

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
Adams County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Bromley Park Metropolitan District No. 3
Adams County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bromley Park Metropolitan District No. 3 (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bromley Park Metropolitan District No. 3, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the general fund budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The debt service fund and capital project fund budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, debt service fund and capital expansion fund budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of debt service requirements to maturity and the schedule of assessed valuation, mill levy, and property taxes collected, but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The Adams Group, LLC

Greenwood Village, Colorado
April 25, 2025

BASIC FINANCIAL STATEMENTS

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
ASSETS	
Cash and Cash Equivalents - Unrestricted	\$ 957,023
Cash and Cash Equivalents - Restricted	2,591,569
Property Tax Receivable	2,468,129
Receivable from County Treasurer	9,248
Capital Assets:	
Capital Assets Not Being Depreciated	508,010
Capital Assets Net of Depreciation	1,143,250
Total Assets	7,677,229
LIABILITIES	
Accounts Payable	326,038
Accrued Interest	111,361
Noncurrent Liabilities:	
Due Within One Year	858,500
Due in More Than One Year	33,140,555
Total Liabilities	34,436,454
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	2,468,129
Total Deferred Inflows of Resources	2,468,129
NET POSITION	
Net Investment in Capital Assets	1,651,260
Restricted for:	
Emergency Reserve	25,600
Debt Service	446,437
Capital Projects	1,861,885
Net Position - Unrestricted (Deficit)	(33,212,536)
Total Net Position	\$ (29,227,354)

See accompanying Notes to Basic Financial Statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 5,070,057	\$ -	\$ -	\$ -	\$ (5,070,057)
Interest on Long-Term Debt and Related Costs	2,436,022	-	-	-	(2,436,022)
Total Governmental Activities	\$ 7,506,079	\$ -	\$ -	\$ -	(7,506,079)
GENERAL REVENUES					
Property Taxes					2,451,101
Specific Ownership Taxes					121,092
PILOT Revenues					73,250
Interest Income					76,384
Miscellaneous Revenue					10,512
Total General Revenues and Transfers					2,732,339
CHANGES IN NET POSITION					(4,773,740)
Net Position - Beginning of Year					(24,453,614)
NET POSITION - END OF YEAR					\$ (29,227,354)

See accompanying Notes to Basic Financial Statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents - Unrestricted	\$ 868,171	\$ -	\$ 88,852	\$ 957,023
Cash and Cash Equivalents - Restricted	25,600	791,481	1,774,488	2,591,569
Receivable from County Treasurer	2,431	6,817	-	9,248
Property Tax Receivable	265,735	2,202,394	-	2,468,129
Total Assets	<u>\$ 1,161,937</u>	<u>\$ 3,000,692</u>	<u>\$ 1,863,340</u>	<u>\$ 6,025,969</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 84,083	\$ 240,500	\$ 1,455	\$ 326,038
Total Liabilities	84,083	240,500	1,455	326,038
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	265,735	2,202,394	-	2,468,129
Total Deferred Inflows of Resources	265,735	2,202,394	-	2,468,129
FUND BALANCES				
Restricted for:				
Emergency Reserves	25,600	-	-	25,600
Debt Service	-	557,798	-	557,798
Capital Projects	-	-	1,861,885	1,861,885
Unassigned	786,519	-	-	786,519
Total Fund Balances	812,119	557,798	1,861,885	3,231,802
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,161,937</u>	<u>\$ 3,000,692</u>	<u>\$ 1,863,340</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,651,260
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Interest	(111,361)
Bonds Payable	(33,679,500)
Unamortized Bond Premium	(319,555)
Net Position of Governmental Activities	<u>\$ (29,227,354)</u>

See accompanying Notes to Basic Financial Statements.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property Taxes	\$ 694,397	\$ 1,756,704	\$ -	\$ 2,451,101
Specific Ownership Taxes	31,835	89,257	-	121,092
PILOT Revenues	73,250	-	-	73,250
Interest Income	44,916	31,291	177	76,384
Miscellaneous Revenue	10,512	-	-	10,512
Total Revenues	<u>854,910</u>	<u>1,877,252</u>	<u>177</u>	<u>2,732,339</u>
EXPENDITURES				
Current:				
Accounting	47,236	-	-	47,236
Accounting Consulting	94,185	-	-	94,185
Auditing	9,500	-	-	9,500
County Treasurer's Fee	10,683	26,256	-	36,939
Directors' Fees	2,500	-	-	2,500
District Management	96,158	-	9,730	105,888
Dues and Membership	1,238	-	-	1,238
Insurance	6,220	-	-	6,220
Intergovernmental Expenditures	-	-	4,600,000	4,600,000
Legal	27,771	-	-	27,771
Miscellaneous	247	-	-	247
Payroll Taxes	191	-	-	191
Repairs and Maintenance	40,543	-	-	40,543
Surveys and Locates	36,623	-	-	36,623
Utilities	10,051	-	-	10,051
Debt Service:				
Note Interest	-	1,391,838	-	1,391,838
Note Principal	-	26,598,500	-	26,598,500
Note Issuance Cost	-	1,013,687	-	1,013,687
Paying Agent Fees	-	2,500	-	2,500
Capital Projects:				
Capital Outlay	-	-	262,855	262,855
Total Expenditures	<u>383,146</u>	<u>29,032,781</u>	<u>4,872,585</u>	<u>34,288,512</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	471,764	(27,155,529)	(4,872,408)	(31,556,173)
OTHER FINANCING SOURCES (USES)				
Bonds Proceeds	-	23,940,000	-	23,940,000
Bond Premium	-	319,555	-	319,555
Transfers In/(Out)	(850,000)	850,000	-	-
Total Other Financing Sources (Uses)	<u>(850,000)</u>	<u>25,109,555</u>	<u>-</u>	<u>24,259,555</u>
NET CHANGE IN FUND BALANCES	(378,236)	(2,045,974)	(4,872,408)	(7,296,618)
Fund Balances - Beginning of Year	<u>1,190,355</u>	<u>2,603,772</u>	<u>6,734,293</u>	<u>10,528,420</u>
FUND BALANCES - END OF YEAR	<u>\$ 812,119</u>	<u>\$ 557,798</u>	<u>\$ 1,861,885</u>	<u>\$ 3,231,802</u>

See accompanying Notes to Basic Financial Statements.

**BROMLEY PARK 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, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ (7,296,618)

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

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

Capital Outlay	262,855
Depreciation Expense	(77,181)

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

Bond Proceeds	(23,940,000)
Bond Premium	(319,555)
Note Principal	26,598,500

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

Accrued Interest Payable - Change in Liability	(1,741)
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Changes in Net Position of Governmental Activities	\$ (4,773,740)
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BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 DEFINITION OF REPORTING ENTITY

Bromley Park Metropolitan District No. 3 (District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized on April 23, 1985 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado, entirely within the City of Brighton (City).

The District was established principally to provide water, sanitary sewer and storm drainage services, and to provide for the construction, installation, financing, operation and maintenance of streets, park and recreation, mosquito control, transportation and television relay systems and improvements to areas within and without the boundaries of the District. The District has no employees, and all operations and administrative functions are contracted.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds, notes and developer advances are recorded as a reduction in liabilities.

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 government 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. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred, or the long-term obligation is due. All other revenue items are considered to be measurable and available only when cash is received by the District.

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 other funds.

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

The *Capital Projects Fund* is used to account for the financial resources to be used for the acquisition and construction of infrastructure in conjunction with the bond financing terms.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

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, 2024.

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include equipment and infrastructure assets (e.g., wells, storm drainage and similar items), are reported as a governmental activity in the government-wide financial statements. Such assets are recorded at acquisition value or estimated acquisition value if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. It is the District's policy to capitalize those assets with a cost or value of \$5,000 or more.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements that will be dedicated to other governmental entities are not depreciated. Improvements to be owned by the District, with the exception of certain landscaping improvements (e.g., trees, sod, and similar items), are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Landscaping Improvements	20-50 years
Park and Recreation Equipment	15-20 years

Certain capital assets constructed by the District in prior years have been conveyed to other governmental entities.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Bond Issue Discount/Premium

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

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.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

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

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

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

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

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

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.

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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.

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 957,023
Cash and Investments - Restricted	2,591,569
Total Cash and Investments	\$ 3,548,592

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

Deposits with Financial Institutions	\$ 2,885,212
Investments	663,380
Total Cash and Investments	\$ 3,548,592

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, 2024, the District had a bank balance and carrying balance of \$2,885,212.

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has adopted an investment policy by which it follows state statutes regarding investments.

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

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

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

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

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Invesco	Weighted-Average	
Treasury Obligation #1932	Under 60 Days	\$ 252,543
 Colorado Local Government Liquid Asset Trust (COLOTRUST)	 Weighted-Average Under 60 Days	 410,837
		<u>\$ 663,380</u>

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

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 currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

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

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

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

Invesco Treasury Obligation #1932

The debt service money that is included in the trust accounts at BOK is invested in the Invesco Treasury Portfolio. This portfolio is a money market fund that is managed by Invesco. The fund is AAA rated and invests exclusively in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations. The average maturity of the underlying securities is 60 days or less. The fund records its investments at net asset value and the District records its investment in the fund at net asset value.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 245,155	\$ 262,855	\$ -	\$ 508,010
Total Capital Assets, Not Being Depreciated	245,155	262,855	-	508,010
Capital Assets, Being Depreciated:				
Fixed Assets- buildings				-
Storm Drainage	2,688,154	-	-	2,688,154
Landscaping Improvements	998,284	-	-	998,284
Park and Recreation Equipment	99,821	-	-	99,821
Total Capital Assets, Being Depreciated	3,786,259	-	-	3,786,259
Less Accumulated Depreciation for:				
Storm Drainage	(1,495,569)	(67,204)	-	(1,562,773)
Landscaping Improvements	(970,438)	(9,977)	-	(980,415)
Park and Recreation Equipment	(99,821)	-	-	(99,821)
Total Accumulated Depreciation	(2,565,828)	(77,181)	-	(2,643,009)
Total Capital Assets, Being Depreciated, Net	1,220,431	(77,181)	-	1,143,250
Governmental Activities Capital Assets, Net	<u>\$ 1,465,586</u>	<u>\$ 185,674</u>	<u>\$ -</u>	<u>\$ 1,651,260</u>

In accordance with the District's service plan, it is anticipated that, except for certain park, landscaping and local storm drainage infrastructure improvements, the District will dedicate the improvements and facilities to the County or its designee. Upon acceptance by the County or its designee for maintenance or ownership, the capital assets will be removed from the District's property records. Depreciation expense is charged to the general government function/program in the Statement of Activities.

The District, South Beebe Draw Metropolitan District (SBDMD) and others are party to an amended annexation agreement in which the District or SBDMD is responsible for street reconstruction and asphalt overlays on streets as requested by the City, as long as sales and use taxes are remitted by the City to SBDMD. SBDMD has budgeted to receive sales and use taxes in 2025.

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Memorandum of Agreement

On March 26, 2024, the District and Bromley Park Community Association, Inc. (the HOA) entered into an agreement where the District would fund and construct certain improvements that are mutually beneficial to the District and the HOA. The HOA will be responsible for the maintenance of the assets after completion of the project. The District will grant to the HOA easement agreement(s) to the portion(s) of the Districts property that contain where the improvements are located.

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds Payable					
General Obligation Bonds					
Series 2022	\$ 36,338,000	\$ -	\$ 26,598,500	\$ 9,739,500	\$ 448,500
Series 2024	-	23,940,000	-	23,940,000	410,000
Subtotal Bonds Payable	<u>36,338,000</u>	<u>23,940,000</u>	<u>26,598,500</u>	<u>33,679,500</u>	<u>858,500</u>
Bond Premium/Discount					
Bond Premium - Series 2024	-	319,555	-	319,555	-
Subtotal Bond Premium / Discount	<u>-</u>	<u>319,555</u>	<u>-</u>	<u>319,555</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 36,338,000</u>	<u>\$ 24,259,555</u>	<u>\$ 26,598,500</u>	<u>\$ 33,999,055</u>	<u>\$ 858,500</u>

General Obligation Limited Tax (Convertible to Unlimited Tax) Refunding and Improvement Bonds, Series 2022

On February 11, 2022, the District issued General Obligation Limited Tax (Convertible to Unlimited Tax) Refunding and Improvement Bonds, Series 2022 (Series 2022 Bonds) in the principal amount of \$37,000,000. The Series 2022 bonds were issued for the purpose of (i) current refund 100 percent of the outstanding Series 2017 Refunding and Improvement Bonds; (ii) acquire, construct, install, and equip certain public improvements and facilities authorized under the District's service plan; and (iii) pay costs in connection with the issuance of the Series 2022 Bonds.

The Series 2022 Bonds are secured by and payable solely from pledged revenue, which includes property taxes derived from the required mill levy, net of any costs of collection, specific ownership taxes, net of any costs of collection and any other legally available monies of the District credited to the Bond Fund. The Series 2022 Bonds are also secured by amounts held by the trustee in the reserve fund.

On December 1, 2024, the District entered into an amended and restated custodial agreement which changed the required reserve fund requirement to be not more than 5% of the remaining principal amount after the partial repayment as of the date of the agreement. As of December 31, 2024, the balance of the reserve fund was \$486,975.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 LONG TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax (Convertible to Unlimited Tax) Refunding and Improvement Bonds, Series 2022 (Continued)

The Series 2022 Bonds bear interest, payable semi-annually on June 1 and December 1, are a rate of 3.62%. Payments of interest commence on June 1, 2022. Payments of principal are payable annually on December 1 in each year, commencing on December 1, 2022.

The Series 2022 Bonds are subject to mandatory sinking fund redemption prior to the maturity date, in part, upon payment of par and accrued interest, without redemption premium, in such manner as determined by the trustee. The optional call provisions are as follows:

<u>Optional Redemption</u>	<u>Redemption Premium</u>
Current Date Through February 24, 2025	103%
February 25, 2025 Through February 24, 2027	102%
February 25, 2027 Through February 24, 2029	101%
February 25, 2029 and Thereafter	100%

Significant events of default under the Series 2022 Bonds include (i) failure to impose required mill levy or apply required pledged revenues, (ii) failure to meet financial or custodial agreement covenants and (iii) filing of a petition for bankruptcy.

Annual debt service requirements to maturity on the Series 2022 Bonds are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 448,500	\$ 352,570	\$ 801,070
2026	493,500	336,334	829,834
2027	548,500	318,470	866,970
2028	603,500	298,614	902,114
2029	663,500	276,767	940,267
2030-2034	4,292,500	977,400	5,269,900
2035-2036	2,689,500	155,859	2,845,359
Total	<u>\$ 9,739,500</u>	<u>\$ 2,716,014</u>	<u>\$ 12,455,514</u>

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 LONG TERM OBLIGATIONS (CONTINUED)

Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2024

On December 30, 2024, Bromley Park Metropolitan District No. 3 (the District) issued \$23,940,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2024 (the Bonds). The Bonds were issued pursuant to an Indenture of Trust dated December 1, 2024, between the District and BOKF, NA, Denver, Colorado, as trustee (the Trustee). The Bonds are secured by and payable solely from the "Pledged Revenue," consisting of the moneys derived from the following sources: (a) the Required Mill Levy; (b) the portion of the Specific Ownership Tax collected as a result of the Required Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue. The Bonds will also be secured by the Reserve Fund in the amount of the Reserve Fund Requirement (\$2,394,000), which will be satisfied by the provision of a Reserve Policy issued concurrently with the delivery of the Bonds.

The proceeds from the sale of the Bonds will be used for the purposes of: (a) refunding a portion of the District's Series 2022 Note; and (b) paying the costs of issuing the Bonds, including the premium for the Insurance Policy and the Reserve Policy. The scheduled payment of principal and interest on the Bonds when due will be guaranteed under an insurance policy issued concurrently with the delivery of the Bonds by Assured Guaranty Inc.

The Bonds bear interest between 4.00% and 5.00% payable semiannually on June 1 and December 1 each year, commencing June 1, 2025. The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity at the prices and upon the terms set forth in the Indenture.

The Series 2024 Bonds are subject to mandatory sinking fund redemption prior to the maturity date, in part, upon payment of par and accrued interest, without redemption premium, in such manner as determined by the trustee. The optional call provisions are as follows:

<u>Optional Redemption</u>	<u>Redemption Premium</u>
December 1, 2029 Through November 30, 2030	3.00%
December 1, 2030 Through November 30, 2031	2.00%
December 1, 2031 Through November 30, 2032	1.00%
December 1, 2031 and Thereafter	0.00%

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 LONG TERM OBLIGATIONS (CONTINUED)

**Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds,
Series 2024 (Continued)**

Annual debt service requirements to maturity on the Series 2024 Bonds are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 410,000	\$ 983,760	\$ 1,393,760
2026	410,000	1,049,450	1,459,450
2027	390,000	1,028,950	1,418,950
2028	440,000	1,009,450	1,449,450
2029	425,000	987,450	1,412,450
2030-2034	2,530,000	4,589,000	7,119,000
2035-2039	6,630,000	3,783,000	10,413,000
2040-2044	12,705,000	1,580,200	14,285,200
Total	<u>\$ 23,940,000</u>	<u>\$ 15,011,260</u>	<u>\$ 38,951,260</u>

Refunding

In the government-wide statements, the District incurred a premium on bond refunding in the amount of \$319,555, which has been deferred and is being amortized over the life of the Series 2024 Bonds.

Authorized Debt

The District has held multiple elections since its formation to authorize the issuance of general obligation debt, and has previously issued bonds using a portion of this authorization. All such electoral authorization for the issuance of indebtedness has expired except for the issuance of refunding bonds. The 2024 Bonds constitutes a refinancing of District indebtedness at a lower interest rate, no electoral authorization was required with respect to the 2024 Bonds. The Service Plan does not establish a debt limit for general obligation debt issued by the District.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

The net investment in capital assets consists of capital assets that are recorded by the District, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. As of December 31, 2024, the District had a net investment in capital assets in the amount of \$1,651,260.

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 6 NET POSITION (CONTINUED)

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

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 25,600
Debt Service Reserve	446,437
Capital Projects	1,861,885
Total Restricted Net Position	\$ 2,333,922

As of December 31, 2024, the District has a deficit in unrestricted net position. This deficit amount is the result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities.

NOTE 7 RELATED PARTIES

The members of the Board of Directors of the District, South Beebe Draw Metropolitan District (SBDMD), Adams East Metropolitan District, BPMD No. 5 and BPMD No. 6 are employees of, owners of, or otherwise associated with BPK, and/or the Bromley Companies, and/or Bromley Park Industrial Land Company, LLC, RAL Holdings, LLC, and/or WCD CORP, (referred to herein as the Affiliates) and may have conflicts of interest in dealing with the District. BPK is the current owner of part of the property previously owned in the District by Bromley Park Associates, Ltd. Specific details of transactions with the Affiliates regarding organization, advances, and debt are described elsewhere in these notes.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS

Cost Sharing Intergovernmental Agreement

Effective January 1, 2019, the District and Adams East entered into a Cost Sharing Intergovernmental Agreement (CSIA) to designate funds and allocate responsibilities for the financing and construction of public improvements for certain projects to provide efficiencies of scale and cost by collaborating and sharing costs for those certain projects.

Under the CSIA, the District and Adams East will append a project statement of work as an exhibit to the CSIA. The exhibit shall be mutually agreed-upon by both districts and duly approved and executed as of the date of such agreement.

The CSIA renews on a calendar-year basis unless either the District or Adams East provides a notice of intent to terminate by October 1 of the current contract year. Neither party provided a notice of intent to terminate during the 2024 calendar year, so the CSIA automatically renewed for one year beginning January 1, 2025.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

Intergovernmental Agreement for Project Improvements

Effective June 27, 2023, the District and South Beebe Draw Metropolitan District entered into an intergovernmental agreement where the District will finance improvements within the District's boundaries and South Beebe will inspect and perform cost certifications for the improvements. During 2023 the District transferred \$5,000,000 (Estimated Project Cost) of funds to South Beebe per the agreement. If the Estimated Project Cost exceeds the actual cost South Beebe Draw shall fund the excess.

City of Brighton

The Districts agree to perform street reconstruction and asphalt overlays on all streets as requested from the City as long as the sales and use taxes are remitted by the City to SBDMD.

Cost Sharing Infrastructure Agreement

Effective January 1, 2019, the District and Adams East Metropolitan District (AEMD) entered into a Cost Sharing Intergovernmental Agreement (CSIA) to designate funds and allocate responsibilities for the financing and construction of public improvements for certain projects to provide efficiencies of scale and cost by collaborating and sharing costs for those certain projects which benefits both districts.

On November 26, 2024, the District and Adams East Metropolitan District (AEMD) entered into an agreement (Brighton Crossings Traffic Signal Project) for the design and construction of a traffic signal at the intersection of 50th Avenue and Bridge Street. The public improvements are to be designed and constructed by AEMD for the benefit of the District, and it is anticipated that the District, AEMD, or the City of Brighton will acquire such improvements upon their completion. The agreement shall remain in effect until the earlier of the date on which: (i) the project fund is exhausted; (ii) the improvements are complete and fully funded from the project fund, and any remaining amounts in the project fund have been returned to the District from AEMD; or (iii) the Districts mutually agree to terminate the agreement. During 2024, the District remitted \$850,000 to AEMD pursuant to the agreement.

On November 26, 2024, the District and Adams East Metropolitan District (AEMD) entered into an agreement (Silver Peaks Mixed Use Project) for the design, construction, and funding of public improvements. The public improvements are to be designed and constructed by AEMD for the benefit of the District, and it is anticipated that the District, AEMD, or the Town of Lochbuie will acquire such improvements upon their completion. The agreement shall remain in effect until the earlier of the date on which: (i) the project fund is exhausted; (ii) the improvements are complete and fully funded from the project fund, and any remaining amounts in the project fund have been returned to the District from AEMD; or (iii) the Districts mutually agree to terminate the agreement. During 2024, the District remitted \$3,750,000 to AEMD pursuant to the agreement.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 9 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.

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. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATION

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

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

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

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

On November 8, 1994, a majority of the District's electors authorized the District to collect and spend or retain in reserve (1) taxes of \$500,000 annually up to 40.0 mills for District operations and maintenance, (2) taxes of \$28,222,100 annually without limitation of rate to pay the District's general obligation bonds or other obligations, (3) taxes of \$43,700,000 annually without limitation of rate to pay the District's obligations under an agreement with SBD, BPMD No. 2 and BC for joint financing of public improvements and (4) other revenue up to \$6,712,500 annually, all without regard to any spending, revenue-raising or other limitation imposed by TABOR.

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 11 SUBSEQUENT EVENTS

Subsequent to December 31, 2024, the District entered into an Intergovernmental agreement with South Beebe Draw Metropolitan District (South Beebe) for the southern street channelization project on February 1, 2025. This agreement involves funding the construction and installation of local and regional storm drainage systems and facilities. The total estimated cost of the project is \$565,000, with the District funding the design and construction and South Beebe providing project management services.

Subsequent to December 31, 2024, the District finalized a Project Statement of Work No. 3 (SOW3) with Adams East Metropolitan District (AEMD) for the Brighton Crossings development project on February 25, 2025. This agreement involves funding the construction, repair, asphalt mill and overlay, crack sealing, and striping for roadways at the project location. The total estimated cost of the project is \$414,000, with the District funding the design and construction and AEMD providing project management services.

REQUIRED SUPPLEMENTARY INFORMATION

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 696,960	\$ 696,960	\$ 694,397	\$ (2,563)
Specific Ownership Taxes	44,011	34,000	31,835	(2,165)
PILOT Revenues	29,500	73,250	73,250	-
Interest Income	50	38,000	44,916	6,916
Miscellaneous Revenue	200	10,512	10,512	-
Total Revenues	<u>770,721</u>	<u>852,722</u>	<u>854,910</u>	<u>2,188</u>
EXPENDITURES				
Accounting	45,100	50,000	47,236	2,764
Accounting Consulting	30,000	75,000	94,185	(19,185)
Auditing	9,500	9,500	9,500	-
Contingency	12,163	15,000	-	15,000
County Treasurer'S Fee	9,431	10,750	10,683	67
Directors' Fees	4,000	4,000	2,500	1,500
District Management	38,000	40,000	96,158	(56,158)
Dues and Membership	2,500	1,238	1,238	-
Engineering	10,000	5,000	-	5,000
Insurance	7,000	6,220	6,220	-
Legal	38,500	40,000	27,771	12,229
Miscellaneous	1,000	89,986	247	89,739
Payroll Taxes	306	306	191	115
Repairs and Maintenance	135,000	60,000	40,543	19,457
Surveys and Locates	10,000	34,000	36,623	(2,623)
Utilities	8,500	9,000	10,051	(1,051)
Total Expenditures	<u>361,000</u>	<u>450,000</u>	<u>383,146</u>	<u>66,854</u>
EXCESS OF REVENUES OVER EXPENDITURES	409,721	402,722	471,764	69,042
OTHER FINANCING SOURCES (USES)				
Transfers To Other Fund	-	(850,000)	(850,000)	-
Total Other Financing Uses	<u>-</u>	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	409,721	(447,278)	(378,236)	69,042
Fund Balance - Beginning of Year	<u>608,680</u>	<u>1,190,355</u>	<u>1,190,355</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,018,401</u>	<u>\$ 743,077</u>	<u>\$ 812,119</u>	<u>\$ 69,042</u>

SUPPLEMENTARY INFORMATION

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 1,762,898	\$ 1,762,898	\$ 1,756,704	\$ (6,194)
Specific Ownership Taxes	123,403	100,000	89,257	(10,743)
Interest Income	50,000	35,000	31,291	(3,709)
Total Revenues	<u>1,936,301</u>	<u>1,897,898</u>	<u>1,877,252</u>	<u>(20,646)</u>
EXPENDITURES				
County Treasurer's Fee	23,176	26,443	26,256	187
Paying Agent Fees	12,000	2,500	2,500	-
Note Interest	1,315,436	1,435,436	1,391,838	43,598
Note Principal	398,500	27,900,000	26,598,500	1,301,500
Note Issuance Cost	-	1,526,378	1,013,687	512,691
Contingency	-	609,243	-	609,243
Total Expenditures	<u>1,749,112</u>	<u>31,500,000</u>	<u>29,032,781</u>	<u>2,467,219</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	187,189	(29,602,102)	(27,155,529)	2,446,573
OTHER FINANCING SOURCES (USES)				
Bonds Proceeds	-	27,000,000	23,940,000	(3,060,000)
Bond Premium Revenue	-	-	319,555	319,555
Transfers From Other Funds	-	500,000	850,000	350,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>27,500,000</u>	<u>25,109,555</u>	<u>(2,390,445)</u>
NET CHANGE IN FUND BALANCE	187,189	(2,102,102)	(2,045,974)	56,128
Fund Balance - Beginning of Year	<u>2,587,940</u>	<u>2,603,772</u>	<u>2,603,772</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,775,129</u>	<u>\$ 501,670</u>	<u>\$ 557,798</u>	<u>\$ 56,128</u>

**BROMLEY PARK METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Interest Income	\$ -	\$ 177	\$ 177
Total Revenues	<u>-</u>	<u>177</u>	<u>177</u>
EXPENDITURES			
District Management	-	9,730	(9,730)
Intergovernmental Expenditures	-	4,600,000	(4,600,000)
Capital Outlay	6,732,683	262,855	6,469,828
Total Expenditures	<u>6,732,683</u>	<u>4,872,585</u>	<u>1,860,098</u>
NET CHANGE IN FUND BALANCE	(6,732,683)	(4,872,408)	1,860,275
Fund Balance - Beginning of Year	<u>6,732,683</u>	<u>6,734,293</u>	<u>1,610</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,861,885</u>	<u>\$ 1,861,885</u>

OTHER INFORMATION

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2024

\$37,000,000 Series 2022
 General Obligation Limited Tax (Convertible to Unlimited Tax)
 Refunding and Improvement Bonds
 Interest Rate of 3.62%
 Payable on June 1 and December 1
 Principal Due on December 1

Year Ended December 31,	Principal	Interest	Total
2025	\$ 448,500	\$ 352,570	\$ 801,070
2026	493,500	336,334	829,834
2027	548,500	318,470	866,970
2028	603,500	298,614	902,114
2029	663,500	276,767	940,267
2030	728,500	252,748	981,248
2031	788,500	226,377	1,014,877
2032	853,500	197,833	1,051,333
2033	923,500	166,936	1,090,436
2034	998,500	133,506	1,132,006
2035	1,073,500	97,360	1,170,860
2036	1,616,000	58,499	1,674,499
Total	<u>\$ 9,739,500</u>	<u>\$ 2,716,014</u>	<u>\$ 12,455,514</u>

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2024

\$23,940,000 Series 2024
 Limited Tax (Convertible to Unlimited Tax)
 General Obligation Refunding Bonds
 Interest Rates of 4.00 - 5.00%
 Payable on June 1 and December 1
 Principal Due on December 1

Year Ended December 31,	Principal	Interest	Total
2025	\$ 410,000	\$ 983,760	\$ 1,393,760
2026	410,000	1,049,450	1,459,450
2027	390,000	1,028,950	1,418,950
2028	440,000	1,009,450	1,449,450
2029	425,000	987,450	1,412,450
2030	475,000	966,200	1,441,200
2031	465,000	942,450	1,407,450
2032	520,000	919,200	1,439,200
2033	505,000	893,200	1,398,200
2034	565,000	867,950	1,432,950
2035	550,000	839,700	1,389,700
2036	150,000	812,200	962,200
2037	1,830,000	804,700	2,634,700
2038	2,000,000	713,200	2,713,200
2039	2,100,000	613,200	2,713,200
2040	2,285,000	508,200	2,793,200
2041	2,375,000	416,800	2,791,800
2042	2,550,000	321,800	2,871,800
2043	2,655,000	219,800	2,874,800
2044	2,840,000	113,600	2,953,600
Total	<u>\$ 23,940,000</u>	<u>\$ 15,011,260</u>	<u>\$ 38,951,260</u>

BROMLEY PARK METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ACTUAL VALUATION, ASSESSED VALUATION, MILL LEVY, AND PROPERTY
TAXES COLLECTED
DECEMBER 31, 2024

Year Ended December 31,	Prior Year Actual Valuation for Current	Prior Year Assessed Valuation for Current	Percent Change	Total Mills Levied	Total Property Taxes		Percent Collected to Levied
	Year Property Tax Levy	Year Property Tax Levy			Levied	Collected	
2020	\$ 407,738,075	\$ 30,211,030	0.0%	60.622	\$ 1,831,453	\$ 1,802,962	98.44 %
2021	406,777,041	30,289,390	0.3%	60.622	1,836,203	1,856,941	101.13 %
2022	443,499,906	32,805,890	8.3%	60.858	1,996,500	1,964,606	98.40 %
2023	437,165,843	31,783,280	-3.1%	62.339	1,981,338	1,981,042	99.99 %
2024	581,033,430	40,997,620	29.0%	60.000	2,459,858	2,451,101	99.64 %
Estimated for Year Ending December 31, 2025	\$ 577,440,811	\$ 41,135,480	0.3%	60.000	\$ 2,468,129		

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

Source: Adams County Assessor and Treasurer.