

**WINTER FARM METROPOLITAN DISTRICT NO. 2**

**WELD COUNTY, COLORADO**

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FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT

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December 31, 2024



**Crady, Puca & Associates**

*Certified Public Accountants & Consultants*

**WINTER FARM METROPOLITAN DISTRICT NO. 2  
WELD COUNTY, COLORADO**

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# Crady, Puca & Associates

Certified Public Accountants & Consultants

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of the Winter Farm Metropolitan District No. 2

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Winter Farm Metropolitan District No. 2 as of and for the year ended December 31, 2024, and related notes to the financial statements, which collectively comprise Winter Farm Metropolitan District No. 2'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 Winter Farm Metropolitan District No. 2 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 Winter Farm Metropolitan District No. 2, 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 Winter Farm Metropolitan District No. 2'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 Winter Farm Metropolitan District No. 2'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 Winter Farm Metropolitan District No. 2'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**

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.

Accounting principles generally accepted in the United States of America require budgetary comparison schedules for the general fund and special revenue fund, pages 19 to 20, to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Winter Farm Metropolitan District No. 2's basic financial statements. The individual fund budgetary comparison schedules on pages 21 to 22 are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The individual budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 individual fund budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Crady, Puca & Associates*

Aurora, Colorado  
September 25, 2025

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Statement of Net Position**  
**December 31, 2024**

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	<b>Total Governmental Activities</b>
<b>Assets:</b>	
Cash and investments	\$ 779,902
Cash and investments - restricted	99,586
Homeowner accounts receivable	5,095
Due from county treasurer	2,000
Property tax receivable	673,942
Other prepaid expense	80
Prepaid debt insurance, net	35,934
Capital assets depreciated, net	638,466
<b>Total assets</b>	<u>2,235,005</u>
<b>Liabilities:</b>	
Accounts payable	36,314
Accrued interest	27,830
Bonds payable:	
Due within one year	160,000
Due in more than one year	8,490,902
<b>Total liabilities</b>	<u>8,715,046</u>
<b>Deferred inflows of resources:</b>	
Unavailable revenue - prepaid assessments	1,542
Unavailable revenue - property tax	673,942
<b>Total deferred inflows of resources</b>	<u>675,484</u>
<b>Net position:</b>	
Net investment in capital assets	-
Restricted for emergencies	12,116
Restricted for debt service	100,681
Unrestricted	(7,268,322)
<b>Total net position</b>	<u>\$ (7,155,525)</u>

The accompanying notes are an integral part of this financial statement.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Statement of Activities**  
**For the Year Ended December 31, 2024**

	<b>Total Governmental Activities</b>
<b>Expenditures:</b>	
Governmental activities:	
Management and accounting services	\$ 59,327
Audit and legal	22,113
Insurance and agent fees	10,164
Architectural and setup fees	13,133
Office, dues, newsletters and other	7,007
Treasurer fees	10,212
Non-potable water system expenses	10,939
Electric	36,710
Landscape contract, maintenance and replacement	111,438
Pest control and snow removal	2,685
Depreciation	118,699
Interest expense	294,539
<b>Total expenditures</b>	<u>696,966</u>
<b>Program Revenues:</b>	
Irrigation water fees	175,218
Other homeowner fees	15,349
<b>Total program revenues</b>	<u>190,567</u>
<b>Net program income (expense)</b>	(506,399)
<b>General Revenues:</b>	
Property tax revenue	680,458
Specific ownership tax	24,374
Interest income	38,475
<b>Total general revenues</b>	<u>743,307</u>
<b>Change in net position</b>	236,908
<b>Net position, beginning of year</b>	<u>(7,392,433)</u>
<b>Net position, end of year</b>	<u><u>\$ (7,155,525)</u></u>

The accompanying notes are an integral part of this financial statement.

## **FUND FINANCIAL STATEMENTS**

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and investments	\$ 197,597	\$ 275,363	\$ 306,942	\$ -	\$ 779,902
Cash and investments - restricted	-	-	-	99,586	99,586
Homeowner accounts receivable	100	4,995	-	-	5,095
Due from county treasurer	505	-	-	1,495	2,000
Property tax receivable	170,194	-	-	503,748	673,942
Prepays	80	-	-	-	80
<b>Total assets</b>	<b>\$ 368,476</b>	<b>\$ 280,358</b>	<b>\$ 306,942</b>	<b>\$ 604,829</b>	<b>\$ 1,560,605</b>
<b>Liabilities:</b>					
Accounts payable	\$ 32,889	\$ 3,025	\$ -	\$ 400	\$ 36,314
<b>Total liabilities</b>	<b>32,889</b>	<b>3,025</b>	<b>-</b>	<b>400</b>	<b>36,314</b>
<b>Deferred inflows of resources:</b>					
Unavailable - prepaid assessments	303	1,239	-	-	1,542
Unavailable revenue - property tax	170,194	-	-	503,748	673,942
<b>Total deferred inflows of resources</b>	<b>170,497</b>	<b>1,239</b>	<b>-</b>	<b>503,748</b>	<b>675,484</b>
<b>Fund balance:</b>					
Nonspendable	80	-	-	-	80
Restricted for emergencies	6,078	5,617	421	-	12,116
Restricted for debt service	-	-	-	100,681	100,681
Committed for operations	-	270,477	-	-	270,477
Committed for capital projects	-	-	306,521	-	306,521
Unassigned	158,932	-	-	-	158,932
<b>Total fund balance</b>	<b>165,090</b>	<b>276,094</b>	<b>306,942</b>	<b>100,681</b>	<b>848,807</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 368,476</b>	<b>\$ 280,358</b>	<b>\$ 306,942</b>	<b>\$ 604,829</b>	<b>\$ 1,560,605</b>

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

Total fund balance - governmental funds	\$ 848,807
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	638,466
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.	(7,897,830)
Governmental funds report the effect of premiums, refundings and similar items when the debt is first issued, whereas amounts are deferred and amortized in the statement of activities.	(744,968)
<b>Net position of governmental activities</b>	<b>\$ (7,155,525)</b>

The accompanying notes are an integral part of this financial statement.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2024**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Revenues:</b>					
Property tax	\$ 177,221	\$ -	\$ -	\$ 503,237	\$ 680,458
Specific ownership tax	6,155	-	-	18,219	24,374
Irrigation water fees	-	175,218	-	-	175,218
Other homeowner fees and fines	13,158	2,191	-	-	15,349
Interest income	6,069	9,814	14,037	8,555	38,475
<b>Total revenues</b>	<b>202,603</b>	<b>187,223</b>	<b>14,037</b>	<b>530,011</b>	<b>933,874</b>
<b>Expenditures:</b>					
Current:					
General government:					
Management and accounting services	32,867	26,460	-	-	59,327
Audit and legal	22,113	-	-	-	22,113
Insurance and agent fees	8,379	-	-	400	8,779
Architectural and setup fees	13,133	-	-	-	13,133
Office, dues, newsletters and other	3,614	3,393	-	-	7,007
Treasurer fees	2,659	-	-	7,553	10,212
Non-potable water system expenses	-	10,939	-	-	10,939
Electric	-	36,710	-	-	36,710
Landscape maintenance contract	69,589	-	-	-	69,589
Landscape replacement and repair	41,849	-	-	-	41,849
Pest control	848	-	-	-	848
Snow removal	1,837	-	-	-	1,837
Debt service:					
Interest	-	-	-	347,537	347,537
Principal	-	-	-	155,000	155,000
Capital outlay:	-	11,500	-	-	11,500
<b>Total expenditures</b>	<b>196,888</b>	<b>89,002</b>	<b>-</b>	<b>510,490</b>	<b>796,380</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>5,715</b>	<b>98,221</b>	<b>14,037</b>	<b>19,521</b>	<b>137,494</b>
<b>Other financing sources (uses):</b>					
Transfers in (out)	-	(35,000)	35,000	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(35,000)</b>	<b>35,000</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>5,715</b>	<b>63,221</b>	<b>49,037</b>	<b>19,521</b>	<b>137,494</b>
<b>Fund balance, beginning of year</b>	<b>159,375</b>	<b>212,873</b>	<b>257,905</b>	<b>81,160</b>	<b>711,313</b>
<b>Fund balance, end of year</b>	<b>\$ 165,090</b>	<b>\$ 276,094</b>	<b>\$ 306,942</b>	<b>\$ 100,681</b>	<b>\$ 848,807</b>

The accompanying notes are an integral part of this financial statement.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balance of the Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2024**

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	<b>Total Governmental Funds</b>
	<hr/>
<b>Net change in fund balance of the governmental funds</b>	\$ 137,494
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays.	(107,199)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt.	155,000
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 the governmental funds.	<u>51,613</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 236,908</u></u>

The accompanying notes are an integral part of this financial statement.

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

The accounting policies of the Winter Farm Metropolitan District No. 2 (the District) conform to accounting principles generally accepted in the United States of America as applicable to governments (US GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of such significant policies consistently applied in the preparation of the financial statements.

**Reporting Entity**

The District was formed in November 2000, under State of Colorado Statutes as a quasi-municipal corporation and is governed by a five-member elected Board of Directors pursuant to the provisions of the Colorado Special District Act (Title 32, Article I, Colorado Revised Statutes) in conjunction with Winter Farm Metropolitan District No. 1 ("District No. 1") and Winter Farm Metropolitan District No. 3 ("District No. 3") collectively referred to as the Districts.

The Districts' service area is located in Weld County in the Town of Windsor, Colorado. The Districts were formed to provide public improvements to be dedicated to the Town of Windsor, Colorado or retained by the Districts for the use and benefit of the residents and visitors of the District. Under the Consolidated Service Plan approved by the Town of Windsor, the District and District No. 3 are considered the Financing Districts which are responsible for providing the funding and tax base needed to support the financing plan for capital improvements. District No. 1 was considered to be the Service District responsible for managing the construction and operation of facilities and improvements. During 2019, the District terminated the operating agreement with District No. 1 and is now the service district.

The District complies with GASB accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. It defines component units as legally separate entities for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

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

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

**Basis of Presentation**

While separate government-wide and fund financial statements are presented, they are interrelated. The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the governmental activities of the District which are financed primarily by property and specific ownership taxes and charges for services.

1. **Summary of Significant Accounting Policies (continued)**

**Basis of Presentation (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by general and program revenues. Direct expenses are those that are clearly identifiable within a specific function or program. Program revenues include 1) fees or charges to citizens and other governmental entities that receive or directly benefit from services provided by a given function or program, and 2) grants, contributions and other revenues that are restricted to use in the operational or capital requirements of a specific function or program. Other revenues not directly related to a particular function or program, if any, are reported separately as general revenues. The District does not have proprietary or fiduciary funds.

The fund financial statements provide information about the government's funds.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current *financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 *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 available if they are collected within 60 days of the end of the current fiscal period except for irrigation water fees. Irrigation water fees are recognized when the fee is billed. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The exceptions to this general rule are that principal and interest on general long-term debt are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

The District reports the following major governmental funds:

**General Fund** – the District's primary operating fund. It accounts for all financial resources of the District, not accounted for in another fund.

**Special Revenue Fund** – accounts for financial resources restricted or committed to expenditures to operate and maintain the non-potable water system.

**Capital Projects Fund** – accounts for all financial resources that are restricted, committed or assigned to expenditures for capital projects, including the acquisition or construction of infrastructure cost or other capital assets.

**1. Summary of Significant Accounting Policies (continued)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

***Debt Service Fund*** - accounts for collection of certain revenues and payments on debt service or debt issued.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**Deposits and Investments**

Investments held in the local government investment pool are reported at net asset value as allowed under US GAAP.

The District may at times follow the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by regulations or other agreements, all cash is deposited and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements may be pooled for deposit and flexibility. As applicable, investment earnings are allocated periodically.

**Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs. As of December 31, 2024, the District did not hold any investments required to be reported under fair value.

**Receivables**

Accounts receivable consist of homeowner irrigation water fees and other miscellaneous fees as of December 31, 2024. The District considers all accounts receivable collectible as of December 31, 2024.

**Property Taxes**

Property taxes are levied annually and attach as an enforceable lien on property as of January 1. At the option of the taxpayer, property taxes may be paid in full or in two equal installments. The first of such installment is to be paid as of February 28 and the second installment is to be paid no later than June 15. If elected to be paid in full, the amount is to be paid no later than April 30. If payments are not made timely, delinquent interest accrues. If the taxes are not paid within subsequent statutory periods, the property tax lien will be sold at public auction. The County bills and collects the property taxes and remits collections to the District on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible.

1. **Summary of Significant Accounting Policies (continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)**

**Property Taxes (continued)**

Property taxes are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. These amounts are recorded as revenue in the subsequent year when they are available or collected.

**Capital Assets**

Capital assets, including the non-potable water system and landscape and trails, 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 20 years.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In the current year, the District did not have any items in this reporting category.

In addition to liabilities, the statement of net position will sometimes report 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(s) and so will *not* be recognized as an inflow of resources (revenue) until that time frame. The District has two items that qualify for reporting in this category, unavailable revenue – prepaid assessments and unavailable revenue – property tax. These amounts are 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.

**1. Summary of Significant Accounting Policies (continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)**

**Fund Balance**

In the fund financial statements, governmental funds report aggregate amounts for five classes of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not spendable in form which include items such as prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance.* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance.* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the District's Board of Directors, the District's highest level of decision-making authority.

*Assigned fund balance.* This classification reflects the amounts constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed. As of December 31, 2024, the District has not adopted a policy designating District personnel to determine amounts that may be assigned.

*Unassigned fund balance.* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. Although not included in a formal policy, the District considers decreases in fund balance to first reduce committed, then assigned, and then unassigned balances, in that order.

**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 financial 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.

**1. Summary of Significant Accounting Policies (continued)**

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. Stewardship, Compliance, and Accountability**

**Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with US GAAP. State law requires the District to adopt annual appropriated budgets for all funds.

The District conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary data reflected in the financial statements:

On or before October 15 of each year, the District's accountant submits to the Board of Directors a recommended budget which details the necessary property taxes needed along with other available revenues to meet the District's operating requirements.

After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopts the proposed budget and an appropriating resolution, which legally appropriates expenditures for the upcoming year.

Prior to December 15, the District computes and certifies to the County Commissioners a rate of levy that derives the necessary property taxes as computed in the proposed budget.

The budget and the appropriating resolution are adopted prior to December 15.

After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated revenues in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient. The budget is only amended in conformity with Colorado Revised Statutes which allows the District to amend the budget and adopt a supplementary appropriation if money for a specific purpose, other than ad valorem taxes, becomes available to meet a contingency.

The level of control in the budget at which expenditures exceeded appropriations is at the fund level. All appropriations lapse at year end. The general fund expenditures exceeded budgeted expenditures by \$27,735.

**2. Stewardship, Compliance, and Accountability (continued)**

**TABOR Amendment - Revenue and Spending Limitation Amendment**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20 commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. Spending and revenue limits are determined 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 also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service, federal grants and sales of assets). The District has reserved a portion of its December 31, 2024 year-end fund balance in the General Fund, Special Revenue Fund and Capital Projects Fund for emergencies as required under TABOR totaling \$12,116, which is the approximate required reserve for all funds as of December 31, 2024.

On November 7, 2000, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all current levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

The District's management believes it is in compliance with the provisions of TABOR, as it is currently understood. However, TABOR is complex and subject to interpretation. Many of the provisions may not become fully understood without judicial review.

**3. Detailed Notes on the Funds**

**Deposits and Investments**

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

Cash and investments	\$ 779,902
Cash and investments - restricted	<u>99,586</u>
	<u>\$ 879,488</u>

The following is a summary of deposits and investments held by the District at December 31, 2024:

<u>Type</u>	<u>Ratings per S&amp;P Global</u>	<u>Total as of December 31, 2024</u>
Deposits with financial institutions		\$ 257,034
COLOTRUST PLUS+	AAAm	<u>622,454</u>
Total		<u>\$ 879,488</u>

**3. Detailed Notes on the Funds (continued)**

**Deposits and Investments (continued)**

**Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at a minimum of 102% of the aggregate uninsured deposits.

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

**Investments**

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

At December 31, 2024, the District invested in the Colorado Local Governmental Liquid Asset Trust (COLOTRUST), a local government investment vehicle established for local governmental entities in Colorado to pool surplus funds. COLOTRUST offers three investment options, one of which is COLOTRUST PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, certain repurchase agreements, and collateralized bank deposits, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments.

COLOTRUST PLUS+ records its investment at fair value and the District records its investment in COLOTRUST PLUS+ using the net asset value method. There are no unfunded commitments and there is no redemption notice period. The weighted average maturity is 60 days or less.

**Custodial Credit Risk:** At December 31, 2024, all of the District's deposits were insured by the Federal Deposit Insurance Corporation or held in eligible public depositories as required by PDPA.

**Interest Rate Risk:** Colorado Revised Statutes (CRS) limit investment maturities to five years or less unless formally approved by the Board. In accordance with CRS, the District manages its exposure to declines in fair value by limiting the weighted average maturity of its investments.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Notes to Financial Statements**  
**December 31, 2024**

**3. Detailed Notes on the Funds (continued)**

**Investments (continued)**

**Credit Risk:** Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District follows the general provisions of CRS which limits the District's exposure to credit risk. CRS specify investment instruments meeting defined rating and risk criteria in which local governmental entities may invest. The allowed investments may include but are not limited to the following:

- Certain money market funds
- Local government investment pool

**Capital Assets**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Non-potable water system	\$ 1,852,573	\$ -	\$ -	\$ 1,852,573
Landscape and trails	516,478	11,500	-	527,978
Total capital assets being depreciated	<u>2,369,051</u>	<u>11,500</u>	<u>-</u>	<u>2,380,551</u>
Less accumulated depreciation for:				
Non-potable water system	(1,149,000)	(92,628)	-	(1,241,628)
Landscape and trails	(474,386)	(26,071)	-	(500,457)
Total accumulated depreciation	<u>(1,623,386)</u>	<u>(118,699)</u>	<u>-</u>	<u>(1,742,085)</u>
<b>Capital assets being depreciated, net</b>	<b>\$ <u>745,665</u></b>	<b>\$ <u>(107,199)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>638,466</u></b>

Depreciation expense of \$118,699 was charged to general government.

**Long-Term Obligations**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
2019 GO Refunding Bonds	\$ 8,025,000	\$ -	\$ 155,000	\$ 7,870,000	\$ 160,000
Premium 2019 GO Refunding Bonds	833,352	-	52,450	780,902	-
Governmental activities long-term debt	<u>\$ 8,858,352</u>	<u>\$ -</u>	<u>\$ 207,450</u>	<u>\$ 8,650,902</u>	<u>\$ 160,000</u>

**Authorized Debt**

As of December 31, 2024, the District had total authorized debt of \$45,450,000 of which \$43,838,377 has been issued, leaving an authorized but unissued balance of \$1,611,623 not including \$16,650,000 remaining for refundings.

**3. Detailed Notes on the Funds (continued)**

**Long-Term Obligations (continued)**

**2019 General Obligation Refunding Bonds**

On September 25, 2019, the District issued \$8,590,000 of General Obligation Refunding Bonds ("Series 2019 Bonds") with a premium of \$1,063,899. The Series 2019 Bonds were issued for the purpose of repaying the full amount of the 2015 Note Payable, repaying the full amount of the 2015 Subordinate Note Payable, purchasing a reserve insurance policy, purchasing bond insurance, and paying the costs of issuance. The Series 2019 Bonds bear interest ranging from 3.25% to 5%, payable semiannually on each June 1 and December 1, commencing on December 1, 2019, and maturing on December 1, 2050.

The Series 2019 Bonds maturing on or before December 1, 2029 are not subject to redemption prior to their respective maturity dates. Bonds maturing on and after December 1, 2030 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, commencing on September 1, 2030, upon payment of principal and accrued interest. There is no redemption premium. The Series 2019 Bonds maturing after December 1, 2039 are subject to mandatory sinking fund redemption commencing on December 1, 2035.

The Series 2019 Bonds are secured by pledged Property Tax revenue and other monies transferred to or deposited into the bond account pursuant to the bond resolution or reserve policy. In connection with the issuance the District purchased a bond insurance policy and a reserve policy.

Events of default as defined in the Series 2019 Bonds Indenture are 1) the payment of principal of or redemption premium on bonds is not made by the District when due, 2) the payment of any interest on the bonds is not made by the District when due, 3) the default by the District in the performance or observance of any other of the covenants, agreements, or conditions of the Indentures or bond resolutions, other than as described in the Indentures, and failure to remedy the same after notice thereof pursuant to the indenture, and 4) the filing of a petition under the federal bankruptcy laws or other applicable laws seeking to adjust the obligations represented by the Series 2019 Bonds.

In the event of default of the payment of the scheduled principal or interest on the Series 2019 Bonds when the same becomes due, the owner of the bonds will have a claim under the bond insurance policy for such defaulted payments. Remedies available in the event of default include 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the Series 2019 Bonds is not an available remedy for an event of default.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Notes to Financial Statements**  
**December 31, 2024**

**3. Detailed Notes on the Funds (continued)**

**Long-Term Obligations (continued)**

The following is a summary of the annual long-term debt principal and interest requirements for the Series 2019 Bonds.

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 160,000	\$ 341,337	\$ 501,337
2026	165,000	334,938	499,938
2027	175,000	328,337	503,337
2028	180,000	321,338	501,338
2029	190,000	312,338	502,338
2030-2034	1,105,000	1,409,188	2,514,188
2035-2039	1,405,000	1,104,438	2,509,438
2040-2044	1,795,000	715,938	2,510,938
2045-2049	2,210,000	298,675	2,508,675
2050	485,000	15,763	500,763
<b>Total</b>	<b>\$ 7,870,000</b>	<b>\$ 5,182,290</b>	<b>\$ 13,052,290</b>

**Advance Refunding of Debt**

The Series 2019 Bonds were issued to provide resources to current refund the 2015 Note Payable. Proceeds of \$8,280,476 (after payment of underwriter and other issuance costs) were deposited with the trustee for redemption of the 2015 Note Payable. Proceeds of \$995,641 were used to pay off the 2015 Subordinated Note Payable. The reacquisition price exceeded the net carrying amount of the old debt by \$370,169. This amount was amortized over the remaining life of the refunded debt which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce debt service payments in the short-term. The refunding increased the District's total debt service payments and resulted in an economic loss as the purpose of the refunding was to (1) amortize the 2015 Note Payable balloon payment due in 2022; (2) maintain the average homeowner payment; (3) reduce the required debt service mill levy; and (4) pay off the developer note.

**4. Risk Management**

The District is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The District has elected to participate in the Colorado Special Districts Property and Liability Pool ("the Pool"). The Pool is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Notes to Financial Statements**  
**December 31, 2024**

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**4. Risk Management (continued)**

The District pays annual premiums to the Pool for auto, public official's liability, property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other 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. During the year ended December 31, 2024, the Pool has made no distributions nor required additional contributions from the District.

**5. Interfund Transfers**

At December 31, 2024, the District transferred \$35,000 from the special revenue fund to the capital fund to build capital reserves.

**6. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position**

The governmental funds balance sheet includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. Explanation of the reconciling items is as follows:

Capital assets of \$2,380,551 less accumulated depreciation of \$1,742,085 or a net book value of \$638,466 are not financial resources and therefore are not reported in the funds.

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds. The details of this difference are as follows:

2019 general obligation bonds	\$ (7,870,000)
Accrued interest on long-term debt	(27,830)
Net adjustment	<u>\$ (7,897,830)</u>

Governmental funds report the effects of premiums, refundings and similar items when the debt is first issued, whereas amounts are deferred and amortized in the statement of activities. The details of this difference are as follows:

Premium on general obligation bonds	\$ (780,902)
Deferred insurance	35,934
Net adjustment	<u>\$ (744,968)</u>

**Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. Explanation of the reconciling items is as follows:

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Notes to Financial Statements**  
**December 31, 2024**

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**6. Reconciliation of Government-Wide and Fund Financial Statements (continued)**

**Explanation of Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities (continued)**

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The details of the difference are as follows:

Depreciation expense	\$ (118,699)
Capital outlay	11,500
Net adjustment	<u>\$ (107,199)</u>

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. The details of this difference are as follows:

Principal payment on general obligation bonds	<u>\$ 155,000</u>
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Another element of the reconciliation states that “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.” The details of this difference are as follows:

Amortization of premium on general obligation bonds	\$ 52,449
Amortization of insurance on refunding general obligation bonds	(1,385)
Interest on long-term debt	549
Net adjustment	<u>\$ 51,613</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final</b>
<b>Revenues:</b>			
Property tax	\$ 170,022	\$ 177,221	\$ 7,199
Specific ownership tax	10,201	6,155	(4,046)
Customer fees	500	13,158	12,658
Interest income	-	6,069	6,069
<b>Total revenues</b>	<b>180,723</b>	<b>202,603</b>	<b>21,880</b>
<b>Expenditures:</b>			
Current:			
General government:			
Management and accounting services	32,340	32,867	(527)
Audit and legal	23,750	22,113	1,637
Insurance and agent fees	9,033	8,379	654
Architectural and setup fees	500	13,133	(12,633)
Office, dues, newsletters and other	2,385	3,614	(1,229)
Treasurer fees	2,550	2,659	(109)
Landscape maintenance contract	70,000	69,589	411
Landscape replacement and repair	40,000	41,849	(1,849)
Pest control	3,000	848	2,152
Snow removal	6,000	1,837	4,163
Overhead allocated to special revenue funds	(20,405)	-	(20,405)
<b>Total expenditures</b>	<b>169,153</b>	<b>196,888</b>	<b>(27,735)</b>
<b>Net change in fund balance</b>	<b>11,570</b>	<b>5,715</b>	<b>(5,855)</b>
<b>Fund balance, beginning of year</b>	<b>155,195</b>	<b>159,375</b>	<b>4,180</b>
<b>Fund balance, end of year</b>	<b>\$ 166,765</b>	<b>\$ 165,090</b>	<b>\$ (1,675)</b>

The accompanying notes are an integral part of this financial statement.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Special Revenue Fund**  
**For the Year Ended December 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final</b>
<b>Revenues:</b>			
Irrigation water revenue	\$ 170,495	\$ 175,218	\$ 4,723
Other homeowner fees and fines	-	2,191	\$ 2,191
Interest income	-	9,814	9,814
<b>Total revenues</b>	<u>170,495</u>	<u>187,223</u>	<u>16,728</u>
<b>Expenditures:</b>			
Current:			
General government:			
Management and accounting services	26,460	26,460	-
Office, dues, newsletters and other	1,500	3,393	(1,893)
Non-potable water system expenses	35,000	10,939	24,061
Electric	36,414	36,710	(296)
General fund allocated overhead	30,405	-	30,405
Capital outlay:	-	11,500	(11,500)
<b>Total expenditures</b>	<u>129,779</u>	<u>89,002</u>	<u>40,777</u>
<b>Excess of revenues over (under) expenditures</b>	<u>40,716</u>	<u>98,221</u>	<u>57,505</u>
<b>Other financing sources (uses):</b>			
Transfer in (out)	(35,000)	(35,000)	-
<b>Total other financing sources (uses)</b>	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>5,716</u>	<u>63,221</u>	<u>57,505</u>
<b>Fund balance, beginning of year</b>	<u>97,785</u>	<u>212,873</u>	<u>115,088</u>
<b>Fund balance, end of year</b>	<u>\$ 103,501</u>	<u>\$ 276,094</u>	<u>\$ 172,593</u>

The accompanying notes are an integral part of this financial statement.

## **SUPPLEMENTARY INFORMATION**

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Capital Projects Fund**  
**For the Year Ended December 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final</b>
<b>Revenues:</b>			
Interest income	\$ -	\$ 14,037	\$ 14,037
<b>Total revenues</b>	<u>-</u>	<u>14,037</u>	<u>14,037</u>
<b>Expenditures:</b>			
Current:			
General government:			
Irrigation system repairs	68,614	-	68,614
Contingency	5,000	-	5,000
<b>Total expenditures</b>	<u>73,614</u>	<u>-</u>	<u>73,614</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(73,614)</u>	<u>14,037</u>	<u>87,651</u>
<b>Other financing sources (uses):</b>			
Transfer in (out)	35,000	35,000	-
<b>Total other financing sources (uses)</b>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(38,614)</u>	<u>49,037</u>	<u>87,651</u>
<b>Fund balance, beginning of year</b>	<u>244,555</u>	<u>257,905</u>	<u>13,350</u>
<b>Fund balance, end of year</b>	<u>\$ 205,941</u>	<u>\$ 306,942</u>	<u>\$ 101,001</u>

The accompanying notes are an integral part of this financial statement.

**WINTER FARM METROPOLITAN DISTRICT NO. 2**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Debt Service Fund**  
**For the Year Ended December 31, 2024**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final</b>
<b>Revenues:</b>			
Property tax	\$ 503,245	\$ 503,237	\$ (8)
Specific ownership tax	30,195	18,219	(11,976)
Interest income	-	8,555	8,555
<b>Total revenues</b>	<u>533,440</u>	<u>530,011</u>	<u>(3,429)</u>
<b>Expenditures:</b>			
Current:			
General government:			
Treasurer fees	7,549	7,553	(4)
Agent fees	400	400	-
Contingency	2,500	-	2,500
Debt service:			
Interest	347,538	347,537	1
Principal	155,000	155,000	-
<b>Total expenditures</b>	<u>512,987</u>	<u>510,490</u>	<u>2,497</u>
<b>Net change in fund balance</b>	20,453	19,521	(932)
<b>Fund balance, beginning of year</b>	<u>79,530</u>	<u>81,160</u>	<u>1,630</u>
<b>Fund balance, end of year</b>	<u>\$ 99,983</u>	<u>\$ 100,681</u>	<u>\$ 698</u>

The accompanying notes are an integral part of this financial statement.