

**RAINDANCE METROPOLITAN DISTRICT NO. 3
Weld County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020

**RAINDANCE METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2020**

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Independent Auditor's Report

Members of the Board of Directors
Raindance Metropolitan District No. 3

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Raindance Metropolitan District No. 3 (the District) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Raindance Metropolitan District No. 3, as of December 31, 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 Raindance Metropolitan District No. 3 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Raindance Metropolitan District No. 3's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Raindance Metropolitan District No. 3'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 Raindance Metropolitan District No. 3's ability to continue as a going concern for a reasonable period of time.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Raindance Metropolitan District No. 3's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The continuing disclosure annual financial information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Haynie & Company

Littleton, Colorado
July 19, 2021

BASIC FINANCIAL STATEMENTS

**RAINDANCE METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 210
Cash and Investments - Restricted	2,426,017
Receivable from County Treasurer	645
Due from District No. 1	95,000
Interest Receivable	6,009
Property Tax Receivable	576,274
Total Assets	3,104,155
LIABILITIES	
Due to District No. 1	489
Accounts Payable	2,500
Accrued Bonds Interest Payable	727,491
Noncurrent Liabilities:	
Due in More Than One Year	19,290,005
Total Liabilities	20,020,485
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	576,274
Total Deferred Inflows of Resources	576,274
NET POSITION	
Restricted for:	
Debt Service	373,684
Unrestricted	(17,866,288)
Total Net Position	\$ (17,492,604)

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 210	\$ -	\$ -	\$ 210
Cash and Investments - Restricted	-	2,425,980	37	2,426,017
Receivable from County Treasurer	184	461	-	645
Due from District No. 1	-	95,000	-	95,000
Interest Receivable	-	6,009	-	6,009
Property Tax Receivable	51,320	524,954	-	576,274
	<u>\$ 51,714</u>	<u>\$ 3,052,404</u>	<u>\$ 37</u>	<u>\$ 3,104,155</u>
Total Assets				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	2,500	\$ -	\$ 2,500
Due to District No. 1	389	100	-	489
Total Liabilities	<u>389</u>	<u>2,600</u>	<u>-</u>	<u>2,989</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	51,320	524,954	-	576,274
Total Deferred Inflows of Resources	<u>51,320</u>	<u>524,954</u>	<u>-</u>	<u>576,274</u>
FUND BALANCES				
Restricted:				
Debt Service	-	2,524,850	-	2,524,850
Capital Projects	-	-	37	37
Unrestricted:				
General Government	5	-	-	5
Total Fund Balances	<u>5</u>	<u>2,524,850</u>	<u>37</u>	<u>2,524,892</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances				
	<u>\$ 51,714</u>	<u>\$ 3,052,404</u>	<u>\$ 37</u>	

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 recorded as liabilities in the funds.

Accrued Bonds Interest Payable	(727,491)
Bonds Payable	(19,290,000)
Developer Advance Payable	(5)
Subtotal	<u>(20,017,496)</u>

Net Position of Governmental Activities	<u>\$ (17,492,604)</u>
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See accompanying Notes to Basic Financial Statements.

RAINDANCE METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 50,497	\$ 126,473	\$ -	\$ 176,970
Specific Ownership Taxes	2,397	6,003	-	8,400
Interest Income	34	52,758	-	52,792
Facilities Fees	-	647,500	-	647,500
Total Revenues	<u>52,928</u>	<u>832,734</u>	<u>-</u>	<u>885,662</u>
EXPENDITURES				
Bond interest - Series 2018A	-	945,875	-	945,875
County Treasurer's Fees	758	1,898	-	2,656
Investment Advisory Fees	-	4,623	-	4,623
Paying agent fees	-	2,500	-	2,500
Transfer to District No. 1	52,170	-	-	52,170
Total Expenditures	<u>52,928</u>	<u>954,896</u>	<u>-</u>	<u>1,007,824</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(122,162)	-	(122,162)
OTHER FINANCING SOURCES (USES)				
Transfers (to)/from Other Funds	-	3	(3)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>3</u>	<u>(3)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(122,159)	(3)	(122,162)
Fund Balances - Beginning of Year	<u>5</u>	<u>2,647,009</u>	<u>40</u>	<u>2,647,054</u>
FUND BALANCES - END OF YEAR	<u>\$ 5</u>	<u>\$ 2,524,850</u>	<u>\$ 37</u>	<u>\$ 2,524,892</u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
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, 2020**

Net Change in Fund Balances - Governmental Funds \$ (122,162)

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

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 on Bonds - Change in Liability (262,154)

Change in Net Position of Governmental Activities \$ (384,316)

**RAINDANCE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 50,497	\$ 50,497	\$ -
Specific Ownership Taxes	3,535	2,397	(1,138)
Interest Income	-	34	34
Total Revenues	<u>54,032</u>	<u>52,928</u>	<u>(1,104)</u>
EXPENDITURES			
County Treasurer's Fees	757	758	(1)
Transfer to District No. 1	53,275	52,170	1,105
Total Expenditures	<u>54,032</u>	<u>52,928</u>	<u>1,104</u>
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>5</u>	<u>5</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 DEFINITION OF REPORTING ENTITY

Raindance Metropolitan District No. 3 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree issued by the District Court in and for Weld County, Colorado, on June 6, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations, and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security. The District was organized in conjunction with three other related metropolitan districts – RainDance Metropolitan Districts No. 1, No. 2, and No. 4. RainDance Metropolitan District No. 1 serves as the Operating District which is responsible for coordinating the financing, construction, and maintenance of all Public Improvements and other services needed for RainDance Metropolitan District Nos. 2 - 4 (Financing Districts, and together with the District, the “Districts,”) which are responsible for providing the tax base needed to support financing of capital improvements and operations and maintenance.

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 for any other organization, nor is the District a component unit of any other primary governmental entity.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and other costs related to the Series 2018 Bonds.

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

RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District amended its annual budget for the year ended December 31,2020.

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

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

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

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

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.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance

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

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

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

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

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

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

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

Restatement of Beginning Net Position

The District had restated the beginning net position in the statement of activities as follows:

Net Position - December 31, 2019 as Originally Stated	\$ (16,721,774)
Adjustment to Reflect Accrued Interest on the 2018B Bonds as of December 31, 2019	(386,514)
Net Position - December 31, 2019 as Restated	<u>\$ (17,108,288)</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 210
Cash and Investments - Restricted	2,426,017
Total Cash and Investments	<u>\$ 2,426,227</u>

Cash and investments as of December 31, 2020, consist of the following:

Deposits with Financial Institutions	\$ 804
Investments	2,425,423
Total Cash and Investments	<u>\$ 2,426,227</u>

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, 2020, the District's cash deposits had a bank balance and carrying balance of \$804.

Investments

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

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

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

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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

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

Fair Value Measurement and Application

The District categorizes its fair value measurements 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, and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series), money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee), CSAFE (which are recorded at amortized cost), and COLOTRUST (which are recorded at net asset value).

As of December 31, 2020, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted Average Under 60 Days	\$ 904,309
U.S. Treasury/Government-Sponsored Enterprises (GSEs)	Average 1.78 years	1,181,302
Corporate Bonds/Money Market Securities	Average 2.83 years	175,684
Municipal Bonds	Average 3.69 years	164,128
Total		<u>\$ 2,425,423</u>

RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

US Treasury/Government-Sponsored Enterprises, Money Market Securities and Municipal Bonds

Debt service monies held in trust by UMB Bank in the Debt Reserve Fund were invested in US Treasury/Government-Sponsored Enterprise Bonds (AAA ratings), Corporate Bonds and Money Market Securities (AAA ratings), and Municipal Bonds (AAA and AA ratings) with average maturities of 1.78 years, 2.83 years and 3.69 years respectively.

The District has engaged the services of a registered Investment Advisor (providing financial advisory and asset management services) to receive financial advice and to assist in the management of these funds, including the buying and selling of securities held in such portfolio. The funds' December 31, 2020 statement indicated that, (i) the major source for security ratings is the best rating from the major rating agencies, (ii) when only one agency rating is available, that rating will be used, (iii) when no rating is available, the security will be classified as non-rated (NR), (iv) securities that hold ratings below investment grade (lower than BBB) will be referenced as BIG, (v) regardless of a security's rating, if it is pre-funded, it is shown as PREF, (vi) short-term Federal Agency Obligations are obligations of US Government-sponsored enterprises (GSEs), which are typically rated AAA, (vii) GSEs have a long-term AA+ rating by the major rating agencies, and (viii) short-term obligation of GSEs that are not explicitly rated are regarded as AA+ quality.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2020:

<u>Governmental Activities</u>	Balance - December 31, 2019	Additions	Retirements	Balance - December 31, 2020	Due Within One Year
Bonds Payable:					
Limited Tax General					
Obligation Bonds:					
Series 2018A	\$ 16,450,000	\$ -	\$ -	\$ 16,450,000	\$ -
Series 2018B	2,840,000	-	-	2,840,000	-
Total Bonds Payable	19,290,000	-	-	19,290,000	-
Other Debts:					
Developer Advances	5	-	-	5	-
Total Long-Term Obligations	<u>\$ 19,290,005</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,290,005</u>	<u>\$ -</u>

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

Limited Tax General Obligation Bonds, Series 2018A (the Senior Bonds) and **Subordinate Limited Tax General Obligation Bonds, Series 2018B** (the Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds).

Bond Details

The District issued the Bonds on May 17, 2018, in the amounts of \$16,450,000 for the 2018A Senior Bonds and \$2,840,000 for the 2018B Subordinate Bonds. Proceeds from the sale of the Bonds were applied to fund and reimburse a portion of the costs of certain public improvements. A portion of the proceeds from the sale of the 2018A Senior Bonds were applied to: (i) fund capitalized interest on the 2018A Senior Bonds; (ii) fund the Senior Reserve Fund; and (iii) pay the costs of issuing the Bonds.

The 2018A Senior Bonds bear interest at 5.75%, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The 2018A Senior Bonds mature on December 1, 2047. To the extent the 2018A Senior Bonds are not paid when due, the unpaid principal will continue to bear interest and the unpaid interest will compound semiannually on each June 1 and December 1 until the total repayment obligation of the District for the 2018A Senior Bonds equals the amount permitted by law and the District's electoral authorization.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Bond Details (Continued)

The 2018B Subordinate Bonds bear interest at 8.125% and mature on December 15, 2047. The 2018B Subordinate Bonds constitute subordinate “cash flow” bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Subordinate Pledged Revenue is available for payment. Principal and interest payments are due on the 2018B Subordinate Bonds on each December 15 only to the extent Subordinate Pledged Revenue is available. In the event that Subordinate Pledged Revenue is insufficient to pay the 2018B Subordinate Bonds, the unpaid principal will continue to bear interest and the unpaid interest will compound annually on December 15 until the total repayment obligation of the District for the 2018B Subordinate Bonds equals the amount permitted by law and the Election. Any amounts due and owing on the 2018B Subordinate Bonds remaining outstanding after the application of all Subordinate Pledged Revenue available on December 15, 2057, shall be deemed discharged and shall no longer be due and outstanding.

Optional Redemption

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023, to December 14, 2024	3.00%
December 15, 2024, to December 14, 2025	2.00
December 15, 2025, to December 14, 2026	1.00
December 15, 2026, and thereafter	0.00

Pledged Revenue

The 2018A Senior Bonds are payable solely from and to the extent of Senior Pledged Revenue, defined in the 2018A Senior Indenture as the following, net of any costs of collection: (i) all Senior Property Tax Revenues; (ii) all Senior Specific Ownership Tax Revenues; (iii) all Capital Fees, including the Facility Fees; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund. The 2018A Senior Bonds are additionally secured by the Senior Reserve Fund and by amounts in the Senior Surplus Fund, if any.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Pledged Revenue (Continued)

The 2018B Subordinate Bonds are payable solely from and to the extent of the Subordinate Pledged Revenue defined generally in the 2018B Subordinate Indenture as the following, net of any costs of collection: (i) all Subordinate Property Tax Revenues; (ii) all Subordinate Specific Ownership Tax Revenues; (iii) all Subordinate Capital Fee Revenue (meaning any Capital Fees remaining after deduction of any amounts applied to the payment of the 2018A Senior Bonds); (iv) any amounts in the Senior Surplus Fund upon the termination of such fund pursuant to the Senior Indenture; and (v) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

Property Tax Revenues

“Senior Property Tax Revenues” are generally defined as all moneys derived from imposition by the District of the Senior Required Mill Levy and are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

“Subordinate Property Tax Revenues” are defined as all moneys derived from imposition by the District of the Subordinate Required Mill Levy and are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

2018A Senior Bonds Debt Service

The outstanding principal and interest of the 2018A Senior Bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 945,875	\$ 945,875
2022	-	945,875	945,875
2023	80,000	945,875	1,025,875
2024	195,000	941,275	1,136,275
2025	215,000	930,063	1,145,063
2026 – 2030	1,495,000	4,432,388	5,927,388
2031 – 2035	2,305,000	3,915,750	6,220,750
2036 – 2040	3,410,000	3,132,888	6,542,888
2041 – 2045	4,860,000	1,995,538	6,855,538
2046 – 2047	3,890,000	378,350	4,268,350
Total	<u>\$ 16,450,000</u>	<u>\$ 18,563,875</u>	<u>\$ 35,013,875</u>

The annual debt service requirements on the 2018B Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

At December 31, 2020, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on May 6, 2014	Authorization Used for 2018 Bonds	Authorized But Unissued
Water	\$ 93,000,000	\$ 3,245,924	\$ 89,754,076
Sanitation/Stormwater	93,000,000	3,929,452	89,070,548
Streets	93,000,000	12,038,407	80,961,593
Parks and Recreation	93,000,000	75,000	92,925,000
Public Transportation	93,000,000	-	93,000,000
Fire Protection	93,000,000	-	93,000,000
Mosquito Control	93,000,000	-	93,000,000
Safety Protection	93,000,000	1,217	92,998,783
Security	93,000,000	-	93,000,000
TV Relay and Translation	93,000,000	-	93,000,000
Operation and Maintenance	93,000,000	-	93,000,000
Debt Refunding	93,000,000	-	93,000,000
Intergovernmental Agreements	93,000,000	-	93,000,000
Private Agreements	93,000,000	-	93,000,000
Special Assessments	93,000,000	-	93,000,000
Total	<u>\$1,395,000,000</u>	<u>\$ 19,290,000</u>	<u>\$1,375,710,000</u>

Pursuant to the Service Plan, the maximum general obligation indebtedness for all of Financing Districts combined is not to exceed \$93,000,000.

NOTE 5 NET POSITION

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

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2020 as follows:

Restricted Net Position	<u>Governmental Activities</u>
Debt Service	<u>\$ 373,684</u>
Total Restricted Net Position	<u>\$ 373,684</u>

The District has a deficit in unrestricted net position because it carries a bond payable that was issued to finance public improvements that were either conveyed to other governmental entity or were transferred to District No.1

RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 AGREEMENTS

District Coordinating Services Agreement (District Nos. 1-4)

Effective as of January 1, 2018, the Districts entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts, and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts. Pursuant to the Coordinating Services Agreement, District No. 1 was designated as the “coordinating district” (the Coordinating District). The District, District No. 2, and District No. 4 were each designated as “financing districts” (the Financing Districts).

Common Finance Plan Resolution

On March 27, 2018, District No. 1 and the District adopted a Joint Resolution Regarding Intent to Implement Common Plan of Finance (the Common Finance Plan Resolution), pursuant to which: (i) the District and District No. 1 declared their mutual intent to implement the common plan of finance set forth and approved in the Service Plan to fund or reimburse all or a portion of the capital costs related to the Public Improvements to serve Raindance from the Bonds; and (ii) the District declared its intent, upon issuance of the Bonds, to transfer all available revenues to District No. 1 for the payment of such costs, including amounts owed by District No. 1, pursuant to certain Reimbursement Agreements.

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is RainDance Land Company, LLC, a Delaware limited liability company (Developer). Certain members of the Board of Directors of the District are officers or employees of or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer, and may have conflicts of interest in dealing with the District.

NOTE 8 RISK MANAGEMENT

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

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

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

RAINDANCE METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS

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

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. On May 6, 2014, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District transfers its net operating revenue to District No. 1. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 1.

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

SUPPLEMENTARY INFORMATION

**RAINDANCE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 126,472	\$ 126,473	\$ 1
Specific Ownership Taxes	8,853	6,003	(2,850)
Interest Income	48,251	52,758	4,507
Facilities Fees	500,000	647,500	147,500
Total Revenues	<u>683,576</u>	<u>832,734</u>	<u>149,158</u>
EXPENDITURES			
County Treasurer's Fees	1,897	1,898	(1)
Paying Agent Fees	6,728	2,500	4,228
Investment Advisory Fees	5,500	4,623	877
Bond Interest - Series 2018A	945,875	945,875	-
Total Expenditures	<u>960,000</u>	<u>954,896</u>	<u>5,104</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(276,424)	(122,162)	154,262
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	-	3	3
Total Other Financing Sources (Uses)	<u>-</u>	<u>3</u>	<u>3</u>
NET CHANGE IN FUND BALANCE	(276,424)	(122,159)	154,265
Fund Balance - Beginning of Year	<u>2,604,345</u>	<u>2,647,009</u>	<u>42,664</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,327,921</u>	<u>\$ 2,524,850</u>	<u>\$ 196,929</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers to Other Fund	-	(3)	(3)	-
Total Other Financing Sources (Uses)	-	(3)	(3)	-
NET CHANGE IN FUND BALANCE	-	(3)	(3)	-
Fund Balance - Beginning of Year	-	40	40	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 37</u>	<u>\$ -</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$16,450,000 Limited Tax General Obligation Bonds Series 2018A Interest 5.75% Dated May 17, 2018 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2021	\$ -	\$ 945,875	\$ 945,875
2022	-	945,875	945,875
2023	80,000	945,875	1,025,875
2024	195,000	941,275	1,136,275
2025	215,000	930,063	1,145,063
2026	250,000	917,700	1,167,700
2027	265,000	903,325	1,168,325
2028	300,000	888,088	1,188,088
2029	320,000	870,838	1,190,838
2030	360,000	852,438	1,212,438
2031	380,000	831,738	1,211,738
2032	430,000	809,888	1,239,888
2033	455,000	785,163	1,240,163
2034	505,000	759,000	1,264,000
2035	535,000	729,963	1,264,963
2036	590,000	699,200	1,289,200
2037	620,000	665,275	1,285,275
2038	685,000	629,625	1,314,625
2039	725,000	590,238	1,315,238
2040	790,000	548,550	1,338,550
2041	835,000	503,125	1,338,125
2042	910,000	455,113	1,365,113
2043	965,000	402,788	1,367,788
2044	1,045,000	347,300	1,392,300
2045	1,105,000	287,213	1,392,213
2046	1,200,000	223,675	1,423,675
2047	2,690,000	154,675	2,844,675
Total	<u>\$ 16,450,000</u>	<u>\$ 18,563,875</u>	<u>\$ 35,013,875</u>

**ANNUAL INFORMATION REQUIRED
BY THE CONTINUING DISCLOSURE AGREEMENT
RELATED TO THE LIMITED TAX GENERAL
OBLIGATION BONDS, SERIES 2018A AND B (2018 CDA)**

**RAINDANCE METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2020**

**HISTORY OF ASSESSED VALUATIONS, MILL LEVIES
AND PROPERTY TAX COLLECTIONS IN THE DISTRICT**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2016	\$ 6,990	39.000	0.000	\$ 273	\$ 273	100.00 %
2017	6,990	39.000	0.000	273	273	100.00
2018	12,930	39.000	0.000	504	504	100.00
2019	207,300	43.116	0.000	8,938	8,939	100.00
2020	4,075,930	12.389	31.029	176,969	176,970	100.00
Estimated for Year Ending December 31, 2021	\$ 13,361,020	3.841	39.290	\$ 576,274		

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**TEN LARGEST TAXPAYERS WITHIN THE DISTRICT
2018 CDA FORM SECTION 4 (a) 3**

<u>Taxpayer Name</u>	2020 Assessed Valuation	Percentage of Total Assessed Valuation \$ 13,361,020
Raindance Homestead LLC	\$ 712,550	5.33 %
Artesia Lot Holdings LLC	593,950	4.45
Forestar USA Real Estate Group, Inc.	448,000	3.35
Melody Homes Inc	426,290	3.19
HB At Raindance LLC	280,960	2.10
RainDance Metropolitan District No. 1	108,110	0.81
Aspen View Homes LLC	98,080	0.73
Raindance Land Company LLC	80,360	0.60
DFH Mandarin LLC	78,400	0.59
Public Service CO of COLO (XCEL)	76,610	0.58
Total	\$ 2,903,310	21.73 %

**2020 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT
2018 CDA FORM SECTION 4 (a) 4**

<u>Property Class</u>	Total Assessed Valuation	Percentage of Assessed Valuation
Residential	\$ 9,868,430	73.86 %
Commercial	860,770	6.44
State Assessed	76,610	0.57
Minerals	2,880	0.03
Vacant Land	2,552,330	19.10
Total	\$ 13,361,020	100.00 %

**SENIOR DEBT TO ASSESSED RATIO
2018 CDA FORM SECTION 4 (a) 5**

Outstanding Principal Amount for Senior Debt as of December 31, 2020	\$ 16,450,000
2020 Final Assessed Valuation of the District for 2021 Collection Year	13,361,020
Senior Debt to Assessed Ratio	1.23x

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**SUMMARY OF GENERAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
2018 CDA FORM SECTION 4 (a) 6**

	2016	2017	2018	2019	2020
REVENUES					
Property Taxes	\$ 273	\$ 273	\$ 504	\$ 8,939	\$ 50,497
Specific Ownership Taxes	15	21	39	605	2,397
Interest Income	5	-	-	-	34
Total Revenues	<u>293</u>	<u>294</u>	<u>543</u>	<u>9,544</u>	<u>52,928</u>
EXPENDITURES					
County Treasurer's Fees	4	4	8	134	758
Banking Fees	-	-	60	-	-
Transfer to District No. 1	496	290	470	9,410	52,170
Total Expenditures	<u>500</u>	<u>294</u>	<u>538</u>	<u>9,544</u>	<u>52,928</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(207)</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(207)	-	5	-	-
Fund Balances - Beginning of Year	<u>207</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

Source: The District's unaudited financial statements for the calendar years ended December 31, 2016 and December 31, 2017, and the audited financial statements for the calendar years ended December 31, 2018 through December 31, 2020.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**SUMMARY OF DEBT SERVICE FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
2018 CDA FORM SECTION 4 (a) 7**

	2016	2017	2018	2019	2020
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 126,473
Specific Ownership Taxes	-	-	-	-	6,003
Interest Income	-	-	45,404	90,589	52,758
Facilities Fees	-	-	282,500	820,000	647,500
Total Revenues	-	-	327,904	910,589	832,734
EXPENDITURES					
County Treasurer's Fees	-	-	-	-	1,898
Paying Agent Fees	-	-	-	6,000	2,500
Investment Advisory Fees	-	-	5,139	5,065	4,623
Bond Interest - Series 2018A	-	-	509,722	945,875	945,875
Total Expenditures	-	-	514,861	956,940	954,896
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(186,957)	(46,351)	(122,162)
OTHER FINANCING SOURCES (USES)					
Transfer from Other Funds	-	-	2,880,317	-	3
Total Other Financing Sources (Uses)	-	-	2,880,317	-	3
NET CHANGE IN FUND BALANCES	-	-	2,693,360	(46,351)	(122,159)
Fund Balances - Beginning of Year	-	-	-	2,693,360	2,647,009
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,693,360</u>	<u>\$ 2,647,009</u>	<u>\$ 2,524,850</u>

Source: The District's unaudited financial statements for the calendar years ended December 31, 2016 and December 31, 2017, and the audited financial statements for the calendar years ended December 31, 2018 through December 31, 2020.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**SUMMARY OF CAPITAL PROJECTS FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
2018 CDA FORM SECTION 4 (a) 8**

	2016	2017	2018	2019	2020
REVENUES					
Interest Income	\$ -	\$ -	\$ 69,938	\$ 15,247	\$ -
Transfer from District No. 1	-	-	10,500	-	-
Series 2018A Bond Issuance	-	-	16,450,000	-	-
Series 2018B Bond Issuance	-	-	2,840,000	-	-
Total Revenues	-	-	19,370,438	15,247	-
EXPENDITURES					
Transfer to District No. 1	-	-	14,568,088	1,020,332	-
Cost of Issuance	-	-	916,908	-	-
Total Expenditures	-	-	15,484,996	1,020,332	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,885,442	(1,005,085)	-
OTHER FINANCING SOURCES (USES)					
Transfer to Other Funds	-	-	(2,880,317)	-	(3)
Total Other Financing Sources (Uses)	-	-	(2,880,317)	-	(3)
NET CHANGE IN FUND BALANCES	-	-	1,005,125	(1,005,085)	(3)
Fund Balances - Beginning of Year	-	-	-	1,005,125	40
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,005,125</u>	<u>\$ 40</u>	<u>\$ 37</u>

Source: The District's unaudited financial statements for the calendar years ended December 31, 2016 and December 31, 2017, and the audited financial statements for the calendar years ended December 31, 2018 through December 31, 2020.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**GENERAL FUND BUDGET SUMMARY
2018 CDA FORM SECTION 4 (a) 9**

	2019 Adopted Budget	2019 Year-End Actual	2020 Adopted Budget	2020 Year-End Actual
REVENUES				
Property Taxes	\$ 8,938	\$ 8,939	\$ 50,497	\$ 50,497
Specific Ownership Taxes	715	605	3,535	2,397
Interest Income	-	-	-	34
Total Revenues	<u>9,653</u>	<u>9,544</u>	<u>54,032</u>	<u>52,928</u>
EXPENDITURES				
County Treasurer's Fees	134	134	757	758
Transfer to District No. 1	9,519	9,410	53,275	52,170
Total Expenditures	<u>9,653</u>	<u>9,544</u>	<u>54,032</u>	<u>52,928</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	-	5	5	5
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2019 and December 31, 2020, and the District's audited financial statements for the calendar years ended December 31, 2019 and December 31, 2020.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**DEBT SERVICE FUND BUDGET SUMMARY
2018 CDA FORM SECTION 4 (a) 10**

	2019 Amended Budget	2019 Year-End Actual	2020 Adopted Budget	2020 Year-End Actual
REVENUES				
Property Taxes	\$ -	\$ -	\$ 126,472	\$ 126,473
Specific Ownership Taxes	-	-	8,853	6,003
Interest Income	90,560	90,589	48,251	52,758
Facilities Fees	777,500	820,000	500,000	647,500
Total Revenues	<u>868,060</u>	<u>910,589</u>	<u>683,576</u>	<u>832,734</u>
EXPENDITURES				
County Treasurer's Fees	-	-	1,897	1,898
Contingency	2,925	-	-	-
Investment Advisory Fees	6,000	6,000	5,500	4,623
Paying Agent Fees	5,200	5,065	6,728	2,500
Bond Interest - Series 2018A	945,875	945,875	945,875	945,875
Total Expenditures	<u>960,000</u>	<u>956,940</u>	<u>960,000</u>	<u>954,896</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(91,940)	(46,351)	(276,424)	(122,162)
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds	-	-	-	3
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
NET CHANGE IN FUND BALANCES	(91,940)	(46,351)	(276,424)	(122,159)
Fund Balances - Beginning of Year	<u>2,693,360</u>	<u>2,693,360</u>	<u>2,604,345</u>	<u>2,647,009</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,601,420</u>	<u>\$ 2,647,009</u>	<u>\$ 2,327,921</u>	<u>\$ 2,524,850</u>

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2019 and December 31, 2020, and the District's audited financial statements for the calendar years ended December 31, 2019 and December 31, 2020.

**RAINDANCE METROPOLITAN DISTRICT NO. 3
OTHER INFORMATION FOR 2018 CDA
DECEMBER 31, 2020**

**CAPITAL PROJECTS FUND BUDGET SUMMARY
2018 CDA FORM SECTION 4 (a) 11**

	2019 Amended Budget	2019 Year-End Actual	2020 Amended Budget	2020 Year-End Actual
REVENUES				
Interest Income	\$ 15,875	\$ 15,247	\$ -	\$ -
Total Revenues	15,875	15,247	-	-
EXPENDITURES				
Transfer to District No. 1	1,021,000	1,020,332	-	-
Total Expenditures	1,021,000	1,020,332	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(1,005,125)	(1,005,085)	-	-
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds	-	-	(3)	(3)
Total Other Financing Sources (Uses)	-	-	(3)	(3)
NET CHANGE IN FUND BALANCES				
	(1,005,125)	(1,005,085)	(3)	(3)
Fund Balances - Beginning of Year	1,005,125	1,005,125	40	40
FUND BALANCES - END OF YEAR	\$ -	\$ 40	\$ 37	\$ 37

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2019 and December 31, 2020, and the District's audited financial statements for the calendar years ended December 31, 2019 and December 31, 2020.