

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**Larimer County, Colorado**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTAL INFORMATION**  
**YEAR ENDED DECEMBER 31, 2024**

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Serratoga Falls Metropolitan District No. 3  
Larimer County, Colorado

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Serratoga Falls 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 District, 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 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 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 management's discussion and analysis and budgetary comparison information 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 budgetary comparison schedules 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 budgetary comparison schedules 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 supplementary information listed in the table of contents is 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, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*DMC Auditing and Consulting, LLC*

Bailey, Colorado  
July 31, 2025

## **BASIC FINANCIAL STATEMENTS**

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2024**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and Investments -	\$ 106,439
Cash and Investments - Restricted	1,510
Receivable from County Treasurer	768,186
Accounts Receivable	55,095
Due from Others	8,878
Prepaid Expense	338
Property Taxes Receivable	692,266
Capital Assets being depreciated, net	4,734,333
Total Assets	6,367,045
 <b>Liabilities</b>	
Accounts Payable	8,545
Prepaid Landscape Fees	7,577
Due To Others	124,374
Accrued Interest Payable	626,758
Noncurrent Liabilities:	
Due in More Than One Year	18,348,876
Total Liabilities	19,116,130
 <b>Deferred Inflows of Resources</b>	
Deferred Property Taxes	692,266
Total Deferred Inflows of Resources	692,266
 <b>Net Position</b>	
Net Investment in Capital Assets	(13,614,543)
Restricted for:	
Emergencies	14,702
Debt Service	626,758
Unrestricted	(468,268)
Total Net Position	\$ (13,441,351)

The accompanying notes are an integral part of the financial statements.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

	<b>Program Revenue</b>				<b>Net Revenues (Expenses) and Change in Net Position</b>
<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>
Primary Government					
Government Activities					
General Government	\$ 786,030	\$ 341,707	\$ -	\$ -	\$ (444,323)
Interest and Related Costs on Long-Term Debt	972,090	-	-	-	(972,090)
Total Governmental Activities	\$ 1,758,120	\$ 341,707	\$ -	\$ -	(1,416,413)
<b>General Revenues</b>					
Property Taxes					723,447
Specific Ownership Taxes					45,312
SB Backfill					4,324
Net Investment Income					4,692
Total General Revenues					777,775
<b>Change in Net Position</b>					(638,638)
Net Position - Beginning of Year					(12,802,713)
<b>Net Position - End of Year</b>					\$ (13,441,351)

The accompanying notes are an integral part of the financial statements.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2024**

	General	Special Revenue Fund Water	Special Revenue Fund Landscape	Debt Service	Total Governmental Funds
<b>Assets</b>					
Cash and Investments	\$ 31,029	\$ 26,934	\$ 48,476	\$ -	\$ 106,439
Cash and Investments - Restricted	-	-	-	1,510	1,510
Owner Receivables	4,000	14,858	36,237	-	55,095
Due from County Treasurer	142,938	-	-	625,248	768,186
Due from Others	-	8,878	-	-	8,878
Prepaid Expense	-	-	338	-	338
Property Taxes Receivable	133,073	-	-	559,193	692,266
Due from Other Funds	-	110,000	-	-	110,000
<b>Total Assets</b>	<u>\$ 311,040</u>	<u>\$ 160,670</u>	<u>\$ 85,051</u>	<u>\$ 1,185,951</u>	<u>\$ 1,742,712</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 6,990	\$ 55	\$ 1,500	\$ -	\$ 8,545
Prepaid Landscape Fee	-	-	7,577	-	7,577
Due to Other Governments	6,530	117,844	-	-	124,374
Due to Other Funds	110,000	-	-	-	110,000
Total Liabilities	<u>123,520</u>	<u>117,899</u>	<u>9,077</u>	<u>-</u>	<u>250,496</u>
<b>Deferred Inflows of Resources</b>					
Deferred Property Taxes	133,073	-	-	559,193	692,266
Total Deferred Inflows of Resources	<u>133,073</u>	<u>-</u>	<u>-</u>	<u>559,193</u>	<u>692,266</u>
<b>Fund Balances</b>					
Nonspendable - Prepays	-	-	338	-	338
Restricted for:					
Emergencies	4,500	2,640	7,562	-	14,702
Debt Service	-	-	-	626,758	626,758
Assigned	-	40,131	68,074	-	108,205
Unassigned	49,947	-	-	-	49,947
Total Fund Balances	<u>54,447</u>	<u>42,771</u>	<u>75,974</u>	<u>626,758</u>	<u>799,950</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 311,040</u>	<u>\$ 160,670</u>	<u>\$ 85,051</u>	<u>\$ 1,185,951</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 as assets in the funds.					
Capital Assets, net					4,734,333
Long-term liabilities, including bonds payables, are not due and payables in the current periods and; therefore, are not recorded as liabilities in the funds.					
Bonds Payable					(15,537,000)
Accrued Bond Interest – Current					(626,758)
Accrued Bond Interest – Noncurrent					<u>(2,811,876)</u>
<b>Net Position of Governmental Activities</b>					<u>\$ (13,441,351)</u>

The accompanying notes are an integral part of the financial statements.

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

	<u>General Fund</u>	<u>Special Revenue Fund Water</u>	<u>Special Revenue Fund Landscape</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Property Taxes	\$ 131,176	\$ -	\$ -	\$592,271	\$ 723,447
Specific Ownership Taxes	8,216	-	-	37,096	45,312
Senate Bill Backfill	4,324	-	-	-	4,324
Water Fees	-	87,969	-	-	87,969
Landscape Fees	-	-	249,833	-	249,833
Fines and Fees	1,625	30	2,250	-	3,905
Net Investment Income	4,692	-	-	-	4,692
Other Revenues	-	8,878	-	-	8,878
Total Revenues	<u>150,033</u>	<u>96,877</u>	<u>252,083</u>	<u>629,367</u>	<u>1,128,360</u>
<b>Expenditures</b>					
Current:					
General Government					
Management and Accounting	46,637	8,025	2,100	-	56,762
Legal and Audit	26,954	-	-	-	26,954
Design Review Fees	550	-	-	-	550
Insurance	3,663	-	11,601	-	15,264
Electric	-	-	2,123	-	2,123
Landscape Contract and Maintenance	-	-	229,494	-	229,494
Irrigation System	-	12,195	-	-	12,195
Utility Locates	-	12,154	-	-	12,154
Office and Administration	2,878	3,752	-	-	6,630
Bad Debt Expense	-	10	51	-	61
Bank and Trustee Fees	-	30	-	700	730
County Treasurer's Fees	2,710	-	-	11,846	14,556
Intergovernmental Fees	3,331	67,802	-	-	71,133
Debt Service:					
Bond Interest	-	-	-	15,000	15,000
Total Expenditures	<u>86,723</u>	<u>103,968</u>	<u>245,369</u>	<u>27,546</u>	<u>463,606</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>63,310</b>	<b>(7,091)</b>	<b>6,714</b>	<b>601,821</b>	<b>664,754</b>
<b>Other Financial Sources (Uses)</b>					
Interfund Transfers	(31,000)	-	31,000	-	-
Total Other Financial Sources (Uses)	<u>(31,000)</u>	<u>-</u>	<u>31,000</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<b>32,310</b>	<b>(7,091)</b>	<b>37,714</b>	<b>601,821</b>	<b>664,754</b>
Fund Balances - Beginning of Year	<u>22,137</u>	<u>49,862</u>	<u>38,260</u>	<u>24,937</u>	<u>135,196</u>
<b>Fund Balances - End of Year</b>	<b><u>\$ 54,447</u></b>	<b><u>\$ 42,771</u></b>	<b><u>\$ 75,974</u></b>	<b><u>\$626,758</u></b>	<b><u>\$ 799,950</u></b>

The accompanying notes are an integral part of the financial statements.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 664,754

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.

Depreciation (346,302)

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 - Change in Liability (957,090)

Changes in Net Position of Governmental Activities \$ (638,638)

The accompanying notes are an integral part of the financial statements.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Serratoga Falls Metropolitan District No. 3, (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court of Larimer County, Colorado in May 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized concurrently with Serratoga Falls Metropolitan Districts No. 1 and 2, collectively referred to as the Districts. The Districts were formed to provide public improvement to be dedicated to the Town of Timnath (Town), Colorado or other governmental entities or retain by the Districts for the use and benefit of the residents and visitors of the Districts.

The District, along with District No. 2, were originally established as the financing districts with District No. 1 established as the operating district. In April 2016, District No. 2 amended and restated, in part, the original service plan with an Amended and Restated Service Plan, and District No. 1 and No. 2 entered into an Intergovernmental Agreement under which District No. 1 shall no longer be responsible to operate and maintain services for District No. 2.

In November 2021, the Town approved an Amendment to the Amended and Restated Service Plan (2021 Amended Service Plan) between the District and District No. 1. Under the 2021 Amended Service Plan, as the financing district, the District was established to provide funding for financing the construction, operation, and maintenance of certain public improvements. District No. 1, as the operating district, was established to organize, finance, construct, own, manage and operate the public improvements for the service area. In May 2023, the District and District No. 1 entered into an Amended and Restated Inter-District Intergovernmental Agreement (Amended IGA) to amend and restate in their entirety the original 2015 Inter-District Intergovernmental Agreement and 2022 Memorandum of Understanding. Under the Amended IGA, the District and District No. 1 shall be individually responsible for design, acquisition, installation, construction, relocation, funding, financing, operation and maintenance of public improvements within each respective District except as outlined in the agreement.

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.

**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. 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.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 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.

**Government-Wide and 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. Redemption of bonds 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. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

**Special Revenue Fund – Water**, accounts for committed fees received from homeowners and other governmental entities for the non-potable irrigation system required to be used for the operation and maintenance of the irrigation system and ground maintenance or, with board approval, any budgeted general fund expense.

**Special Revenue Fund – Landscape**, accounts for restricted fees received from homeowners to be used for operation of trails, parks, open space, landscaping, and related public services and facilities owned and operated and/or maintained by the District

**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.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at yearend are reported as due to/from other funds. Further, certain activity during the year involving transfers of resources between funds are reported at gross amounts as transfers in/(out). As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 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 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 Special Revenue – Water Fund expenditures exceeded budgeted expenditures by \$41,117, which may be a violation of Colorado Local Government budget law.

**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.

**Property Taxes**

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

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

**Interfund Balances**

On the fund financial statements, interfund loans are classified as due to/from other funds on the balance sheet. These amounts are eliminated in the governmental statement of net position.

**Receivables**

Accounts receivable consists of homeowner irrigation, operations and other miscellaneous fees due December 31, 2024.

**Capital Assets**

Capital Assets, which include items such as parks and recreation and non-potable water systems, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair value at the date of donation. Capital expenditures for projects are capitalized as constructed.

Normal maintenance and repairs that do not add value to assets or materially extend the life of assets are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the capital assets. Depreciation is reported as a current charge in the statement of activities. Capital assets are depreciated using the straight-line method over the estimated useful life of the assets of 15 years for parks and recreation and 20 years for non-potable water systems.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**Long-term Obligations**

In the government-wide financial statements, long-term debt is reported as a liability in the applicable governmental activity.

**Equity**

*Net Position*

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net-position and unrestricted-net position in the government-wide financials statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

*Fund Balance*

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

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

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

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

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

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

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

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires 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 amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**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	\$ 106,439
Cash and Investments – Restricted	1,510
Total Cash and Investments	\$ 107,949

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

Deposits with Financial Institutions	\$ 31,962
ColoTrust Plus+	75,987
Total Cash and Investments	\$ 107,949

**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.

**Investments**

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

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

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

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (continued)**

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

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

As of December 31, 2024, the District had \$75,987 invested in COLOTRUST PLUS+.

**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 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, and any security allowed under CRS 24-75-601.

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

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2024 was as follows:

	<b>Balance December 31, 2023</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2024</b>
Capital Assets being depreciated				
Non-potable Water System	\$ 2,472,145	\$ -	\$ -	\$ 2,472,145
Landscape & Parks	<u>3,340,422</u>	<u>-</u>	<u>-</u>	<u>3,340,422</u>
Total Capital Assets, being depreciated	5,812,567	-	-	5,812,567
Less: Accumulated Depreciation				
Non-potable Water System	(82,405)	(123,607)	-	(206,012)
Landscape & Parks	<u>(649,527)</u>	<u>(222,695)</u>	<u>-</u>	<u>(872,222)</u>
Total Accumulated Depreciation	<u>(731,932)</u>	<u>(346,302)</u>	<u>-</u>	<u>(1,078,234)</u>
Capital Assets, being depreciated, net	<u>\$ 5,080,635</u>	<u>\$ (346,302)</u>	<u>\$ -</u>	<u>\$ 4,734,333</u>

Depreciation expense of \$346,302 was charged to general government.

**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:

	<b>Balance at January 1, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2024</b>	<b>Due Within One Year</b>
Limited Tax General Obligation					
Bonds - Series 2021 Subordinate - Principal	\$ 11,550,000	\$ -	\$ -	\$ 11,550,000	\$ -
Bonds - Series 2021 Junior- Principal	<u>3,987,000</u>	<u>-</u>	<u>-</u>	<u>3,987,000</u>	<u>-</u>
Total	<u>\$ 15,537,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,537,000</u>	<u>\$ -</u>

**Subordinate Limited Tax General Obligation Bonds, Series 2021 and Taxable Junior Lien Limited Tax General Obligation Bonds, Series 2021**

On January 26, 2021, the District issued private placement bonds with an affiliate of the Developer. The District issued \$11,550,000 of Subordinate Limited Tax General Obligation Bonds, Series 2021 ("2021 Subordinate Bonds") and \$3,987,000 of Limited Tax General Obligation Bonds Series 2021 ("2021 Junior Bonds"). The 2021 Subordinate and 2021 Junior Bonds were issued for the purpose of financing a portion of public improvements and paying the costs of issuance.

The 2021 Subordinate Bonds bear interest at 6%, calculated on the basis of a 360-day year of twelve 30-day months, payable annually each December 15 to the extent pledged revenue is available, maturing December 15, 2025. The 2021 Junior Bonds bear interest at 7%, calculated on the basis of a 360-day year of twelve 30-day months, payable annually on December 15 to the extent that pledged revenue is available, maturing December 15, 2028.

The 2021 Subordinate and 2021 Junior Bonds are cash flow bonds and are subject to mandatory sinking fund redemption commencing on December 15, 2021, to the extent of moneys on deposit, if any, in the subordinate or junior bond fund 15 days prior to the applicable interest payment date. Amounts shall be applied first to interest and then to principal after accrued interest has been paid.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Subordinate Limited Tax General Obligation Bonds, Series 2021 and Taxable Junior Lien Limited Tax General Obligation Bonds, Series 2021 (Continued)**

The 2021 Subordinate and 2021 Junior Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiple of \$1,000 in any order of maturity and in whole or partial maturities, commencing December 15, 2025 and on any date thereafter upon payment of principal and accrued interest with redemption premiums ranging from 0% to 2%.

The 2021 Subordinate Bonds are secured by subordinate pledged revenues which include subordinate property tax revenue, net of costs of collection and any other legally available moneys which the District determines, in its sole discretion, to credit to the subordinate bond fund. The Subordinate mill levy is 40.000 mills less the senior mill levy or lesser amount to generate sufficient funds to pay the bonds. The combined required mill levy shall not be more than 40.000 mills adjusted for changes in the method of calculating assessed valuations.

Events of default as defined in the bond resolution for District 2021 Subordinate and 2021 Junior Bonds include 1) failure by the district to impose the necessary required mill levy or apply the proceed thereof as required by the bond resolution, 2) default by the District in performance or observance of any other covenants on the part of the District in the bond resolution, and failure to remedy after notice, and 3) the District files a petition under federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the debt represented by the bond purchase agreement. Failure to pay principal and interest on the bonds when due shall not, of itself, constitute an event of default. Remedies available in the event of default include receivership, suit, action, or special proceedings. The agreement shall terminate December 15, 2058.

**Authorized Debt**

At December 31, 2024, the District had total authorized debt of \$200 million, of which \$15,999,500 has been issued, leaving an authorized but unissued balance of \$184,000,500, not included \$40 million authorized for refundings and \$20 million in operations and maintenance debt. Under the Service Plan, the District has total authorized debt of \$16,000,000 of which \$15,999,500 has been issued by the District, leaving an authorized but unissued balance of \$500.

**NOTE 6 DISTRICT AGREEMENTS**

**Amended and Restated Advance, Acquisition, and Reimbursement Agreement**

In January 2021, the District entered into an Amended and Restated Advance, Acquisition, and Reimbursement Agreement (Reimbursement Agreement) with Kitchel Lake Partners, LLC (Developer) for the purpose of memorializing the commitment between the District and Developer related to the funding and repayment of certain costs including but not limited to reimbursable costs. Under the Reimbursement Agreement, the reimbursable costs of public improvements shall be based upon actual costs verified by the Developer and confirmed by the District's engineers.

On January 5, 2021, the District accepted the engineer's cost certification in the amount of \$15,394,000. Under the Reimbursement Agreement, if the District determines that it will not have sufficient funds to pay all or a portion of the anticipated costs of the public improvements or any such management, operating, and/or administrative expenses of the District, the District shall estimate the anticipated shortfall and the District shall request Developer funding for such shortfall. Developer advances will incur interest at the rate of 7% per annum commencing on the date of acceptance or the date of each advance. The Reimbursement Agreement shall end upon payment in full of the advances and the associated accrued interest or December 31, 2057, whichever date occurs first.

It was later determined that the engineer's cost certification included duplicated costs which resulted in a revised cost certification of \$15,406,795. Under the Reimbursement Agreement, the developer had been reimbursed \$15,394,000 for public improvements. As a result of this, in 2021 it was determined the developer would forgive the difference of \$12,975. No amounts were due to the Developer under this agreement as of December 31, 2024.

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 6 DISTRICT AGREEMENTS (CONTINUED)**

**Inter-District Intergovernmental Agreement**

In 2015, the District and District No. 1 entered into an Inter-District Intergovernmental Agreement (Inter-District IGA) for the purpose of implementation of their service plan. The Inter-District IGA established the operating and financing districts' responsibilities noting that District No. 1, as the operating district, owned, operated, and maintained all public improvements in the service area. Additionally, the District, as the financing district, shall assign revenues from all sources to the operating district.

In April 2022, the District and District No. 1 entered into a Memorandum of Understanding (MOU) as a temporary agreement to be replaced by a permanent Amended and Restated Intergovernmental Agreement (Future IGA) to be negotiated by and between the Districts after the May 2022 election.

In May 2023, the District and District No. 1 entered into an Amended and Restated Inter-District Intergovernmental Agreement (Amended IGA) to amend and restate in their entirety the original Inter-District IGA and MOU. Under the Amended IGA, the District and District No. 1 shall be individually responsible for design, acquisition, installation, construction, relocation, funding, financing, operation, and maintenance of public improvements within each respective district except as outlined in the agreement.

Each District will operate and maintain the public improvements it respectively owns. District No. 1 will own and control the non-potable water system. Certain non-potable water system improvements will be owned and maintained by the District. Each District will be responsible for payment of 50% of the annual fee under the Recreational Improvements Agreement between District No. 1 and Kitchell Reservoir Company, minus any contribution from District No. 2.

In connection with the Amended IGA, in May 2023, the District also entered into an Agreement and Release Agreement with District No. 1 and Kitchel Lake Partners, LLC and Kitchel Lake Development Corporation (collectively the "Developers"). District No. 1 as the operating district incurred costs associated with the operations of the District. As District No. 1 is no longer the operating district, the Developers will pay No. 1 \$181,980 for expenses incurred by District No. 1 on behalf of the District. This amount shall not be repaid by the District or District No. 1. Upon receipt of the payment from the Developers, the District shall release the Developers of any and all obligations to the District with regard to public improvements and District No. 1 shall release the District with regard to any obligations to reimburse District No.1 for costs paid on behalf of the District.

As of December 31, 2024 \$124,374 was due to District No. 1 under this agreement.

**NOTE 7 RISK MANAGEMENT**

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

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

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

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 8 TAX, SPENDING AND DEBT LIMITATIONS**

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

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

On November 8, 2016, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District has established an emergency reserve in the amount of \$14,702.

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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>			
Property Taxes	\$ 131,221	\$ 131,176	\$ (45)
Specific Ownership Taxes	7,873	8,216	343
Fines and Fees	1,000	1,625	625
Senate Bill Backfill	-	4,324	4,324
Net Investment Income	-	4,692	4,692
Total Revenues	140,094	150,033	9,939
<b>Expenditures</b>			
Management Fees	42,519	46,637	(4,118)
Audit & Tax Preparation	9,500	12,500	(3,000)
Legal Services	15,000	14,454	546
General Insurance	3,200	3,663	(463)
SDA Dues	582	-	582
Office Supplies and Administrative	250	2,878	(2,628)
DRC Fees	1,000	550	450
Social Events	8,000	-	8,000
County Treasurer's Fees	2,624	2,710	(86)
Contingency	5,000	-	5,000
Intergovernmental Fees	3,500	3,331	169
Total Expenditures	91,175	86,723	4,452
<b>Excess of Revenues Over (Under) Expenditures</b>	48,919	63,310	14,391
<b>Other Financial Sources (Uses)</b>			
Interfund Transfers	(50,000)	(31,000)	19,000
<b>Net Change in Fund Balances</b>	(1,081)	32,310	33,391
Fund Balances - Beginning of Year	15,178	22,137	6,959
<b>Fund Balances - End of Year</b>	\$ 14,097	\$ 54,447	\$ 40,350

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**SPECIAL REVENUE FUND - WATER**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>			
Water Fees	\$ 50,000	\$ 87,969	\$ 37,969
Fines and Fees	-	30	30
Other Revenues	-	8,878	8,878
<b>Total Revenues</b>	<u>50,000</u>	<u>96,877</u>	<u>46,877</u>
<b>Expenditures</b>			
Management and Accounting	8,025	8,025	-
Other Management	3,500	-	3,500
Office	1,000	3,752	(2,752)
Bank Fees	-	30	(30)
Bad Debt Expense	-	10	(10)
Repairs and Maintenance	-	7,605	(7,605)
Irrigation System Monitoring	2,500	-	2,500
Utility Locates	3,000	12,154	(9,154)
Meter Reading Software	2,826	4,590	(1,764)
Intergovernmental Water Fees	42,000	67,802	(25,802)
<b>Total Expenditures</b>	<u>62,851</u>	<u>103,968</u>	<u>(41,117)</u>
<b>Net Change in Fund Balance</b>	(12,851)	(7,091)	5,760
Fund Balances - Beginning of Year	<u>52,490</u>	<u>49,862</u>	<u>(2,628)</u>
<b>Fund Balances - End of Year</b>	<u><u>\$ 39,639</u></u>	<u><u>\$ 42,771</u></u>	<u><u>\$ 3,132</u></u>

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**SPECIAL REVENUE FUND - LANDSCAPE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>			
District Operations Fee	\$ 250,000	\$ 249,833	\$ (167)
Late Fees Landscape	-	2,250	2,250
Total Revenues	<u>250,000</u>	<u>252,083</u>	<u>2,083</u>
<b>Expenditures</b>			
Landscape Mgmt Fees	2,100	2,100	-
Landscape Insurance	10,361	11,601	(1,240)
Bad Debt Expense /Uncollected Fees	10,000	51	9,949
Office	750	-	750
Contingency	1,000	-	1,000
Electricity	1,800	2,123	(323)
Landscape Contract and Maintenance	247,879	201,217	46,662
Sprinkler System Repairs	15,000	27,334	(12,334)
Snow Removal	7,500	943	6,557
Trees/Bushes	3,000	-	3,000
Total Expenditures	<u>299,390</u>	<u>245,369</u>	<u>54,021</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	(49,390)	6,714	56,104
<b>Other Financial Sources (Uses)</b>			
Interfund Transfers	50,000	31,000	(19,000)
<b>Net Change in Fund Balances</b>	610	37,714	37,104
Fund Balances - Beginning of Year	<u>24,695</u>	<u>38,260</u>	<u>13,565</u>
<b>Fund Balances - End of Year</b>	<u>\$ 25,305</u>	<u>\$ 75,974</u>	<u>\$ 50,669</u>

**SUPPLEMENTARY INFORMATION**

**SERRATOGA FALLS METROPOLITAN DISTRICT NO. 3**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**DECEMBER 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>			
Property Taxes	\$592,473	\$592,271	\$ (202)
Specific Ownership Taxes	<u>35,548</u>	<u>37,096</u>	<u>1,548</u>
Total Revenues	628,021	629,367	1,346
<b>Expenditures</b>			
Current:			
County Treasurer's Fees	11,849	11,846	3
Bank and Trustee Fees	700	700	-
Debt Service:			
Bond Interest - Series 2021	<u>615,472</u>	<u>15,000</u>	<u>600,472</u>
Total Expenditures	<u>628,021</u>	<u>27,546</u>	<u>600,475</u>
<b>Net Change in Fund Balance</b>	-	601,821	601,821
Fund Balances - Beginning of Year	<u>5,300</u>	<u>24,937</u>	<u>19,637</u>
<b>Fund Balances - End of Year</b>	<u><u>\$ 5,300</u></u>	<u><u>\$626,758</u></u>	<u><u>\$ 621,458</u></u>