

**Siena Lake Metropolitan District
Eagle County, Colorado**

FINANCIAL STATEMENTS

With Independent Auditor's Report

December 31, 2024

Siena Lake Metropolitan District

TABLE OF CONTENTS

December 31, 2024

Independent Auditor’s Report 1

Basic Financial Statements:

 Government-Wide Financial Statements:

 Statement of Net Position 1

 Statement of Activities 2

 Fund Financial Statements:

 Balance Sheet – Governmental Funds 3

 Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Governmental Funds 4

 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances to the Statement of Activities 5

 Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – General Fund..... 6

 Notes to Financial Statements 7

Supplemental Information:

 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Debt Service Fund 23

 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget and Actual – Capital Projects Fund 24



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Siena Lake Metropolitan District
Eagle County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Siena Lake Metropolitan District (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 District as of December 31, 2024, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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 to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted 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.

Supplemental 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 supplemental information as identified in the table of contents is presented for the purposes of additional analysis and is 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Economic Dependency

As disclosed in Note 9 of the financial statements, the District has not yet established a revenue base sufficient to pay the District's operational expenditures. Until an independent revenue base is established, the District may be dependent upon the developer for funding continued operations.

Fiscal Focus Partners, LLC

Arvada, Colorado
March 3, 2025

BASIC FINANCIAL STATEMENTS

SIENA LAKE METROPOLITAN DISTRICT

STATEMENT OF NET POSITION

December 31, 2024

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| ASSETS | |
| Cash and investments | \$ 102,252 |
| Cash and investments - restricted | 4,398,294 |
| Due from county treasurer | 857 |
| Prepaid expense | 2,521 |
| Property taxes receivable | 189,014 |
| Capital assets, not being depreciated | 8,833,609 |
| Capital assets, net | <u>2,808,204</u> |
| Total assets | <u>16,334,751</u> |
| LIABILITIES | |
| Accounts payable | 13,623 |
| Payroll liabilities | 352 |
| Accrued interest payable | 57,455 |
| Noncurrent liabilities: | |
| Due in more than one year | <u>19,280,820</u> |
| Total liabilities | <u>19,352,250</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Property tax revenue | <u>189,014</u> |
| Total deferred inflows of resources | <u>189,014</u> |
| NET POSITION | |
| Restricted for: | |
| Emergencies | 2,650 |
| Debt service | 2,239,767 |
| Capital outlay | 2,156,513 |
| Unrestricted | <u>(7,605,443)</u> |
| Total net position | <u>\$ (3,206,513)</u> |

The accompanying Notes to the Financial Statements are an integral part of these statements.

SIENA LAKE METROPOLITAN DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

| | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense)</u> | |
|--|---------------------|-----------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Revenue and Changes in Net Position</u> |
| Functions/Programs: | | | | Governmental | |
| Primary government | | | | Activities | |
| General government | \$ 253,507 | \$ - | \$ - | \$ - | \$ (253,507) |
| Interest on long-term debt and related costs | 974,608 | - | - | - | (974,608) |
| Total primary government | <u>\$ 1,228,115</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>(1,228,115)</u> |
| General Revenues: | | | | | |
| | | | | | 189,791 |
| | | | | | 9,174 |
| | | | | | 569,050 |
| | | | | | 340 |
| | | | | | <u>768,355</u> |
| | | | | | (459,760) |
| | | | | | (2,746,753) |
| | | | | | <u>\$ (3,206,513)</u> |

The accompanying Notes to the Financial Statements are an integral part of these statements.

SIENA LAKE METROPOLITAN DISTRICT

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2024

| | General | Debt Service | Capital Projects | Total Governmental Funds |
|---|-------------------|-------------------------|-----------------------------|---|
| ASSETS | | | | |
| Cash and investments | \$ 102,252 | \$ - | \$ - | \$ 102,252 |
| Cash and investments - restricted | 2,650 | 2,239,131 | 2,156,513 | 4,398,294 |
| Due from county treasurer | 221 | 636 | - | 857 |
| Prepaid expense | 2,521 | - | - | 2,521 |
| Property taxes receivable | 47,815 | 141,199 | - | 189,014 |
| Total assets | \$ 155,459 | \$ 2,380,966 | \$ 2,156,513 | \$ 4,692,938 |
| LIABILITIES | | | | |
| Accounts payable | \$ 13,623 | \$ - | \$ - | \$ 13,623 |
| Payroll liabilities | 352 | - | - | 352 |
| Total liabilities | 13,975 | - | - | 13,975 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property tax revenue | 47,815 | 141,199 | - | 189,014 |
| Total deferred inflows of resources | 47,815 | 141,199 | - | 189,014 |
| FUND BALANCES | | | | |
| Nonspendable | | | | |
| Prepaid expenses | 2,521 | - | - | 2,521 |
| Restricted for: | | | | |
| Emergencies | 2,650 | - | - | 2,650 |
| Debt service | - | 2,239,767 | - | 2,239,767 |
| Capital projects | - | - | 2,156,513 | 2,156,513 |
| Assigned | | | | |
| Subsequent year's expenditures | 83,710 | - | - | 83,710 |
| Unassigned | 4,788 | - | - | 4,788 |
| Total fund balances | 93,669 | 2,239,767 | 2,156,513 | 4,489,949 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 155,459 | \$ 2,380,966 | \$ 2,156,513 | |

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:

| | |
|---------------------|------------|
| Capital assets, net | 11,641,813 |
|---------------------|------------|

Long-term liabilities, including bonds payable, developer advances and accrued interest, are not due and payable in the current period and therefore are not reported in the funds:

| | |
|---|--------------|
| Bonds payable | (17,803,000) |
| Developer advances | (1,273,580) |
| Accrued interest payable - bonds | (57,455) |
| Accrued interest payable - developer advances | (204,240) |
| | (19,338,275) |

| | |
|---|-----------------------|
| Net position of governmental activities | \$ (3,206,513) |
|---|-----------------------|

The accompanying Notes to the Financial Statements are an integral part of these statements.

SIENA LAKE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2024

| | General | Debt Service | Capital Projects | Total Governmental Funds |
|---|------------------|---------------------|---------------------|--------------------------------|
| REVENUES | | | | |
| Property taxes | \$ 49,946 | \$ 139,845 | \$ - | \$ 189,791 |
| Specific ownership tax | 2,363 | 6,811 | - | 9,174 |
| Miscellaneous income | 340 | - | - | 340 |
| Investment income | 3,071 | 134,968 | 431,011 | 569,050 |
| Total revenues | <u>55,720</u> | <u>281,624</u> | <u>431,011</u> | <u>768,355</u> |
| EXPENDITURES | | | | |
| General government | | | | |
| Accounting | 37,271 | - | 10,916 | 48,187 |
| Audit | 7,750 | - | - | 7,750 |
| Director's fees | 4,334 | - | - | 4,334 |
| Election | 354 | - | - | 354 |
| Engineering | - | - | 36,681 | 36,681 |
| Insurance | 3,759 | - | - | 3,759 |
| Legal | 25,490 | - | - | 25,490 |
| Office overhead and expense | 990 | - | - | 990 |
| Pump station share costs | 5,000 | - | 25,000 | 30,000 |
| Treasurers fees | 1,498 | 4,197 | - | 5,695 |
| Website | 1,415 | - | - | 1,415 |
| Debt Service | | | | |
| Bond interest | - | 898,892 | - | 898,892 |
| Bond principal | - | 6,762,000 | - | 6,762,000 |
| Trustee fee | - | 4,000 | - | 4,000 |
| Capital | | | | |
| Capital outlay | - | - | 3,098,889 | 3,098,889 |
| Total expenditures | <u>87,861</u> | <u>7,669,089</u> | <u>3,171,486</u> | <u>10,928,436</u> |
| Excess of revenues over (under) expenditures | (32,141) | (7,387,465) | (2,740,475) | (10,160,081) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Developer advance | 96,500 | - | 309,889 | 406,389 |
| Transfers in/(out) | - | 6,873,628 | (6,873,628) | - |
| Total other financing sources (uses) | <u>96,500</u> | <u>6,873,628</u> | <u>(6,563,739)</u> | <u>406,389</u> |
| Net change in fund balances | 64,359 | (513,837) | (9,304,214) | (9,753,692) |
| Fund balances - beginning | <u>29,310</u> | <u>2,753,604</u> | <u>11,460,727</u> | <u>14,243,641</u> |
| Fund balances - ending | <u>\$ 93,669</u> | <u>\$ 2,239,767</u> | <u>\$ 2,156,513</u> | <u>\$ 4,489,949</u> |

The accompanying Notes to the Financial Statements are an integral part of these statements.

SIENA LAKE METROPOLITAN DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2024

| | |
|---|----------------------------|
| Net change in fund balances - governmental funds | \$ (9,753,692) |
| 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 assets over the estimated useful life of the asset. | |
| Capital outlay | 3,098,889 |
| Depreciation expense | (93,049) |
| Long-term debt (e.g. bonds, Developer advance) provides current resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. | |
| Developer advances | (406,389) |
| Current year bond principal payment | 6,762,000 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | |
| Accrued bond interest payable - change in liability | 21,816 |
| Accrued interest payable on developer advances - change in liability | <u>(89,335)</u> |
| Change in net position of governmental activities | <u><u>\$ (459,760)</u></u> |

The accompanying Notes to the Financial Statements are an integral part of these statements.

SIENA LAKE METROPOLITAN DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2024

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--|------------------|---|
| REVENUES | | | |
| Property taxes | \$ 49,945 | \$ 49,946 | \$ 1 |
| Specific ownership tax | 1,455 | 2,363 | 908 |
| Miscellaneous income | - | 340 | 340 |
| Investment income | - | 3,071 | 3,071 |
| Total revenues | <u>51,400</u> | <u>55,720</u> | <u>4,320</u> |
| EXPENDITURES | | | |
| Accounting | 40,000 | 37,271 | 2,729 |
| Audit | 8,000 | 7,750 | 250 |
| Director's fees | - | 4,334 | (4,334) |
| Election | 1,000 | 354 | 646 |
| Insurance | 4,150 | 3,759 | 391 |
| Legal | 35,000 | 25,490 | 9,510 |
| Office overhead and expense | 1,300 | 990 | 310 |
| Pump station share costs | - | 5,000 | (5,000) |
| Treasurers fees | 1,455 | 1,498 | (43) |
| Website | - | 1,415 | (1,415) |
| Landscaping | 10,000 | - | 10,000 |
| Raw water irrigation management | 5,000 | - | 5,000 |
| Snow plowing and other operations | 5,000 | - | 5,000 |
| Contingency | 5,000 | - | 5,000 |
| Total expenditures | <u>115,905</u> | <u>87,861</u> | <u>28,044</u> |
| Excess of revenue over (under) expenditures | (64,505) | (32,141) | 32,364 |
| OTHER FINANCING SOURCES (USES) | | | |
| Developer advance | 65,000 | 96,500 | 31,500 |
| Total other financing sources (uses) | <u>65,000</u> | <u>96,500</u> | <u>31,500</u> |
| Net change in fund balances | 495 | 64,359 | 63,864 |
| Fund balances - beginning | <u>22,470</u> | <u>29,310</u> | <u>6,840</u> |
| Fund balances - ending | <u>\$ 22,965</u> | <u>\$ 93,669</u> | <u>\$ 70,704</u> |

The accompanying Notes to the Financial Statements are an integral part of these statements.

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS

December 31, 2024

Note 1 – Definition of Reporting Entity

Siena Lake Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized on November 20, 2001 as Saddle Ridge Metropolitan District. On June 21, 2018, the District's name was changed to Siena Lake Metropolitan District. The District's service area boundaries are located in the Town of Gypsum, Colorado (Town) in Eagle County, Colorado (County). The District was established principally to coordinate the financing of public improvements, including transportation, streets and safety control, street lighting, landscaping, water, sanitary sewer, storm drainage, television relay, and park and recreation improvements.

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

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

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

Note 2 – Summary of Significant Accounting Policies

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and 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.

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

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

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

Separate financial statements are provided for 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 source of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District 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 is due.

The District reports the following major governmental funds:

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

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

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

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

Budgetary Information

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of 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 line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. 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 taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows 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.

Capital Assets

Capital assets, which include infrastructure (e.g., potable water and sanitary sewer systems, streets, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

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

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

| | |
|-----------------------------|----------|
| Raw water systems and ponds | 30 years |
|-----------------------------|----------|

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.

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.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Equity

Net Position

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

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor

Siena Lake Metropolitan District

**NOTES TO FINANCIAL STATEMENTS
(continued)**

December 31, 2024

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:

Non-spendable 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 is legally or contractually required to be maintained intact.

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

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the District’s highest level of decision making authority, the Board of Directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

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

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

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

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 | \$ 102,252 |
| Cash and investments-Restricted | 4,398,294 |
| Total cash and investments | <u>\$ 4,500,546</u> |

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

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

| | |
|--------------------------------------|---------------------|
| Deposits with financial institutions | \$ 2,567 |
| Investments | 4,497,979 |
| Total cash and investments | <u>\$ 4,500,546</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 equal to 102% of the aggregate uninsured deposits.

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

At December 31, 2024, the District's cash deposits had a bank balance and a carrying balance of \$2,567.

Investments

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

The District generally limits its concentration of investments to those 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 and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

- Certain certificates of participation
- Certain securities lending agreements
- Bankers’ acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain 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> |
|--|----------------------------------|---------------------|
| Colorado Local Government Liquid Asset Trust (Colotrust) | Weighted Average Undr 60 Days | \$ 4,497,979 |
| Total investements | | <u>\$ 4,497,979</u> |

Colotrust

The District invested in the Colorado Local Government Liquid Asset Trust (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 offers shares in three portfolios: Colotrust Prime, Colotrust Plus, and Colotrust Edge.

Colotrust Prime and Colotrust Plus operate similarly to a money market fund and each share is equal in value to \$1.00. 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. Both portfolios are rated AAAM by Standard and Poor’s.

Colotrust Edge, is managed to approximate a \$10.00 transactional share price. Colotrust Edge may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper. Colotrust Edge is rated AA Af/S1 by Fitch Ratings.

A designated custodial bank serves as custodian for the Trust’s investment 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 records its investments at fair value and the District records its investment in Colotrust at net asset value as determined by fair value.

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period. The District invested in the Colotrust Plus portfolio during 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 | Additions | Deletions | Balance at December 31, 2024 |
|---|------------------------------------|--------------|-----------|------------------------------------|
| Capital assets, not being depreciated: | | | | |
| Construction in progress: | | | | |
| Potable water | \$ 2,799,893 | \$ 216,798 | \$ - | \$ 3,016,691 |
| Sanitary sewer and storm drainage | 2,236,412 | 66,748 | - | 2,303,160 |
| Streets | 1,225,604 | 2,288,154 | - | 3,513,758 |
| Total capital assets, not being depreciated | 6,261,909 | 2,571,700 | - | 8,833,609 |
| Capital assets, being depreciated: | | | | |
| Raw water system and ponds | 1,233,120 | - | - | 1,233,120 |
| Raw water pumpback system | 1,294,740 | 527,189 | - | 1,821,929 |
| Total capital assets, being depreciated | 2,527,860 | 527,189 | - | 3,055,049 |
| Less accumulated depreciation for: | | | | |
| Raw water system and ponds | 89,059 | 41,104 | - | 130,163 |
| Raw water pumpback system | 64,737 | 51,945 | - | 116,682 |
| Total accumulated depreciation | 153,796 | 93,049 | - | 246,845 |
| Total capital assets being depreciated, net | 2,374,064 | 434,140 | - | 2,808,204 |
| Governmental activities capital asset, net | \$ 8,635,973 | \$ 3,005,840 | \$ - | \$ 11,641,813 |

Depreciation expense was charged to the general government function.

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

Note 5 – Long-Term Obligations

Changes in long-term debt for the year ended December 31, 2024 are summarized as follows:

| | Balance at December 31, 2023 | Additions | Reductions | Balance at December 31, 2024 | Due Within One Year |
|---|------------------------------------|-------------------|---------------------|------------------------------------|---------------------------|
| Governmental Activities: | | | | | |
| General Obligation Bonds: | | | | | |
| General Obligation Limited Tax Bonds - Series 2021 | \$ 24,565,000 | \$ - | \$ 6,762,000 | \$ 17,803,000 | \$ - |
| Other: | | | | | |
| Developer Advances - Operating | 241,000 | 96,500 | - | 337,500 | - |
| Accrued Interest - Operating | 28,793 | 26,265 | - | 55,058 | - |
| Developer Advances - Capital | 626,191 | 309,889 | - | 936,080 | - |
| Accrued Interest - Capital | 86,112 | 63,070 | - | 149,182 | - |
| | <u>\$ 25,547,096</u> | <u>\$ 495,724</u> | <u>\$ 6,762,000</u> | <u>\$ 19,280,820</u> | <u>\$ -</u> |

General Obligation Limited Tax Bonds Series 2021

Bond Details

On August 18, 2021, the District issued \$24,565,000 General Obligation Limited Tax Bonds, Series 2021 (the Bonds). The Bonds were issued for the purposes of: i) financing public improvements related to the development; ii) funding the initial surplus fund deposit; iii) funding the capitalized interest on the Bonds; and iv) paying the costs incurred in connection with the issuance of the Bonds.

The Bonds bear interest at rates ranging from 3.25% to 4.00%, payable semi-annually on June 1 and December 1, beginning on December 1, 2021. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2028. The Bonds mature on December 1, 2051. To the extent principal of any Bond is not paid when due, such principal is to remain outstanding until paid and is to continue to bear interest at the rate then borne by the Bond. To the extent interest on any Bond is not paid when due, such interest is to compound on each interest payment date, at the rate then borne by the Bond. The District is not obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District on September 1, 2026, and on any date thereafter, upon payment of par, accrued

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| Date of Redemption | Redemption Premium |
|---------------------------------------|--------------------|
| September 1, 2026, to August 31, 2027 | 3.00% |
| September 1, 2027, to August 31, 2028 | 2.00% |
| September 1, 2028, to August 31, 2029 | 1.00% |
| September 1, 2029, and thereafter | 0.00% |

Security

The Bonds are secured by and payable from moneys derived by the District from the following sources, net of any costs of collection: i) the Required Mill Levy; ii) the portion of Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and iii) 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 are also secured by amounts on deposit in the Surplus Fund which will be funded from pledged revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of \$4,913,000 (Maximum Surplus Amount). As of December 31, 2024, the balance in the Surplus Fund was \$2,019,094.

Required Mill Levy

Pursuant to the Bond Indenture, the District has covenanted to impose a Required Mill Levy in an amount sufficient to fund the Bond Fund for the relevant Bond Year and pay the Bonds as they come due and, if necessary, an amount sufficient to replenish the Surplus Fund to the Minimum Surplus Amount of \$500,000 (Minimum Surplus Amount), but i) not in excess of 50 mills, ii) for so long as the Surplus Fund is less than the Maximum Surplus Amount, not less than 35 mills, or such lesser mill levy which will fund the Bond Fund for the relevant Bond Year, pay the Bonds as they come due, and will fund the Surplus Fund up to the Maximum Surplus Amount, and iii) in the event that the amount of the Surplus Fund is less than the Minimum Surplus Amount, 50 mills, or such lesser mill levy which will fund the Bond Fund for the relevant Bond Year, pay the Bonds as they come due, and will fund the Surplus Fund up to the Minimum Surplus Amount. If after January 1, 2001, there are changes in the ratio of actual valuation to assessed valuation, then the minimum and maximum mill levies shall be increased or decreased to offset such changes.

The District's Amended and Restated Service Plan limits the District's imposition of ad valorem taxes for debt to 50 mills (subject to adjustment). The maximum Debt Mill

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

Levy is 50 mills for so long as the total amount of aggregate debt of the District exceeds fifty percent of the District's assessed valuation.

Restricted Project Funds

\$6,200,000 of proceeds from the Bonds were placed in a restricted account and can only be released for use by the District as additional property is included in the boundaries of the District at a rate of \$188,450 released per acre included. If any amounts on deposit in such Restricted Account are not released by August 19, 2024, then such amounts are to be applied to debt service on the bonds through a mandatory excess proceeds redemption. In 2024 a mandatory redemption was made in the amount of \$6,762,000.

The District's long-term obligations will mature as follows:

| Year Ended December 31, | Principal | Interest | Total |
|----------------------------|----------------------|----------------------|----------------------|
| 2025 | \$ - | \$ 689,460 | \$ 689,460 |
| 2026 | - | 689,460 | 689,460 |
| 2027 | - | 689,460 | 689,460 |
| 2028 | 195,000 | 689,460 | 884,460 |
| 2029 | 345,000 | 683,123 | 1,028,123 |
| 2030-2034 | 2,532,000 | 3,214,381 | 5,746,381 |
| 2035-2039 | 3,658,000 | 2,618,102 | 6,276,102 |
| 2040-2044 | 3,315,000 | 2,086,800 | 5,401,800 |
| 2045-2049 | 6,810,000 | 1,034,800 | 7,844,800 |
| 2050-2051 | 948,000 | 37,920 | 985,920 |
| | <u>\$ 17,803,000</u> | <u>\$ 12,432,966</u> | <u>\$ 30,235,966</u> |

Funding and Reimbursement Agreement

The District entered into a Funding and Reimbursement Agreement for Operations and Maintenance dated April 2, 2018, which was amended on October 1, 2019 with an effective date of January 1, 2020 (First Amendment), with Red Table Ventures, LLC. Red Table Ventures, LLC agreed to advance funds for ongoing operations and maintenance expenses incurred by the District in an amount of \$50,000 per annum with a maximum loan amount of \$200,000. The District is to reimburse Red Table Ventures, LLC, subject to annual appropriation and budget approval, from funds available within any fiscal year and not otherwise required for operations, capital improvements and debt service costs and expense of the District. Reimbursement is to include interest at the rate of 6% per annum. Any obligation to reimburse Red Table Ventures, LLC for any advances made pursuant to this agreement after 30 years from the execution of the agreement shall expire. Any amount of principal and accrued interest outstanding at such date shall be deemed to be forever discharged and

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

satisfied in full. As of December 31, 2024, the principal and accrued interest outstanding is \$24,000 and \$8,660, respectively.

The District entered into a Funding and Reimbursement Agreement for Operations and Maintenance dated January 1, 2022 with Siena Lake, LLC. Siena Lake, LLC agreed to advance funds for ongoing operations and maintenance expenses incurred by the District in an amount of \$135,000 per annum with a maximum loan amount of \$540,000 through December 31, 2025. The District is to reimburse Siena Lake, LLC, subject to annual appropriation and budget approval, from funds available within any fiscal year and not otherwise required for operations, capital improvements and debt service costs and expense of the District. Reimbursement is to include interest at the rate of 8.2% per annum. Siena Lake, LLC advanced funds in the amount of \$74,000 prior to the effective date of this agreement for which reimbursement shall be made based on the terms of this agreement. Any obligation to reimburse Siena Lake, LLC for any advances made pursuant to this agreement after 10 years from the execution of the agreement shall expire. Any amount of principal and accrued interest outstanding at such date shall be deemed to be forever discharged and satisfied in full. The obligation was declared to be subordinate to the obligation from the Funding and Reimbursement Agreement with Red Table Ventures, LLC. As of December 31, 2024, the principal and accrued interest outstanding is \$313,500 and \$46,398, respectively.

Infrastructure Acquisition and Reimbursement Agreement

The District entered into an Infrastructure Acquisition and Reimbursement Agreement dated April 20, 2021 with Siena Lake, LLC to repay advances and/or costs incurred by Siena Lake, LLC for certain verified capital improvement costs. The District agrees to repay Siena Lake, LLC for such capital improvement advances plus simple interest accruing at the rate of 8% per annum from the date of the applicable District Acceptance Resolution for District Eligible Costs until paid in full. The District is to reimburse Siena Lake, LLC, subject to annual appropriation and budget approval. Any obligation to reimburse Siena Lake, LLC for any advances made pursuant to this agreement after 10 years from the execution of the agreement shall expire. Any amount of principal and accrued interest outstanding at such date shall be deemed to be forever discharged and satisfied in full. As of December 31, 2024, the principal and accrued interest outstanding is \$936,080 and \$149,182, respectively.

Debt Authorization

On November 6, 2018, the District's electorate authorized the issuance of indebtedness in an amount not to exceed \$672,000,000 at an interest rate not to exceed 18% per annum. After the issuance of the Series 2021 bonds there is \$647,435,000 remaining.

Pursuant to the District's Amended and Restated Service Plan approved September 25, 2018, the District is limited to issuing \$28,000,000 in debt. After the issuance of

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

the 2021 Bonds, the District has \$3,435,000 remaining debt authorization under its Service Plan. In addition, the maximum mill levy for debt service of the District is 50 mills, as adjusted for changes in the ratio of actual value to assessed value property within the District. The Service Plan does not limit the mill levy for operations of the District.

In the future, the District may issue a portion or all of the remaining authorized but unissued debt for purposes of providing public improvements to support development as it occurs with the District's service area within the limitations of the District's Service Plan.

Note 6 – Net Position

The District's net position consists of two components – restricted and unrestricted.

Restricted assets include net position that is 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, 2024:

| | Governmental Activities |
|-------------------------------|------------------------------------|
| Restricted net position: | |
| Emergency reserve | \$ 2,650 |
| Debt service | 2,239,767 |
| Capital projects | 2,156,513 |
| Total restricted net position | \$ 4,398,930 |

As of December 31, 2024, the District has unrestricted net position (deficit) of \$(7,605,443). The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which will be conveyed to other governmental entities and which costs will be removed from the District's financial records.

Note 7 – Related Parties

The Developer of the property which constitutes the District is Siena Lake, LLC a Colorado limited liability company. Members of the Board of Directors are officers, employees, or associated with the Developer and may have conflicts of interest in dealing with the District. A reimbursement was made to the Developer in the amount of \$2,789,000 during 2024 from the Project Fund for public improvements.

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

Note 8 – District Agreements

Eagle River Pump Station Operations and Maintenance Agreement

On March 15, 2024, the District entered into the Eagle River Pump Station Operations and Maintenance Agreement with Buckhorn Vally Metropolitan District No. 1 (BV District), Airport Gateway Business Center Owners Association, Inc. (the Association) and Eagle River Pump Station Corporation, Inc. (the Corporation) to establish the terms and conditions of ownership and shared operations and maintenance of the Shared Pump Station and Facilities. The Corporation shall own, operate and maintain the Shared Pump Station Facilities. The District, BV District and the Association are each required to deposit \$25,000 with the Corporation, no later than June 1, 2024, for the purpose of costs related to the installation of separate meters to the Pump Station Facilities. The District made the required deposit on June 1, 2024. After installation of the separate meters is complete, the District, BV District and the Association will be responsible for paying the electrical service costs related to their respective meter directly to the electric service provider. The separation of the meters was completed as of December 31, 2024. The District, BV District and the Association shall operate, maintain, and repair their respective Individual Pump Station Facilities at their sole cost and expense. The Corporation shall operate, maintain, and repair the Shared Pump Station Facilities, in equal shares of one-third (1/3) of the expenses allocated to the District, BV District and the Association. The estimated costs for the operation, maintenance, repair, and replacement of the Shared Pump Facilities through December 31, 2024 is \$15,000. No later than February 29, 2024 the District, BV District and the Association shall deposit \$5,000 each with the Corporation. No later than ninety days prior to the end of calendar year 2024 and each calendar year thereafter, the Board shall determine the total estimated costs for the operation, maintenance, repair and replacement of the Shared Pump Station Facilities for the upcoming year. The Board will then provide notice to the District, BV District and the Association of the equal share of such amount to be contributed.

Note 9 – Economic Dependency

The District has not yet established a revenue base, as a result of delays in development, sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

Note 10 – 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 (“Pool”). The Pool is an organization created by an intergovernmental agreement to

Siena Lake Metropolitan District
NOTES TO FINANCIAL STATEMENTS
(continued)

December 31, 2024

provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

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

Note 11 - Tax, Spending and Debt Limitation

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

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

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

A majority of the District's electors has authorized the District to collect revenues without regard to the TABOR limits.

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.

Note 12 – Interfund Transfers

The transfer from the Capital Projects Fund to the Debt Service Fund was for the use of the amount in the restricted projects fund account for a mandatory redemption on the bonds in accordance with debt covenants.

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SUPPLEMENTAL INFORMATION

SIENA LAKE METROPOLITAN DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended December 31, 2024

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--|---------------------|---|
| REVENUES | | | |
| Property taxes | \$ 139,845 | \$ 139,845 | \$ - |
| Specific ownership tax | 4,195 | 6,811 | 2,616 |
| Investment income | 139,000 | 134,968 | (4,032) |
| Total revenues | <u>283,040</u> | <u>281,624</u> | <u>(1,416)</u> |
| EXPENDITURES | | | |
| General government | | | |
| County treasurer's fees | 4,195 | 4,197 | (2) |
| Contingency | 60,000 | - | 60,000 |
| Debt Service | | | |
| Bond interest | 951,250 | 898,892 | 52,358 |
| Bond principal | 6,835,000 | 6,762,000 | 73,000 |
| Trustee fee | 4,000 | 4,000 | - |
| Total expenditures | <u>7,854,445</u> | <u>7,669,089</u> | <u>185,356</u> |
| Excess of revenue over (under) expenditures | (7,571,405) | (7,387,465) | 183,940 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in/(out) | 6,835,000 | 6,873,628 | 38,628 |
| Total other financing sources (uses) | <u>6,835,000</u> | <u>6,873,628</u> | <u>38,628</u> |
| Net change in fund balances | (736,405) | (513,837) | 222,568 |
| Fund balances - beginning | <u>2,744,925</u> | <u>2,753,604</u> | <u>8,679</u> |
| Fund balances - ending | <u>\$ 2,008,520</u> | <u>\$ 2,239,767</u> | <u>\$ 231,247</u> |

SIENA LAKE METROPOLITAN DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND**

For the Year Ended December 31, 2024

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance with Final Budget - Positive (Negative)</u> |
|--|--|---------------------|---|
| REVENUES | | | |
| Investment income | \$ 300,000 | \$ 431,011 | \$ 131,011 |
| Total revenues | <u>300,000</u> | <u>431,011</u> | <u>131,011</u> |
| EXPENDITURES | | | |
| General government | | | |
| Accounting | 15,000 | 10,916 | 4,084 |
| Engineering | 20,000 | 36,681 | (16,681) |
| Legal | 15,000 | - | 15,000 |
| Pump station share costs | - | 25,000 | (25,000) |
| Contingency | 4,866,715 | - | 4,866,715 |
| Capital outlay | - | 3,098,889 | (3,098,889) |
| Total expenditures | <u>4,916,715</u> | <u>3,171,486</u> | <u>1,745,229</u> |
| Excess of revenue over (under) expenditures | (4,616,715) | (2,740,475) | 1,876,240 |
| OTHER FINANCING SOURCES (USES) | | | |
| Developer advance | - | 309,889 | 309,889 |
| Transfers in/(out) | (6,835,000) | (6,873,628) | (38,628) |
| Total other financing sources (uses) | <u>(6,835,000)</u> | <u>(6,563,739)</u> | <u>271,261</u> |
| Net change in fund balances | (11,451,715) | (9,304,214) | 2,147,501 |
| Fund balances - beginning | <u>11,451,715</u> | <u>11,460,727</u> | <u>9,012</u> |
| Fund balances - ending | <u>\$ -</u> | <u>\$ 2,156,513</u> | <u>\$ 2,156,513</u> |