV. Adjournment (6:39pm)

There being no further business to come before the Board, and upon motion duly made by Director Girard, seconded by Director Young and unanimously carried, the meeting was adjourned. The next regular board meeting is scheduled for Thursday August 08, 2024, at 6:00pm online at: <https://www.gotomeet.me/Wolfersberger>

Secretary

Date

EXHIBIT 02

Granby Ranch Metropolitan District
Contractor Invoices
July 31, 2024

Payment Date	Invoice Date	Payee	Amount	Invoice description
	03/31/24	Burg, Simpson Eldredge Hersh Jardine PC	\$ 8,333.33	March litigation fees
06/06/24	04/30/24	Icenogle Seaver & Pogue, PC	\$ 1,439.50	General legal services + CFF litigation services
06/06/24	04/30/24	Burg, Simpson Eldredge Hersh Jardine PC	\$ 8,333.33	April litigation fees
06/06/24	04/30/24	Burg, Simpson Eldredge Hersh Jardine PC	\$ 4.10	Reimbursable litigation costs
06/06/24	05/01/24	UMB Bank	\$ 3,500.00	Annual bond trustee fee
	05/31/24	Burg, Simpson Eldredge Hersh Jardine PC	\$ 8,333.33	May litigation fees
	05/31/24	Icenogle Seaver & Pogue, PC	\$ 2,077.43	May General legal services + CFF litigation services
	07/01/24	Wolfersberger, LLC	\$ 7,056.00	July/August management and accounting fees
	06/30/24	Burg, Simpson Eldredge Hersh Jardine PC	\$ 8,333.33	June litigation fees
	06/30/24	Icenogle Seaver & Pogue, PC	\$ 638.00	June General legal services + CFF litigation services
		Total invoices subject to Board approval	\$ 48,048.35	

BURG SIMPSON ELDREDGE HERSH & JARDINE, P.C.

40 Inverness Drive East

Englewood, CO 80112

Main: (303)792-5595 Fax: (303)708-0527

Federal ID: 84-0832595

CHARLES R. WOLDERSBERGER, CPA
GRANBY RANCH METROPOLITAN DISTRICT
12210 BRIGHTON RD #8
HENDERSON, CO 80640

Invoice Date: April 30, 2024
Invoice Number: 148018
Matter Number: 245782.04

Costs Incurred through April 15, 2024

Client: GRANBY RANCH METROPOLITAN DISTRICT
Matter: GRANBY RANCH METROPOLITAN DISTRICT V. HEADWATERS METROPOLITAN DISTRICT, JRAY JAY VENTURES, REDWOOD CAPITAL FINANCE, GRANBY PRENTICE, GR TERRA

Total Costs	\$	<u>4.10</u>
Total Due This Invoice	\$	4.10
Previous Balance Due for Costs	\$	50,538.73
Less: Applied Payments	\$	<u>(24.00)</u>
Amount Due for Costs Only	\$	<u>50,518.83</u>

Wiring Instructions: Bank Name UMB Bank
Denver, CO 80202
ABA#: 101000695
Account #: 6971815438

Cost Detail

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
04/08/24	COLOR COPIES @ .65 PER COPY	1.00	0.65
04/08/24	B/W COPIES AND SCANS @ \$.15 PER COPY	23.00	3.45

Outstanding Invoices for Costs Only

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Invoice Total</u>	<u>Payments</u>	<u>Total Balance</u>
09/30/22	142573	166.44	0.00	166.44
10/31/22	142889	308.25	0.00	308.25
01/01/23	143497	13,259.87	0.00	13,259.87
01/31/23	143712	2,109.75	0.00	2,109.75
02/28/23	144007	5,028.44	0.00	5,028.44
03/31/23	144317	1,122.35	0.00	1,122.35
04/30/23	144608	12,031.01	0.00	12,031.01
05/31/23	144860	15,844.32	0.00	15,844.32
07/31/23	145369	60.90	0.00	60.90
10/31/23	146515	436.45	0.00	436.45
11/30/23	146736	54.20	0.00	54.20
01/01/24	147069	92.75	0.00	92.75
Total Previous Balance				\$50,514.73

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40 Inverness Drive East
Englewood, CO 80112
Main: (303)792-5595 Fax: (303)708-0527

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GRANBY RANCH METROPOLITAN DISTRICT
12210 BRIGHTON RD #8
HENDERSON, CO 80640

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Denver, CO 80202
ABA#: 101000695
Account #: 6971815438



ICENOGLA SEAVAR POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

April 30, 2024
Statement No. 25654
Account No. 1309

Previous Balance	Fees	Expenses	Advances	Payments	Balance
1309-0008000 MEETINGS 693.00	0.00	0.00	0.00	-693.00	\$0.00
1309-0102000 CITYWIDE LITIGATION 962.50	0.00	0.00	0.00	-962.50	\$0.00
1309-0103000 GRCO/CFF LITIGATION 77.00	1,309.00	0.00	0.00	0.00	\$1,386.00
1309-2000000 GENERAL 204.00	130.50	0.00	0.00	-79.00	\$255.50
<u>1,936.50</u>	<u>1,439.50</u>	<u>0.00</u>	<u>0.00</u>	<u>-1,734.50</u>	<u>\$1,641.50</u>



ICENOGLA SEAVER POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

April 30, 2024
Statement No. 25654
Account No. 1309

MEETINGS

Previous Balance		\$693.00
	<u>Payments</u>	
Total Payments Thru 05/09/2024		-693.00
Balance Due		<u>\$0.00</u>

Account No: 1309-0102000
Statement No: 25654

CITYWIDE LITIGATION

Previous Balance		\$962.50
	<u>Payments</u>	
Total Payments Thru 05/09/2024		-962.50
Balance Due		<u>\$0.00</u>

Account No: 1309-0103000
Statement No: 25654

GRCO/CFF LITIGATION

		Hours	
04/15/2024		1.30	500.50
04/16/2024		1.50	577.50
04/18/2024	Working Group re same	0.60	<u>231.00</u>
	For Current Services Rendered	3.40	<u>1,309.00</u>

Granby Ranch Metropolitan District

Statement No.: April 30, 2024
Account No.: 25654
1309.0103000
Page: 2

Total Current Work	1,309.00
Previous Balance	\$77.00
Balance Due	<u>\$1,386.00</u>

Account No: 1309-2000000
Statement No: 25654

GENERAL

Fees

			Hours	
04/03/2024	HMP	Prepare Website Accessibility Resolution	0.10	5.00
04/19/2024	HMP	Revise and finalize website accessibility resolution	0.20	10.00
04/30/2024	ADP	Review May meeting agenda; correspond with Wolfersberger re accessibility resolution; finalize same	0.30	<u>115.50</u>
		For Current Services Rendered	0.60	<u>130.50</u>
		Total Current Work		130.50
		Previous Balance		\$204.00

Payments

Total Payments Thru 05/09/2024	-79.00
Balance Due	<u>\$255.50</u>
Total Balance Due	<u>\$1,641.50</u>



ICENOGLA SEAVER POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

May 31, 2024
Statement No. 25689
Account No. 1309

Previous Balance	Fees	Expenses	Advances	Payments	Balance
1309-0008000 MEETINGS 0.00	847.00	0.00	0.00	0.00	\$847.00
1309-0017000 AUDITS 0.00	427.50	0.00	0.00	0.00	\$427.50
1309-0103000 GRCO/CFF LITIGATION 1,386.00	154.00	0.00	0.00	-1,386.00	\$154.00
1309-2000000 GENERAL 255.50	639.50	9.33	0.00	-255.50	\$648.83
<u>1,641.50</u>	<u>2,068.00</u>	<u>9.33</u>	<u>0.00</u>	<u>-1,641.50</u>	<u>\$2,077.33</u>



ICENOGLA SEAVER POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

May 31, 2024
Statement No. 25689
Account No. 1309

MEETINGS

Fees

		Hours		
05/23/2024	ADP	Prepare for and participate in Special May Board meeting	2.20	847.00
		For Current Services Rendered	2.20	847.00
		Total Current Work		847.00
		Balance Due		<u>\$847.00</u>

Account No: 1309-0017000
Statement No: 25689

AUDITS

Fees

		Hours		
05/24/2024	ADP	Correspond with Mejia re termination of Borgers engagement; correspond with Campbell re audit recommendations	0.30	115.50
	ALM	Correspond with Mr. Pogue re termination of auditors	0.20	40.00
05/28/2024	ADP	Revise auditor termination latter; work on proposals for replacement; correspond with Mejia re same	0.20	77.00
	HMP	Correspond with Ms. Mejia and Mr. Pogue re letter re termination of audit services; finalize same and send to auditor; send copy of same to Mr. Girard and Mr. Wolfersberger	0.30	15.00
	ALM	Draft letter of termination of BF Borges audit services; correspond with Mr. Pogue re the same	0.90	180.00
		For Current Services Rendered	1.90	427.50
		Total Current Work		427.50
		Balance Due		<u>\$427.50</u>

Granby Ranch Metropolitan District

Statement No.: May 31, 2024
Account No.: 25689
1309.2000000
Page: 3

Balance Due \$648.83

Total Balance Due \$2,077.33



ICENOGLA SEAVER POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

June 30, 2024
Statement No. 25916
Account No. 1309

Previous Balance	Fees	Expenses	Advances	Payments	Balance
1309-0008000 MEETINGS 847.00	0.00	0.00	0.00	0.00	\$847.00
1309-0017000 AUDITS 427.50	192.50	0.00	0.00	0.00	\$620.00
1309-0103000 GRCO/CFF LITIGATION 154.00	0.00	0.00	0.00	0.00	\$154.00
1309-2000000 GENERAL 648.83	445.50	0.00	0.00	0.00	\$1,094.33
<u>2,077.33</u>	<u>638.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>\$2,715.33</u>



ICENOGLA SEAVAR POGUE

Granby Ranch Metropolitan District
c/o Charles R. Wolfersberger, CPA
12210 Brighton Rd. #8
Henderson, CO 80640

June 30, 2024
Statement No. 25916
Account No. 1309

MEETINGS

Previous Balance \$847.00

Balance Due \$847.00

Account No: 1309-0017000
Statement No: 25916

AUDITS

Fees

			Hours	
06/10/2024	ADP	Review audit responses; correspond with Wolfersberger; Girard re same	0.30	115.50
06/12/2024	ADP	Review audit proposal; correspond with Rae re same	0.20	<u>77.00</u>
		For Current Services Rendered	0.50	192.50
		Total Current Work		192.50
		Previous Balance		\$427.50

Balance Due \$620.00

Account No: 1309-0103000
Statement No: 25916

GRACO/CFF LITIGATION

Previous Balance \$154.00

Balance Due \$154.00

Account No: 1309-2000000
Statement No: 25916

GENERAL

Fees

			Hours	
06/07/2024	ADP	Review reverse TABOR resolution; correspond with Girard, Wolfersberger re same	0.30	115.50
06/12/2024	ADP	Conference with Girard re election measure	0.20	77.00
06/27/2024	HMP	Research District website for Board packets; save same and correspond with Mr. Pogue re same	0.20	10.00
06/30/2024	ADP	Review and analyze OIT and other guidance related to technology accessibility compliance requirements and complete requirements re same for July 1, 2024 compliance deadline		<u>243.00</u>
		For Current Services Rendered	0.70	445.50
		Total Current Work		445.50
		Previous Balance		\$648.83
		Balance Due		<u>\$1,094.33</u>
		Total Balance Due		<u>\$2,715.33</u>

Wolfersberger, LLC
 12210 Brighton Rd
 Henderson, CO 80640 US
 7203555818
 charles@wolfersbergerllc.com

Invoice



BILL TO
Granby Ranch Metropolitan District

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1151	07/01/2024	\$7,056.00	07/31/2024	Net 30	

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
Management Fee	Base monthly management and accounting fee per contract (July/August)	2	3,383.00	6,766.00
Reimb. Costs Due From Client	Reimbursable costs - Strongroom monthly check processing fee	2	20.00	40.00
Lien Filing Fee	Fee for filing lien releases for paid capital facility fees	2	125.00	250.00

SUBTOTAL	7,056.00
TAX	0.00
TOTAL	7,056.00
BALANCE DUE	\$7,056.00



UMB Bank, N.A.
 P O Box 414589
 Kansas City, MO 64141-4589

Invoice 976670

Invoice Date: May 10, 2024
 Account Number: 147806.1
 Administrator: Paul Briggs
 Phone Number: (303) 764-3608
 Email: Paul.Briggs@umb.com

Granby Ranch MD
 c/o Wolfersberger LLC
 12210 Brighton Rd #8
 Henderson, CO 80640

Billing Period: May 1, 2024 through April 30, 2025

Prior Balance:	\$3,500.00
Payments Received as of May 8, 2024	\$3,500.00
Adjustments	\$ 0.00
Outstanding Balance:	\$ 0.00

Current Billing Period:

Current Period Fees	\$3,500.00
Total Fees Due	\$3,500.00

Remittance Stub	Account Number:	147806.1
Billing Period 05/01/2024 - 04/30/2025	Invoice Number:	976670
	Remit Balance	\$3,500.00

Payment Due Upon Receipt

Granby Ranch MD
 c/o Wolfersberger LLC
 12210 Brighton Rd #8
 Henderson, CO 80640

Check Enclosed \$ _____

WIRE PAYMENT INSTRUCTIONS:

UMB Bank, N.A. Kansas City, Missouri
 ABA No. 101 000 695
 SWIFT BIC/Code UMKCUS44
 BNF Account 98 0000 6823
 BNF Name Trust
 Reference 976670
 Attention Fee Processing

Mail Payments To:
 UMB Bank, N.A.
 Attn: Trust Fees Department
 P O Box 414589
 Kansas City, MO 64141-4589



UMB Bank, N.A.
P O Box 414589
Kansas City, MO 64141-4589

Invoice 976670

Account Detail
Granby Ranch MD Ref GO 2018

Account Number: 147806.1

Administrative Fees

Administration Fee \$3,500.00

Administrative Fees Total \$3,500.00

Account Total \$3,500.00

EXHIBIT 03

**Granby Ranch Metropolitan District - Bond Fund
2024 County Treasurer Tax Deposit Activity**

	Deposit in CSAFE Account	Property Taxes	Specific Ownership Taxes	Collection Fees	Interest Income
January	\$ 11,071.62	7,805.79	3,656.12	(390.29)	
February	220,016.35	228,526.96	2,915.74	(11,426.35)	
March	49,094.99	48,800.53	2,703.43	(2,441.67)	32.70
April	89,401.61	91,579.04	2,397.88	(4,579.14)	3.83
May	97,945.53	99,983.18	2,894.63	(5,002.68)	70.40
June	155,717.22	160,586.70	3,002.50	(8,037.61)	165.63
July	-				
August	-				
September	-				
October	-				
November	-				
December	-				
Total	\$ 623,247.32	\$ 637,282.20	\$ 17,570.30	\$ (31,877.74)	\$ 272.56
Budget		\$ 669,800	\$ 41,500	\$ (33,490)	
% of Budget Collected		95.1%	42.3%	95.2%	

Note: The revenue amounts per the monthly County Treasurer distribution statements are deposited into District's CSAFE account in the following month. For example, the revenue per the December County Treasurer distribution statement is deposited into the District's CSAFE account in January.

**Granby Ranch Metropolitan District - Operating District
2024 County Treasurer Tax Deposit Activity**

	Deposit in CSAFE Account	Property Taxes	Specific Ownership Taxes	Collection Fees	Interest Income
January	\$ 9,588.58	9,540.41	525.19	(477.02)	
February	268,533.07	279,310.72	3,187.89	(13,965.54)	
March	52,697.20	52,319.45	2,955.76	(2,617.97)	39.96
April	114,716.65	117,990.01	2,621.69	(5,899.73)	4.68
May	47,599.16	46,686.95	3,164.82	(2,338.66)	86.05
June	189,934.06	196,272.63	3,282.75	(9,823.75)	202.43
July	-				
August	-				
September	-				
October	-				
November	-				
December	-				
Total	\$ 683,068.72	\$ 702,120.17	\$ 15,738.10	\$ (35,122.67)	\$ 333.12
Budget		\$ 732,300	\$ 45,400	\$ (36,620)	
% of Budget Collected		95.9%	34.7%	95.9%	

Note: The revenue amounts per the monthly County Treasurer distribution statements are deposited into District's CSAFE account in the following month. For example, the revenue per the December County Treasurer distribution statement is deposited into the District's CSAFE account in January.

**Granby Ranch Metropolitan District
Statement of Net Position**

	07/31/24	12/31/23	Change	
			\$	%
ASSETS				
Cash				
Vectra Bank (Checking)	\$ 82,713	\$ 142,843	\$ (60,130)	-42.1%
CSAFE	2,691,664	1,591,183	1,100,481	69.2%
Money Market Funds w UMB	1,403,938	1,367,785	36,153	2.6%
Total Cash	<u>4,178,315</u>	<u>3,101,811</u>	<u>1,076,504</u>	<u>34.7%</u>
Accrued Specific Ownership Tax Receivable	-	5,180	(5,180)	-100.0%
Prepaid Expenses	-	3,169	(3,169)	-100.0%
Property Taxes Receivable	62,698	1,402,100	(1,339,402)	-95.5%
TOTAL ASSETS	<u>\$ 4,241,013</u>	<u>\$ 4,512,260</u>	<u>\$ (271,247)</u>	<u>-6.0%</u>
LIABILITIES & FUND BALANCES				
CURRENT LIABILITIES				
Accounts Payable	\$ 86,215	\$ 17,745	\$ 68,470	385.8%
Bonds Payable - Series 2018	11,555,000	11,555,000	-	0.0%
Accrued Interest - Series 2018A Bonds	53,779	53,779	-	0.0%
TOTAL LIABILITIES	<u>11,694,994</u>	<u>11,626,524</u>	<u>68,470</u>	<u>0.6%</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	62,698	1,402,100	(1,339,402)	-95.5%
NET POSITION				
Operating Fund	829,665	668,696	160,969	24.1%
Debt Service Fund	(8,346,344)	(9,185,060)	838,716	-9.1%
Capital Project Fund	-	-	-	0.0%
TOTAL NET POSITION	<u>(7,516,679)</u>	<u>(8,516,364)</u>	<u>999,685</u>	<u>-11.7%</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 4,241,013</u>	<u>\$ 4,512,260</u>	<u>\$ (271,247)</u>	<u>-6.0%</u>

No assurance is provided on these financial statements
These financial statements do not include a statement of activities
Substantially all disclosures required by GAAP are omitted

**Granby Ranch Metropolitan District
Budget Comparison Report - Operating Fund**

1/1/2024 - 7/31/2024					Annual Budget
Actual	Budget	Variance			
		\$	%		

Accounts 4000 to 4999 (Revenue)					
4006 - Property Tax Revenue	702,120	732,300	(30,180)	-4%	732,300
4007 - Specific Ownership Tax Revenue	15,738	26,483	(10,745)	-41%	45,400
4010 - Capital Contributions (New Move-ins)	(6,255)	-	(6,255)	-100%	-
4070 - Interest - Op. Checking Account	23,412	1,167	22,245	1907%	2,000
4074 - Interest - County Treasurer	333	-	333	100%	-
4110 - Reimb Expenses - Other Costs	1,410	2,000	(590)	-29%	2,000
Total Revenue	\$ 736,759	\$ 761,950	\$ (25,191)	-3%	\$ 781,700

TOTAL REVENUES AND INFLOWS	\$ 736,759	\$ 761,950	\$ (25,191)	-3%	\$ 781,700
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Accounts 5000 to 5099 (Administrative Costs)					
5000 - Base Management Service Fees	23,683	23,683	-	0%	40,600
5002 - Collection Fees - County Treasurer	35,123	36,600	1,477	4%	36,600
5005 - Administrative Costs	3,597	1,750	(1,847)	-106%	3,000
5010 - Insurance	3,169	3,500	331	9%	3,500
5015 - Audit Fees	-	-	-	0%	7,200
5020 - General Legal Consultation Fees	3,852	13,417	9,565	71%	23,000
5023 - Legal Fees - Litigation	61,016	58,333	(2,682)	-5%	100,000
5095 - Miscellaneous Admin Expense	-	10,035	10,035	100%	10,035
Total Administrative Costs	\$ 130,439	\$ 147,318	\$ 16,879	11%	\$ 223,935

Accounts 5600 to 5699 (Media & Social Costs)					
5600 - Newsletter Publication Costs	-	-	-	0%	2,200
Total Media & Social Costs	\$ -	\$ -	\$ -	0%	\$ 2,200

Accounts 8100 (Fund Transfers Out)					
8100 - Fund Transfers Out	394,065	394,065	-	0%	394,065
Total Fund Transfers Out	\$ 394,065	\$ 394,065	\$ -	0%	\$ 394,065

TOTAL EXPENSES AND OUTFLOWS	\$ 524,504	\$ 541,383	\$ 16,879	3%	\$ 620,200
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	1/1/2024 - 7/31/2024					Annual Budget
	Actual	Budget	Variance			
			\$	%		
NET INCREASE(DECREASE) IN FUND BALANCE	\$ 212,255	\$ 220,567	\$ (8,312)	-4%	\$ 161,500	

No assurance is provided on these financial statements
 These financial statements do not include a statement of activities
 Substantially all disclosures required by GAAP are omitted

**Granby Ranch Metropolitan District
Budget Comparison Report - Debt Service Fund**

	1/1/2024 - 7/31/2024					Annual Budget
	Actual	Budget	Variance			
			\$	%		
Accounts 4000 to 4999 (Revenue)						
4006 - Property Tax Revenue	637,282	669,800	(32,518)	-5%	669,800	
4007 - Specific Ownership Tax Revenue	17,570	24,208	(6,638)	-27%	41,500	
4010 - Capital Contributions (New Move-ins)	18,765	69,326	(50,561)	-73%	118,845	
4070 - Interest - Op. Checking Account	67,025	70,053	(3,028)	-4%	120,090	
4074 - Interest - County Treasurer	273	-	273	100%	-	
4300 - Sol Vista Metro Contribution	-	-	-	0%	65,000	
Total Revenue	\$ 740,915	\$ 833,387	\$ (92,472)	-11%	\$ 1,015,235	
Accounts 8000 (Fund Transfers In)						
8000 - Fund Transfers In	394,065	394,065	-	0%	394,065	
Total Fund Transfers In	\$ 394,065	\$ 394,065	\$ -	0%	\$ 394,065	
TOTAL REVENUES AND INFLOWS	\$ 1,134,980	\$ 1,227,452	\$ (92,472)	-8%	\$ 1,409,300	
Accounts 5000 to 5099 (Administrative Costs)						
5002 - Collection Fees - County Treasurer	31,878	33,500	1,622	5%	33,500	
5095 - Miscellaneous Admin Expense	-	-	-	0%	5,000	
Total Administrative Costs	\$ 31,878	\$ 33,500	\$ 1,622	5%	\$ 38,500	
Accounts 6000 to 6999 (Debt Costs)						
6000 - Bond Interest Expense	315,966	316,000	35	0%	632,000	
6100 - Bond Trustee Service Fees	3,500	3,500	-	0%	3,500	
Total Debt Costs	\$ 319,466	\$ 319,500	\$ 35	0%	\$ 635,500	
TOTAL EXPENSES AND OUTFLOWS	\$ 351,343	\$ 353,000	\$ 1,657	0%	\$ 674,000	
NET INCREASE(DECREASE) IN FUND BALANCE	\$ 783,637	\$ 874,452	\$ (90,815)	-10%	\$ 735,300	

No assurance is provided on these financial statements
These financial statements do not include a statement of activities
Substantially all disclosures required by GAAP are omitted

EXHIBIT 04



GRANBY
GRAND COUNTY, COLORADO



ANNUAL FINANCIAL STATEMENTS

December 31, 2023

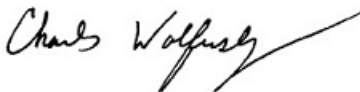
Accountant's Report

Board of Directors
Granby Ranch Metropolitan District
Granby, Colorado

The accompanying financial statements of the governmental activities and each major fund of Granby Ranch Metropolitan District (the District), as of and for the 12-month period ended December 31, 2023, and the related notes to the financial statements, were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on whether such financial statements comply with accounting principles generally accepted in the United States of America.

Supplementary Information

The following supplementary schedules – (1) General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual, (2) the Debt Service Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual, (3) the Schedule of Debt Service Requirements to Maturity, (4) the Summary of Assessed Valuation, Mill Levy and Property Taxes Collected, (5) Change on Total Overlapping Mill Levy and (6) Historical Debt Ratios – were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on whether such supplementary schedules comply with accounting principles generally accepted in the United States of America.



Charles Wolfersberger, CPA
April 16, 2024

GRANBY RANCH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2023

	Governmental Activities
ASSETS	
Cash and investments	\$ 681,708
Cash and investments – restricted	2,420,103
Accounts receivable – specific ownership taxes	5,181
Property taxes receivable	1,402,100
Prepaid expenses	3,169
Total Assets	\$ 4,512,261
LIABILITIES	
Accounts payable and accrued liabilities	\$ 68,260
Accrued interest payable	53,779
Current portion of general obligation refunding bonds	115,000
General obligation refunding bonds	11,440,000
Total Liabilities	11,677,039
DEFERRED INFLOWS OF RESOURCES	
Property tax revenue	1,402,100
NET POSITION (DEFICIT)	
Restricted:	
Emergency reserves	6,800
Debt service	2,424,633
Non-spendable	3,169
Unassigned:	(11,001,480)
Net Position (Deficit)	\$ (8,566,878)

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

GRANBY RANCH METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
For the 12-Month Period Ended
December 31, 2023

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Government Activities:					
General government activities	\$ (260,859)	\$ 1,605	\$ -	\$ 131,355	\$ (127,899)
Interest and related costs on long-term debt	(694,967)	-	-	-	(694,967)
	<u>\$ (955,826)</u>	<u>\$ 1,605</u>	<u>\$ -</u>	<u>\$ 131,355</u>	<u>(822,866)</u>
General Revenues					
Property taxes					1,059,561
Specific ownership taxes					68,188
Net investment income					157,168
Total general revenue					<u>1,284,917</u>
Change in net position					462,051
Net Position (Deficit) – Beginning of Year					<u>(9,028,929)</u>
Net Position (Deficit) – End of Year					<u>\$ (8,566,878)</u>

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

**GRANBY RANCH METROPOLITAN DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
December 31, 2023**

	General Fund	Debt Service Fund	Total Government Funds
ASSETS			
Cash and investments	\$ 681,708	\$ -	\$ 681,708
Cash and investments - Restricted	-	2,420,103	2,420,103
Accounts receivable – spec ownership taxes	651	4,530	5,181
Property taxes receivable	732,300	669,800	1,402,100
Prepaid expenses	3,169	-	3,169
TOTAL ASSETS	1,417,828	3,094,433	4,512,261
LIABILITIES			
Accounts payable and accrued liabilities	68,260	-	68,260
DEFERRED INFLOWS OF RESOURCES			
Property tax revenue	732,300	669,800	1,402,100
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	800,560	669,800	1,470,360
FUND BALANCES			
Restricted:			
Emergencies (TABOR)	6,800	-	6,800
Debt service		2,424,633	2,424,633
Non-spendable	3,169	-	3,169
Unrestricted	607,299		607,299
Total Fund Balances	617,268	2,424,633	3,041,901
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,417,828	\$ 3,094,433	
Amounts reported for governmental activities in the statement of net position are different because:			
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:			
Bonds payable			(11,555,000)
Accrued interest payable			(53,779)
Net position of governmental activities			\$ (8,566,878)

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

GRANBY RANCH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
12-Month Period Ended
December 31, 2023

	General Fund	Debt Service Fund	Total Government Funds
REVENUES			
Property taxes	\$ 133,024	\$ 926,537	\$ 1,059,561
Specific ownership taxes	8,522	59,666	68,188
Net investment income	15,370	141,798	157,168
Reimb expenses - other costs	1,605	-	1,605
Capital facility fees	131,355	-	131,355
Total Revenues	289,876	1,128,001	1,417,877
EXPENDITURES			
General and administrative costs	260,859	-	260,859
Direct and indirect collection costs	-	58,161	58,161
Debt service			
Bond interest	-	636,806	636,806
Bond principal	-	100,000	100,000
Total Expenditures	260,859	794,967	1,055,826
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	29,017	333,034	362,051
OTHER FINANCING SOURCES (USES)			
Fund Transfers In / (Out)	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES	29,017	333,034	362,051
FUND BALANCES – BEGINNING	588,251	2,091,599	2,679,850
FUND BALANCES – END OF YEAR	\$ 617,268	\$ 2,424,633	\$ 3,041,901

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

**GRANBY RANCH METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
12-Month Period Ended
December 31, 2023**

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances – Total government funds	\$	362,051
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Principal payment on bonds		100,000
<p>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.</p>		
Decrease in accrued bond interest payable		-
Changes in net position of governmental activities	\$	462,051

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

**GRANBY RANCH METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
12-Month Period Ended
December 31, 2023**

	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amended Budget
REVENUES			
Property taxes	\$ 132,900	\$ 133,024	\$ 124
Specific ownership taxes	8,000	8,522	522
Capital contributions	62,550	131,355	68,805
Reimb expenses - other costs	-	1,605	1,605
Net investment income	1,050	15,370	14,320
Total Revenues	<u>204,500</u>	<u>289,876</u>	<u>85,376</u>
EXPENDITURES			
General and administration	111,000	110,981	19
Litigation expenses	150,000	149,878	122
Total Expenditures	<u>261,000</u>	<u>260,859</u>	<u>141</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(56,500)</u>	<u>29,017</u>	<u>85,517</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER	<u>(56,500)</u>	<u>29,017</u>	<u>85,517</u>
FUND BALANCE – BEGINNING OF YEAR	<u>541,300</u>	<u>588,251</u>	<u>46,951</u>
FUND BALANCE – END OF YEAR	<u>\$ 484,800</u>	<u>\$ 617,268</u>	<u>\$ 132,468</u>

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

**GRANBY RANCH METROPOLITAN DISTRICT
GENERAL FUND
EXPENDITURE DETAILS - BUDGET AND ACTUAL
12-Month Period Ended
December 31, 2023**

	Amended Budget	Actual Amounts	Positive / (Negative) Variance with Amended Budget
GENERAL AND ADMINISTRATION			
District management and accounting fees	\$ 40,600	\$ 40,596	\$ 4
Administrative costs	3,000	3,890	(890)
Audit fees	7,500	7,150	350
Collection fees – County Treasurer	6,800	6,660	140
Board of Directors’ fees	3,500	-	3,500
Election services	17,000	13,872	3,128
Insurance	3,100	3,155	(55)
General legal fees	22,000	33,812	(11,812)
Newsletter publication costs	2,500	1,846	654
Miscellaneous admin expenses	5,000	-	5,000
Total General and Administration	<u>\$ 111,000</u>	<u>\$ 110,981</u>	<u>\$ 19</u>

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

GRANBY RANCH METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
12-Month Period Ended December 31, 2023

NOTE 1 – DEFINITION OF REPORTING ENTITY

Granby Ranch Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order of the District Court in and for Grand County on November 25, 2003, as a quasi-municipal corporation and political subdivision of the State of Colorado and is governed by an elected Board of Directors. The District was originally named SolVista Metropolitan District No. 2 and, on October 23, 2004, the name of the District was changed to Granby Ranch Metropolitan District.

The District operates under a service plan approved by the Town of Granby (Town) in May 2003 as amended with Town approval in June 2006 and November 2016. The District's service area is located in Grand County, Colorado entirely within the boundaries of the Town and is currently comprised of approximately 232.2 acres of land – a significant portion of which is developed and comprised of 362 home Lots. The District was established to provide financing for the design, acquisition, construction and installation of various public improvements within and without the District boundaries that benefit the taxpayers and inhabitants of the District. The District was also created to provide certain essential public-purpose facilities and public services for the use and benefit of all anticipated residents and taxpayers of real property located within the boundaries of the District.

Approximately 754.8 acres of land is excluded from the District's service boundaries but is subject to paying the District's debt mill levy until the District's existing debt is repaid in full or otherwise defeased.

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 organizations 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 organizations 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 significant accounting policies of the District are 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 property taxes.

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

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

Separate financial statements are provided for governmental funds. 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 and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

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

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

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 funds for the ensuing year. The appropriation is at the total fund expenditures 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. On November 11, 2022, the Board adopted the District's 2023 budget.

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.

Investments are carried at fair value.

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 sales 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.

Maximum Mill Levy: The District's Service Plan establishes a Maximum Mill levy the District is permitted to impose on all taxable property within the District for the purpose of funding the District's debt, operations, maintenance obligations and public services. The Maximum Mill Levy is 60 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since November 01, 2016. As of November 01, 2016, the ratio was 7.96%. The ratio for 2023 was 6.95%, which caused the District's Maximum Mill Levy for 2023 to be 68.719.

Maximum General Mill Levy: The District's Service Plan also establishes a Maximum General Mill Levy the District is permitted to impose on all taxable property within the District's service boundaries for the purpose of funding the District's operations, maintenance obligations and public services. The Maximum General Mill Levy is 50 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since November 01, 2016. As of November 01, 2016, the ratio was 7.96%. The ratio for 2023 was 6.95%, which caused the District's Maximum General Mill Levy for 2023 to be 57.266.

Maximum Debt Mill Levy: The District's Service Plan also establishes a Maximum Debt Mill Levy the District is permitted to impose on all taxable property within the District's service boundaries for the purpose of funding the District's debt obligations. The Maximum Debt Mill Levy is 50 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since November 01, 2016. As of November 01, 2016, the ratio was 7.96%. The ratio for 2023 was 6.95%, which caused the District's Maximum Debt Mill Levy for 2023 to be 57.266.

The 2018 Indenture of Trust Agreement for the 2018 Bonds (2018 Bond Indenture) creates additional restrictions on the District's debt mill levy. Specifically, the 2018 Bond Indenture requires the District to levy a debt mill levy of no less than the Maximum Debt Mill Levy if the cash balance in the restricted bond reserve fund is less than \$901,950 (Required Reserve). During the 12-month period ended December 31, 2023, the District maintained the Required Reserve in the restricted bond reserve fund.

Specific Ownership Taxes

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle's age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the County. In 2023, specific ownership taxes was equal to approximately 6.4% of the property taxes collected.

Specific ownership tax is allocated proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

Capital Facility Fees

On June 7, 2006, the District adopted an Amended and Restated Joint Resolution with Headwaters Metropolitan District establishing Capital Facility Fees on all property within the boundaries of the District. The Capital Facility Fee was established at \$6,255 per home lot and the Facility Fee is payable to the District at the time a building permit is issued on each undeveloped Lot. Generally, the purpose of the Capital Facility Fee per the joint resolution is to fund the cost of public improvements. Costs related to public improvements includes, but is not limited to, construction of public improvements, maintenance of public improvements and legal, consulting and other costs related to protecting the District's rights and ownership interests in public improvements.

There are 720 home lots within the District subject to this Facility Fee. As of December 31, 2023, a perpetual lien exists on 311 undeveloped Lots that have not yet paid the Capital Facility Fee to the District.

	Lots	Total Capital Facility Fees
Lots originally subject to Capital Facility Fees	720	\$ 4,503,600
Capital Facility Fees collected through Dec. 31, 2023	(409)	(2,558,295)
Undeveloped Lots on which the Capital Facility Fee Lien has not yet been released	311	\$ 1,945,305

The Capital Facility Fees were pledged to the repayment of the District's 2006 Bonds, the proceeds of which was used to fund the construction of public improvements. When the District's 2006 bonds were refunded from the proceeds of the District's 2018 Bonds, the Capital Facility Fees were no longer pledged to the repayment of the District's debt and such Fees may now be used to fund any costs related to public improvements – including debt repayment – as determined by the District's Board.

On November 10, 2023, the District's Board adopted a resolution requiring all Capital Facility Fees collected in and subsequent to May 2018 be pledged to the repayment of the District's 2018 bonds and any refundings thereof. If any Capital Facility Fees remain uncollected after the District's existing debt has been repaid, such Capital Facility Fees are pledged to a Special Revenue Fund for the purpose of funding costs related to public infrastructure projects that benefit the District.

Contributions from Sol Vista Metropolitan District (SVMD)

On June 1, 2006, the District entered into an intergovernmental funding agreement with Solvista Metropolitan District (SVMD) whereby the District contributed \$1,212,693 of its 2006 bond proceeds to SVMD which SVMD used to repay its obligation to the Developer. In exchange, SVMD agreed to pay the District's bond Trustee all revenues generated as a result of the SVMD mill levy, with the exception of the portion of the specific ownership taxes on motor vehicles imposed by the State of Colorado and net of annual operating costs as defined by the agreement.

SVMD agreed to levy 25.000 mills on all taxable property with in SVMD through 2025 (for collection in 2026). The agreement terminates on the earlier of (i) the date of which all bonds issued by the District have been defeased or (ii) twenty years after date on which the 2006 bonds were issued by the District.

Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred inflow of resources is an acquisition of net position by a government that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by a government that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statement as revenues and expenses until the period(s) to which they relate. Deferred inflows of resources in the governmental fund financial statements of the District for the 12-month period ended December 31, 2023 are comprised of property taxes due from Grand County that will not be collected within 60 days of the end of the current calendar year. Deferred inflows of resources in the government-wide financial statements represents property taxes for which an enforceable legal claim to assets exists, but for which the levy pertains to the subsequent year.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the government'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: non-spendable, 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:

- **Non-spendable fund balance** – The portion of a fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts) or legally or contractually required to be maintained intact.
- **Restricted fund balance** – The portion of a fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- **Committed fund balance** – The portion of a 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 a 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 a 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 policy to use the most restrictive classification first.

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 – unrestricted	\$ 681,708
Cash and investments – restricted	2,420,103
Total cash and investments	\$ 3,101,811

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

Deposits with financial institutions	\$ 141,963
Investments	2,959,848
Total cash and investments	\$ 3,101,811

Deposits with Financial Institutions

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

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

At December 31, 2023, the District's cash deposits had a bank balance of \$154,733 and carrying balance of \$141,963.

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 listed 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 disclosure requirements or subject to 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.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

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

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

As of December 31, 2023, the District's investments were comprised of the following:

Investment	Maturity	Amortized Cost
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted Average Under 60 Days	\$ 2,959,848

CSAFE

The District holds investments 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 CSAFE. CSAFE operates similarly to a money market fund and each share is equal in value to \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. CSAFE measures its investments at amortized cost, which value is not materially different (less than 0.005% difference) than the fair value measurement of such investments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption period notice. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. No limitations exist on the District's ability to withdraw funds invested in CSAFE. CSAFE is rated AAAM by Standard & Poor's.

NOTE 4 – LONG-TERM DEBT

The following is a summary of the changes in the District's long-term debt for the 12-month period ended December 31, 2023:

	Balance at Dec. 31, 2022	Additions	Retirements	Balance at Dec. 31, 2023	Due within one year
Series 2018 G.O. Bonds	\$ 11,655,000	\$ -	(\$ 100,000)	\$ 11,555,000	\$ 115,000
Accrued Interest – Series 2018 G.O. Bonds	53,779	636,806	(636,806)	53,779	-
Total	\$ 11,708,779	\$ 636,806	(\$ 736,806)	\$ 11,608,779	\$ 115,000

Details regarding the District's long-term obligations are as follows:

Series 2018 General Obligation Refunding and Improvement Bonds (Bonds)

On May 3, 2018, the District issued \$11,970,000 of Limited Tax General Obligation Refunding Bonds (the Series 2018 Bonds), to refund the outstanding balance on the 2006 Limited Tax Obligation Bonds. The 2018 Bonds have interest and maturity dates in two tranches. Tranche one consists of \$990,000 bonds that accrues interest at 4.875% per annum and matures on December 1, 2028. The second tranche consists of \$10,980,000 bonds that accrued interest at 5.50% per annum and matures on December 1, 2052. Interest is payable each year on June 1st and December 1st.

The 2018 Bonds are subject to redemption prior to maturity at the option of the District in whole, or in multiples of \$1,000 on December 1, 2023 and on any date thereafter at the following redemption price plus accrued interest to the redemption date:

Dates	Premium
December 1, 2023 through November 30, 2024	103%
December 1, 2024 through November 30, 2025	102%
December 1, 2025 through November 30, 2026	101%
December 1, 2026 and thereafter	100%

Outstanding principal and interest on the 2018 Bonds mature as follows:

	Principal	Interest	Total
2024	\$ 115,000	\$ 631,931	\$ 746,931
2025	125,000	626,325	751,325
2026	140,000	620,231	760,231
2027	120,000	613,406	733,406
2028	140,000	607,556	747,556
2029 – 2033	900,000	2,911,425	3,811,425
2034 – 2038	1,370,000	2,614,975	3,984,975
2039 – 2043	1,970,000	2,176,350	4,146,350
2044 – 2048	2,790,000	1,548,800	4,338,800
2049 – 2052	3,885,000	622,325	4,507,325
Total	\$ 11,555,000	\$ 12,973,324	\$ 24,528,324

Debt Authorization

The District's Service Plan limits the District's borrowing authority to \$40 million – regardless of whether voter-authorized borrowing powers of the District are greater than this amount. Changes to the Service Plan's borrowing limit requires approval of the Town.

On November 4, 2003, the District's four electors (all of whom were qualified to vote by the owner of all land within the District at that time - SolVista Corporation) authorized the District to issue debt at a net effective interest rate not to exceed 10% per annum in an amount not to exceed \$80 million to fund infrastructure improvements, \$40 million to fund the District's operations and maintenance costs and \$40 million to refund debt at a net cost increase to taxpayers. On November 2, 2004, the District's electors authorized the issuance of indebtedness at a net effective interest rate not to exceed 10% per annum in an amount not to exceed \$24 million to fund infrastructure improvements and \$24 million to refund debt at a net cost increase to taxpayers.

The District's authorized but unissued indebtedness in the following amounts allocated for the following purposes is as follows:

	Authorized Nov. 2003 Election	Authorized Nov. 2004 Election	Total Voter- Authorized Debt
Street improvements	\$ 18,500,000	\$ -	\$ 18,500,000
Water	11,000,000	-	11,000,000
Sanitation	6,000,000	4,000,000	10,000,000
Park & recreation	2,500,000	20,000,000	22,500,000
Transportation	1,000,000	-	1,000,000
Traffic & safety	600,000	-	600,000
Mosquito control	400,000	-	400,000
Intergovernmental agreements	40,000,000	-	40,000,000
Operations & maintenance	40,000,000	-	40,000,000
Subtotal	120,000,000	24,000,000	144,000,000
Refunding of debt	40,000,000	24,000,000	64,000,000
Total	\$ 160,000,000	\$ 48,000,000	\$ 208,000,000

	Series 2006 Bonds	Series 2010 & 2018 Bonds	Expiring Authorization	Authorization Remaining at Dec. 31, 2023
Street improvements	(\$ 7,121,000)	(\$ 5,505,822)	(\$ 5,873,178)	\$ -
Water	(4,817,000)	(2,761,482)	(3,421,518)	-
Sanitation	(2,637,000)	(1,667,920)	(1,695,080)	4,000,000
Park & recreation	(150,000)	(913,348)	(1,436,652)	20,000,000
Transportation	-	-	(1,000,000)	-
Traffic & safety	-	(270,428)	(329,572)	-
Mosquito control	-	-	(400,000)	-
Intergovernmental agreements	-	-	(40,000,000)	-
Operations & maintenance	-	-	(40,000,000)	-
Subtotal	(14,725,000)	(11,119,000)	(94,156,000)	24,000,000
Refunding of debt	-	(11,970,000)	(28,030,000)	24,000,000
Total	(\$ 14,725,000)	(\$23,089,000)	(\$122,186,000)	\$ 48,000,000

Per C.R.S 32-1-1101(2), the remaining, unused debt issuance authorization obtained from the District's electors will expire in November 2024 - 20 years after the original debt authorization election.

NOTE 5 – NET POSITION (DEFICIT)

Restricted Net Position

The District's restricted net position as of December 31, 2023 in the general fund and debt service fund totaled \$6,800 and \$2,432,933, respectively. The restricted net position within the general fund is due to spending restrictions established by TABOR. See Note 9 for further details. The restricted net position within the debt service fund is comprised of funds that are restricted to servicing the Series 2018 Bonds.

Non-Spendable Net Position

The District's non-spendable net position as of December 31, 2023 in the general fund and debt service fund totaled \$3,169 and \$0, respectively. These balances were created due to the District prepaying certain 2024 expenses in 2023.

Unassigned Net Position

The District's unassigned net position as of December 31, 2023 totaled (\$10,959,265). This deficit amount was a result of the District being responsible for the repayment of bonds issued for public improvements conveyed to the City of Granby and other entities.

NOTE 6 – RELATED PARTIES

None of the directors that served on the District's board in 2023 reported any conflicts of interest arising from their participation on the District's board.

NOTE 7 – RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, the District may be 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 (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, 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.

NOTE 8 – CONTRACTUAL AGREEMENTS

Amenity Fee Agreement

On July 17, 2013, the District Granby Ranch Metropolitan District No 2 (GRMD2) and Granby Ranch Metropolitan District No 8 (BRMD8) entered into an Amended and Restated Amenity Fee Agreement with HMD to assess a one-time \$10,000 “Amenity Fee” on each Apartment Unit, Residential Unit and Lot (as further described in the Amenity Fee Agreement) within the District, GRMD2 and GRMD8 upon (1) transfer of a Residential Unit or Lot to an End User or entity other than a “Qualified Builder” or (2) issuance of a certificate of occupancy on an Apartment Unit or (3) issuance of a certificate of occupancy on a Residential Unit not otherwise transferred to an End User. This Agreement replaces a May 26, 2005 Joint Resolution Regarding Amenity Fees Amenity Fee Agreement as amended on September 06, 2006. The Amenity Fees constitute a perpetual lien on all land within the District. The Amenity Fees are to be used solely for the purpose of financing the acquisition, construction and installation of “Amenities” to be acquired by HMD including a golf course, ski area, and related improvements, trails, and other recreational improvements, facilities, appurtenances, rights-of-way and other amenities as shall from time to time be acquired, constructed and installed by Headwaters. Payment of the Amenity Fee grants each residential dwelling unit “priority access” to such Amenities and discounted recreation facility use fees.

Lease Purchase Agreement

On December 31, 2012 Granby Realty Holdings (GRH) and Headwaters Metropolitan District (HMD) entered into the Second Amended and Restated Lease Purchase Agreement (“LPA”). Per the terms of the LPA, HMD agreed to lease from GRH a parcel of land located within the Town that included a ski area and a golf course (“Leased Premises”). The lease term was fifty years and provided HMD the option to acquire the Leased Premises during or upon the expiration of the lease term. The rent paid under the LPA was limited to the Amenity Fees collected by HMD from the District and remitted to GRH. The rent payments were not fixed to any specific amount and both parties to the LPA agreed that the amount of Amenity Fees paid by HMD to GRH may fluctuate greatly from month to month and year to year.

The LPA does not allow any refund of rents paid by HMD to GRH upon termination of the LPA and the LPA provides GRH the right to terminate the LPA if HMD defaults on any HMD responsibilities listed in the LPA.

Between December 31, 2005 and December 31, 2020, Amenity Fees totaling \$6,110,000 were paid by 611 home lots within and without the District’s service boundaries to HMD, which forwarded such funds to GRH as rent payments due under the LPA. \$5,300,000 of total Amenity Fees collected by HMD was from lots located within the District and the remainder of the Amenity Fees were collected from lots located within Solvista Metropolitan District (which has a financial relationship with GRMD through an IGA – described below).

On or before May 28, 2020, GRH defaulted on a deed of trust, which was secured by the Leased Premises. GRH’s lender (GP Granby Holdings, LLC or GPGH) foreclosed on the Leased Premises between May 28 and August 31, 2020 and notified HMD that the foreclosure effectively terminated the LPA. Whether or not the foreclosure terminated certain rights of the District under the LPA and related agreements is disputed and the subject of litigation. See Note 10 (Litigation).

Intergovernmental Funding Agreement with SolVista Metropolitan District

On June 1, 2006, the District entered into an intergovernmental funding agreement with Solvista Metropolitan District (SVMD) whereby the District contributed \$1,212,693 of its 2006 bond proceeds to SVMD which SVMD used to repay its obligation to the Developer. In exchange, SVMD agreed to pay the District's bond Trustee all revenues

generated as a result of the SVMD mill levy, with the exception of the portion of the specific ownership taxes on motor vehicles imposed by the State of Colorado and net of annual operating costs as defined by the agreement.

SVMD agreed to levy 25.000 mills on all taxable property within SVMD through 2025 (for collection in 2026). The agreement terminates on the earlier of (i) the date of which all bonds issued by the District have been defeased or (ii) twenty years after date on which the 2006 bonds were issued by the District.

NOTE 9 – TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution—referred to 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.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). TABOR prohibits the District from using its emergency reserves to compensate for economic conditions and revenue shortfalls.

On May 8, 2018, District voters authorized the District to assess property taxes at no more than \$2,875,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses. Additionally, the District voters approved a revenue change to allow the District to retain and spend all revenue, other than ad valorem taxes, in excess of TABOR spending, revenue raising or other limitations.

TABOR is complex and subject to legal interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

NOTE 10 – LITIGATION

On February 23, 2021, the District through its attorneys Norton & Smith, P.C., filed a complaint in the District Court for Grand County, Colorado, against Headwaters Metropolitan District ("HMD"), GP Granby Holdings (now Gray Jay Ventures, LLC ("Gray Jay")), Redwood Capital Finance Co. LLC ("Redwood"), and Granby Prentice, LLC (the "Defendants"). (GRMD v. Headwaters' Metropolitan District et al, case No. 2021CV30008 District Court, Grand County, Colorado, referred to as the "2021 Lawsuit"). The 2021 Lawsuit concerns the purported termination of the Second Amended and Restated Lease Purchase Agreement ("LPA"). The current developer, GR Terra, LLC, who acquired the ski resort after February 2021, requested to be added as a defendant to this litigation. The District added GR Terra as a defendant to the 2021 Lawsuit through a Second Amended Complaint on July 6, 2021.

The purpose of the 2021 Lawsuit is to protect the District's rights and the financial investment of the District's property owners who have paid over \$6 million to HMD for the purpose of developing and/or acquiring ski, golf, and other recreational amenities to be owned by a public entity that would manage the facilities on behalf of the residents of the District and the Town of Granby.

In August 2020, GPGH foreclosed on the prior developer of the ski resort, Granby Realty Holdings (GRH) – a company in which HMD directors were affiliated or related interested parties—and assumed ownership of and privatized the amenities (and all revenue generated from such facilities). Prior to the foreclosure, GRH was receiving public funds from HMD for the purpose of developing or acquiring the amenities (which in turn received over \$6 million in funds from the \$10,000 lot amenity fees charged to District property owners).

In the 2021 Lawsuit, the District is seeking damages in an amount to be determined at trial but believed to be at least in the amount of \$6.1 million in public funds that the District has paid to HMD under the LPA. Additionally, the District is seeking a declaration of the court to reinstate the LPA between HMD and GRH, which requires the publicly funded ski resort facilities be owned and operated by a public entity.

On January 28, 2022, the District Court of Grand County granted in part the Defendants' motions to dismiss the District's claims and denied in part certain of the Defendants' motions to dismiss other District claims.

On February 11, 2022, HMD and GR Terra filed certain counterclaims against the District. The counterclaims seek certain declarations and/or quiet title that the District has no rights to the amenities. The counterclaims also seek a monetary judgment against the District for certain costs and attorney fees associated with the 2021 Lawsuit.

All parties in the 2021 Lawsuit have filed dispositive motions requesting that the Court either dismiss or issue summary judgment in their respective favor on some or all claims.

On March 26, 2023, District Court vacated the trial scheduled to begin on April 24, 2023 and indicated it would issue a ruling on the pending dispositive matters in this case by the end of May 2023. As of July 10, 2023, District Court has not yet issued a ruling.

Assessing and predicting the outcome of this matter involves substantial uncertainties. The District Board currently believes that none of the Defendants are entitled to recover costs or attorney fees in the 2021 Lawsuit, and the District's monetary exposure is therefore limited because the Defendants are not presently seeking other monetary damages. It remains possible that despite the District Board's current belief, material differences in actual outcomes or changes in the Board's evaluation or predictions could arise that could have a material adverse effect on the District's financial condition, results of operations, or cash flows.

NOTE 11 – SUBSEQUENT EVENTS

On May 26, 2023, GRCO, LLC – a property owner and taxpayer within the District - filed a complaint in the United States District Court for the District of Colorado against the District captioned GRCO, LLC v. Granby Ranch Metropolitan District, Civil Action No. 23-cv-01351-RMR-STV (the "2023 Lawsuit"). The 2023 Lawsuit challenges the District's imposition of Capital Facility Fees pursuant to the 2006 Amended and Restated Amended and Restated Joint Resolution with Headwaters Metropolitan District establishing Capital Facility Fees (See NOTE 2) subsequent to the District refinancing its debt in May 2018. Specifically, GRCO, LLC's complaint demands (1) declaratory and injunctive relief regarding the District's alleged violation of the 2006 Facilities Fee Resolution and District's authority under CRS 32-1-1001(1)(j), (2) declaratory and injunctive relief regarding the District's alleged violation of CRS 29-1-803(1), (3) declaratory and injunctive relief regarding the District alleged illegal material modification of the District's service plan, (4) action for damages under 42 USC 1983 for the District's alleged violation of GRCO, LLC's rights under the Fifth Amendment to the United States Constitution, (5) declaratory and injunctive relief for the District's alleged continuing violation of 42 USC 1983 and the Fifth Amendment to the United States Constitution and (6) declaratory and injunctive relief to prevent the District's collection of Capital Facilities Fees under the alleged extinguished 2006 Facilities Fee Resolution. GRCO, LLC is seeking relief including a refund of \$125,100 in Capital Facility Fees it claims it has already paid to the District.

The District believes that the claims asserted in the 2023 Lawsuit are without merit under Colorado law that allows the District to assess and recover fees to defray the cost of public improvements. The District further believes that the claims are time-barred by the statute of limitations. The District intends to assert other defenses and to seek prompt dismissal of the action. Assessing and predicting the outcome of this matter involves substantial

uncertainties. The District believes no amount is due to GRCO, LLC and denies any wrongdoing. It remains possible that despite the District Board's current belief, material differences in actual outcomes or changes in the Board's evaluation or predictions could arise that could have a material adverse effect on the District's financial condition, results of operations, or cash flows.

SUPPLEMENTARY INFORMATION

GRANBY RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
12-Month Period Ended
December 31, 2023

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
REVENUES			
Property taxes	\$ 924,800	\$ 926,537	\$ 1,737
Specific ownership taxes	55,500	59,666	4,166
Net investment income	20,000	141,798	121,798
Sol Vista Metro contribution	40,000	-	(40,000)
Total Revenues	<u>1,040,300</u>	<u>1,128,001</u>	<u>87,701</u>
EXPENDITURES			
Direct and indirect collection costs	59,100	58,161	939
Debt service			
Bond interest	636,900	636,806	94
Bond principal	100,000	100,000	-
Total Expenditures	<u>796,000</u>	<u>794,967</u>	<u>1,033</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>244,300</u>	<u>333,034</u>	<u>88,734</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>244,300</u>	<u>333,034</u>	<u>88,734</u>
FUND BALANCE – BEGINNING	<u>2,042,400</u>	<u>2,091,599</u>	<u>49,199</u>
FUND BALANCE – END OF YEAR	<u>\$ 2,286,700</u>	<u>\$ 2,424,633</u>	<u>\$ 137,933</u>

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

**GRANBY RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
COLLECTION COST DETAILS - BUDGET AND ACTUAL
12-Month Period Ended
December 31, 2023**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
DIRECT AND INDIRECT COLLECTION COSTS			
Administrative costs	\$ 5,000	\$ 8,300	\$ (3,300)
Collection fees – County Treasurer	50,600	46,361	4,239
Bond paying agent fees	3,500	3,500	-
Total Direct and Indirect Collection Costs	\$ 59,100	\$ 58,161	\$ 939

These financial statements should be read only in connection with
the accompanying notes to the financial statements.

GRANBY RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

December 31, 2023

The District's repayment schedule for its Series 2018 general obligation bonds is as follows:

Year Ended December 31,	Principal	Interest	Interest Rate	Total
2024	\$ 115,000	\$ 631,931	4.875%	\$ 746,931
2025	125,000	626,325	4.875%	751,325
2026	140,000	620,231	4.875%	760,231
2027	120,000	613,406	4.875%	733,406
2028	140,000	607,556	4.875%	747,556
2029	145,000	600,325	4.875%	745,325
2030	170,000	592,350	5.50%	762,350
2031	175,000	583,000	5.50%	758,000
2032	200,000	573,375	5.50%	773,375
2033	210,000	562,375	5.50%	772,375
2034	235,000	550,825	5.50%	785,825
2035	250,000	537,900	5.50%	787,900
2036	275,000	524,150	5.50%	799,150
2037	290,000	509,025	5.50%	799,025
2038	320,000	493,075	5.50%	813,075
2039	335,000	475,475	5.50%	810,475
2040	370,000	457,050	5.50%	827,050
2041	390,000	436,700	5.50%	826,700
2042	425,000	415,250	5.50%	840,250
2043	450,000	391,875	5.50%	841,875
2044	490,000	367,125	5.50%	857,125
2045	515,000	340,175	5.50%	855,175
2046	560,000	311,850	5.50%	871,850
2047	590,000	281,050	5.50%	871,050
2048	635,000	248,600	5.50%	883,600
2049	670,000	213,675	5.50%	883,675
2050	725,000	176,825	5.50%	901,825
2051	765,000	136,950	5.50%	901,950
2052	1,725,000	94,875	5.50%	1,819,875
	<u>\$ 11,555,000</u>	<u>\$ 12,973,324</u>		<u>\$ 24,528,324</u>

GRANBY RANCH METROPOLITAN DISTRICT
**SUMMARY OF ASSESSED VALUATION,
MILL LEVY AND PROPERTY TAXES COLLECTED**
December 31, 2023

Year Ended December 31,	Prior Year Assessed Valuation for Current Year tax Levy - Operations	Prior Year Assessed Valuation for Current Year tax Levy - Debt	Mills Levied		Total Property Taxes		Percent Collected to Levied
			Operations	Debt	Levied	Collected (Note A)	
2019	\$12,910,250	\$ 14,277,530	24.534	40.000	887,841	\$ 887,695	99.98%
2020	17,279,450	18,606,290	20.000	40.000	1,090,618	1,090,334	99.99%
2021	17,443,380	19,112,030	15.000	45.000	1,101,975	1,120,998	101.70%
2022	19,259,860	21,758,830	7.000	47.000	1,157,400	1,158,118	100.06%
2023	18,978,750	21,507,890	7.000	43.000	1,057,700	1,059,561	100.18%
2024	33,286,500	37,210,310	22.000	18.000	1,402,100	[TBD]	[TBD]

NOTE A: Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years.

OTHER SUPPLEMENTARY INFORMATION

GRANBY RANCH METROPOLITAN DISTRICT
CHANGE IN TOTAL OVERLAPPING MILL LEVY
 December 31, 2023

	2022 Mill Levy*	2023 Mill Levy **	Change
Colorado River Water Conservation	0.501	0.500	(0.001)
East Grand School	24.724	20.526	(4.198)
Granby, Town of	7.218	7.218	-
Grand County	16.905	16.905	-
Grand Fire	10.211	10.570	0.359
Middle Park Water Conservancy	0.046	0.034	(0.012)
Grand County Library District	3.368	3.363	(0.005)
Granby Ranch Metro	7.000	22.000	15.000
Granby Ranch Metro Bond	43.000	18.000	(25.000)
Fraser River Valley Housing Partnership	2.000	2.000	-
Total Mill Levy	114.973	101.116	(13.857)

* -- For property tax collections in 2023

** -- For property tax collections in 2024

GRANBY RANCH METROPOLITAN DISTRICT
HISTORICAL DEBT RATIOS
 December 31, 2023

	2019	2020	2021	2022	2023
General Obligation Bonds	\$ 11,900,000	\$ 11,830,000	\$ 11,750,000	\$ 11,655,000	\$ 11,555,000
Accrued, unpaid interest - Bonds	54,063	53,779	53,779	53,779	53,779
Combined assessed property values within the District	18,619,300	18,673,850	21,758,830	21,507,890	37,210,310
Ratio of debt to assessed property values	64.2%	63.6%	54.2%	54.4%	31.2%