



**Parkside Metro District**  
*Loveland, CO*



**ANNUAL FINANCIAL STATEMENTS**  
**December 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Parkside Metropolitan District  
Larimer County, CO

### Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund of Parkside Metropolitan District (the "District") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of District, as of December 31, 2024, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's 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.

### **Other Matters**

#### 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 the financial reporting for placing the basic financial statements in an appropriate operation, economic, or historical context. Our opinion on the basic financial statements is 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 as a whole. The supplementary information, as listed in the table of contents, is presented for purposes of legal compliance and additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

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

A handwritten signature in blue ink that reads "Flynn CPA, LLC". The signature is written in a cursive style and is underlined with a single horizontal line.

Castle Pines, Colorado  
May 20, 2025

**PARKSIDE METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2024**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 16,086
Cash and investments – restricted	9,441
Accounts receivable – specific ownership taxes	4,045
Property taxes receivable	363,200
Prepaid expenses	4,251
Land and water rights and taps	31,420
Depreciable capital assets, net	361,089
<b>Total Assets</b>	<b>789,532</b>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	47,069
Accrued interest payable	283,423
Current portion of general obligation bonds	-
General obligation bonds (Held by Developer)	5,520,000
<b>Total Liabilities</b>	<b>5,850,492</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	363,200
<b>NET POSITION (DEFICIT)</b>	
Restricted:	
Emergency reserves	2,200
Debt service	9,173
Capital projects	300
Non-spendable	4,251
Unassigned:	(5,440,084)
<b>Net Position (Deficit)</b>	<b>\$ (5,424,160)</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
For the 12-Month Period Ended  
December 31, 2024**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary Government:</b>					
<b>Government Activities:</b>					
General government activities	\$ (104,763)	\$ 350	\$ -	\$ -	\$ (104,413)
Interest and related costs on long-term debt	(289,445)		-	-	(289,445)
Capital project activities	(21,890)	-	-	-	(21,890)
	<u>\$ (416,098)</u>	<u>\$ 350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(415,748)</u>
<b>General Revenues</b>					
					342,525
					21,473
					13,142
					<u>377,140</u>
					(38,608)
					<u>(5,385,552)</u>
					<u>\$ (5,424,160)</u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
December 31, 2024**

	General Fund	Debt Service Fund	Capital Project Fund	Total Government Funds
<b>ASSETS</b>				
Cash and investments	\$ 16,086	\$ -	\$ -	\$ 16,086
Cash and investments - Restricted	2,200	6,941	300	9,441
Accounts receivable	1,813	2,232	-	4,045
Property taxes receivable	137,200	226,000	-	363,200
Prepaid expenses	4,251	-	-	4,251
<b>TOTAL ASSETS</b>	<b>\$ 161,550</b>	<b>\$ 235,173</b>	<b>\$ 300</b>	<b>\$ 397,023</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 47,069	\$ -	\$ -	\$ 47,069
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred property tax revenue	137,200	226,000	-	363,200
Deferred equalization fees	-	-	-	-
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>184,269</b>	<b>226,000</b>	<b>-</b>	<b>410,269</b>
<b>FUND BALANCES</b>				
Restricted:				
Emergencies (TABOR)	2,200	-	-	2,200
Debt service	-	9,173	-	9,173
Capital projects	-	-	300	300
Non-spendable	4,251	-	-	4,251
Unrestricted	(29,170)	-	-	(29,170)
<b>TOTAL FUND BALANCES</b>	<b>(22,719)</b>	<b>9,173</b>	<b>300</b>	<b>(13,246)</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 161,550</b>	<b>\$ 235,173</b>	<b>\$ 300</b>	
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>				
Other long-term assets are not available or otherwise cannot be converted to cash to pay for current expenditures and, therefore, are recorded as expenditures in the funds				
Land				31,420
Property, structures and equipment, net				361,089
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:				
General obligation bonds (Held by Developer)				(5,520,000)
Accrued interest payable				(283,423)
<b>Net position of governmental activities</b>				<b>\$ (5,424,160)</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**12-Month Period Ended**  
**December 31, 2024**

	General Fund	Debt Service Fund	Capital Project Fund	Total Government Funds
<b>REVENUES</b>				
Property taxes	\$ 135,622	\$ 206,903	\$ -	\$ 342,525
Specific ownership taxes	8,502	12,971	-	21,473
Covenant enforcement fines	350	-	-	350
Net investment income	3,082	10,060	-	13,142
<b>Total Revenues</b>	<b>147,556</b>	<b>229,934</b>	<b>-</b>	<b>377,490</b>
<b>EXPENDITURES</b>				
General and administration	54,702	-	-	54,702
Landscaping maintenance	44,107	-	-	44,107
Other district expenses	5,954	-	-	5,954
Debt service				
Direct and indirect collection costs	-	8,141	-	8,141
Interest Expense - Series 2018A Bonds	-	258,174	-	258,174
Principal payments on Series 2021 bonds	-	-	-	-
Major capital projects	-	-	-	-
<b>Total Expenditures</b>	<b>104,763</b>	<b>266,315</b>	<b>-</b>	<b>371,078</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>	<b>42,793</b>	<b>(36,381)</b>	<b>-</b>	<b>6,412</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Fund Transfers In / (Out)	(43,225)	43,225	-	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(432)</b>	<b>6,844</b>	<b>-</b>	<b>6,412</b>
<b>FUND BALANCES – BEGINNING</b>	<b>(22,287)</b>	<b>2,329</b>	<b>300</b>	<b>(19,658)</b>
<b>FUND BALANCES – END OF YEAR</b>	<b>\$ (22,719)</b>	<b>\$ 9,173</b>	<b>\$ 300</b>	<b>\$ (13,246)</b>

These financial statements should be read only in connection with the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
12-Month Period Ended  
December 31, 2024**

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

Net change in fund balances – Total government funds	\$	6,412
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The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal payments on Series 2021 bonds		-
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Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the net capital outlay activity for the year:

Depreciation expense on property, structures and equipment		(21,890)
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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.

Change in accrued interest on Series 2021 bonds		(23,130)
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<b>Changes in net position of governmental activities</b>	<b>\$</b>	<b>(38,608)</b>
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These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2024**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Property taxes	\$ 135,700	\$ 135,622	\$ (78)
Specific ownership taxes	8,800	8,502	(298)
Covenant enforcement fines	-	350	350
Net investment income	100	3,082	2,982
<b>Total Revenues</b>	<b>144,600</b>	<b>147,556</b>	<b>2,956</b>
<b>EXPENDITURES</b>			
General and administration	29,700	54,702	(25,002)
Landscaping maintenance	34,000	44,107	(10,107)
Other district expenses	8,700	5,954	2,746
<b>Total Expenditures</b>	<b>72,400</b>	<b>104,763</b>	<b>(32,363)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>72,200</b>	<b>42,793</b>	<b>(29,407)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	-	(43,225)	(43,225)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(43,225)</b>	<b>(43,225)</b>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER</b>	<b>72,200</b>	<b>(432)</b>	<b>(72,632)</b>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<b>(34,500)</b>	<b>(22,287)</b>	<b>12,213</b>
<b>FUND BALANCE – END OF YEAR</b>	<b>\$ 37,700</b>	<b>\$ (22,719)</b>	<b>\$ (60,419)</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
GENERAL FUND  
EXPENDITURE DETAILS - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2024**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>GENERAL AND ADMINISTRATION</b>			
District management and accounting fees	\$ 28,000	\$ 27,996	\$ 4
Administrative costs	1,500	707	793
Audit fees	7,200	8,500	(1,300)
Collection fees – County Treasurer	2,700	2,714	(14)
Board of Directors’ fees	-	-	-
Board election services	-	-	-
Insurance	4,000	2,647	1,353
Legal fees	5,000	12,138	(7,138)
Indirect Cost Allocation	(19,900)	-	(19,900)
Contingency	1,200	-	1,200
<b>Total General and Administration</b>	<b><u>\$ 29,700</u></b>	<b><u>\$ 54,702</u></b>	<b><u>\$ (25,002)</u></b>
<b>LANDSCAPING MAINTENANCE</b>			
Ground maintenance fees	16,600	16,550	50
Tree maintenance & replacement	-	2,100	(2,100)
Sprinkler repairs	5,000	4,776	224
Sprinklers – water	6,500	9,043	(2,543)
Sprinklers – electricity	1,500	240	1,260
Backflow maintenance	1,200	-	1,200
Landscaping projects	-	2,697	(2,697)
Detention pond maintenance	-	5,968	(5,968)
Perimeter fence maintenance	-	405	(405)
Property insurance	2,200	738	1,462
Miscellaneous landscape costs	1,000	1,590	(590)
<b>Total Landscaping Maintenance</b>	<b><u>\$ 34,000</u></b>	<b><u>\$ 44,107</u></b>	<b><u>\$ (10,107)</u></b>
<b>OTHER DISTRICT EXPENSES</b>			
Snow removal	4,500	1,600	2,900
Vandalism	-	-	-
Neighborhood recreation events	1,000	505	495
Newsletter publication services	300	-	300
Covenant enforcement services	2,900	3,849	(949)
<b>Total Other District Expenses</b>	<b><u>\$ 8,700</u></b>	<b><u>\$ 5,954</u></b>	<b><u>\$ 2,746</u></b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

PARKSIDE METROPOLITAN DISTRICT  
**NOTES TO FINANCIAL STATEMENTS**  
12-Month Period Ended December 31, 2024

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Parkside Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 23, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District operates under a service plan approved by City of Loveland (City) on May 01, 2018. The District's 22.9 acre service area is located in Larimer, Colorado entirely within the boundaries of the City and encompasses 76 single family home lots. The District was established to plan for, design, acquire, construct, install, relocate, redevelop, provide and finance public improvements and related operation and maintenance services within the boundaries of the District. The District was also established to (1) maintain approximately 8.6 acres of open spaces within the District, (2) maintain perimeter fencing, and (3) provide covenant enforcement and architectural review services.

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 organizations 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 significant accounting policies of the District are as follows:

**Government-wide and Fund Financial Statements**

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

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. 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.

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.

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

When both restricted and unassigned resources are available for use, it is the District's policy to use restricted resources first, then unassigned resources as they are needed.

### **Budgets**

In accordance with Colorado State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate 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.

Actual expenditures in the General and Debt Service Funds exceed budgeted amounts. This may be a violation of State 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. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Investments are carried at net asset value.

## **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.

## **Specific Ownership Taxes**

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle's age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the county. For 2024, specific ownership taxes received from the State was equal to approximately 6.3% of total property taxes collected.

Specific ownership tax is allocated proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

## **Property Maintenance Fines**

Covenant violation fines are assessed, in accordance with the District's covenant enforcement policy, on properties that the District deems to be in violation of the restrictive covenants provided in the Declaration of Covenants, Conditions, Restrictions and Easements for Parkside Village Second Subdivision filed with Larimer County Clerk & Recorder's Office on September 09, 2019 at reception number 20190053875 (the Declaration). Covenant violation fines are recognized as income after the violation has been identified, the homeowner has been notified and the period has expired for the homeowner to request a hearing to dispute the violation. Pursuant to 32-1-1001(1)(j)(I) CRS, fines and reimbursable costs are secured on and against each respective property by a perpetual lien.

## **Reimbursable Costs**

Legal fees and other costs incurred by the District related to covenant enforcement actions and other services provided to specific properties within the District are charged back to the respective properties. The District presents reimbursable costs on a net basis. Factors considered by the District in determining whether to present reimbursable cost chargeback revenue on a gross or net basis include whether risks exist that the District will be unable to recover such costs from property owners. Pursuant to 32-1-1001(1)(j)(I) CRS, fines and reimbursable costs are secured on and against each respective property by a perpetual lien, which has priority over all other encumbrances on a property.

## **Collection Costs**

Collection costs incurred by the District related to the collection of property taxes includes all costs incurred by the District that enable and support the District's ability to collect property taxes revenue. Generally, such costs include (a) operating and reporting compliance costs that protect the District's right to collect property taxes (e.g. financial statement audit fees, fees paid to professionals to prepare mandatory periodic financial and operational reports to the City and State, etc), (b) professional fees related to applying and monitoring accounting controls over the collection of District revenues, (c) costs related to managing the District's annual property tax assessment process and (d) insurance protecting the District from liability exposure that potentially could arise from performing these activities.

For the 2024 year, the District allocated indirect collection costs between its general fund (100% cost allocation) and its debt fund (0% cost allocation). Direct collection costs such as county treasurer collection fees are proportionally allocated to each fund on the basis of each property tax revenue allocable to each fund proportion to total property tax revenue assessed by the District.

## **Deferred Outflows of Resources and Deferred Inflows of Resources**

A deferred inflow of resources is an acquisition of net position by a government that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by a government that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statement as revenues and expenses until the period(s) to which they relate. Deferred inflows of resources in the governmental fund financial statements of the District for the 12-month period ended December 31, 2024 are comprised of property taxes due from Larimer County that will not be collected within 60 days of the end of the current calendar year. Deferred inflows of resources in the government-wide financial statements represents property taxes for which an enforceable legal claim to assets exists, but for which the levy pertains to the subsequent year.

## **Capital Assets**

Capital assets, which include infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District has assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

When purchased or constructed, the District classifies newly acquired property, equipment and structures by functional area. The estimated depreciable lives assigned to each asset class are based on the assumption that such assets are reasonably and regularly maintained and used for their intended purpose.

## **Liabilities**

The District identifies and records liabilities that meet the following three essential characteristics of a liability as defined by FASB Concept Statement No. 6:

- 1) it embodies a present duty or responsibility to one or more other entities that entails settlement by probable future transfer or use of assets at a specified or determinable date, on occurrence of a specified event, or on demand;

- 2) the duty or responsibility obligates a particular entity, leaving it little or no discretion to avoid the future sacrifice; and
- 3) the transaction or other event obligating the entity has already happened.

Agreements where amounts payable by the District are subject to annual appropriation and are not multiple-fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution do not meet the definition of a liability and are considered contingent obligations.

## Equity

### Net Position

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

### Fund Balance

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

- **Non-spendable fund balance** – The portion of a fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts) or legally or contractually required to be maintained intact.
- **Restricted fund balance** – The portion of a 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 a 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 a 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 a 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 policy to use the most restrictive classification first.

### NOTE 3 – CASH AND INVESTMENTS

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

Statement of net position:

Cash and investments – unrestricted	\$	16,086
Cash and investments – restricted		9,441
<b>Total cash and investments</b>	<b>\$</b>	<b>25,527</b>

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

Deposits with financial institutions	\$	5,806
Investments		19,721
<b>Total cash and investments</b>	<b>\$</b>	<b>25,527</b>

#### 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.

As of December 31, 2024, the District's cash deposits had a bank and carrying balance of \$5,806.

#### 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 listed 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 disclosure requirements or subject to 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.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

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 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 purchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2024, the District's investments were comprised of the following:

Investment	Maturity	Amortized Cost
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted Average Under 60 Days	\$ 19,721

### CSAFE

The District holds investments in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE operates similarly to a money market fund and each share is equal in value to \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. CSAFE measures its investments at amortized cost, which value is not materially different (less than 0.005% difference) than the fair value measurement of such investments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption period notice. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. No limitations exist on the District's ability to withdraw funds invested in CSAFE. CSAFE is rated AAAM by Standard & Poor's.

### NOTE 4 – CAPITAL ASSETS

An analysis of the changes in capital assets for the 12-month period ended December 31, 2024, follows:

	Balance at Dec. 31, 2023	Additions	Dedications	Balance at Dec. 31, 2024	Accumulated Depreciation
Landscaping & Public improvements	\$ 437,701	\$ -	\$ -	\$ 437,701	(\$ 76,612)
<b>Capital assets, net</b>	<b>\$ 437,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 437,701</b>	<b>(\$ 76,612)</b>

The cost of installing landscaping and related landscape structures is depreciated on a straight-line basis over 20 years.

**NOTE 5 – LAND AND NON-DEPRECIABLE ASSETS**

The District owns two land tracts approximately 7.42 acres of open space land within the Parkside Village Second Subdivision. These land tracts are recorded by the District at a nominal value of \$7,420. The District anticipates ownership of two additional open space land tracts located within the District totaling 1.14 acres and owned by Boedecker Lake Partners, LLC will be transferred. The District also owns certain water rights and two water taps used to irrigate the landscaping on these tracts of land. The District’s water rights and taps are recorded at purchase cost of \$24,000.

**NOTE 6 – LONG-TERM DEBT**

The following is a summary of the changes in the District's long-term debt for the 12-month period ended December 31, 2024:

	<b>Balance at Dec. 31, 2023</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance at Dec. 31, 2024</b>	<b>Due within one year</b>
Series 2021 G.O. Bonds	\$ 5,520,000	\$ -	\$ -	\$ 5,520,000	\$ -
Accrued Interest – Series 2021 G.O. Bonds	260,291	281,306	( 258,174)	283,423	-
<b>Total</b>	<b>\$ 5,780,291</b>	<b>\$ 281,306</b>	<b>(\$ 258,174)</b>	<b>\$ 5,803,423</b>	<b>\$ -</b>

Details regarding the District's long-term obligations are as follows:

**Series 2021 General Obligation Limited Tax Bonds**

On December 15, 2021, the District issued General Obligation Limited Tax Bonds in the amount of \$5,520,000. The stated interest rate on the 2021 Bonds is 4.75% simple interest per annum, and the 2021 Bonds are payable annually on December 1, beginning December 1, 2022, from, and to the extent of, any and all Pledged Revenue available. The 2021 Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2021 Bonds does not accrue interest. In the event any amount due and owing on the 2021 Bonds remain outstanding on December 1, 2061, such amount shall be deemed discharged and shall no longer be due and outstanding.

The 2021 Bonds are secured by and payable from Pledged Revenue, net of any costs of collection, which includes:

- a) all Property Taxes (generated by the imposition of the Required Mill Levy);
- b) all Specific Ownership Taxes (attributable to the Required Mill Levy);
- c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2021 Bond Fund.

The Required Mill Levy is 55.278 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since May 01, 2018. As of May 01, 2018 the ratio was 7.20%. The ratio for 2024 was 6.70%, which caused the Required Mill Levy for debt service for 2024 to be 59.403.

The 2021 Bonds are subject to redemption prior to maturity, at the option of the District on December 01, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium (%)	Redemption Premium (\$)
December 01, 2026, to November 30, 2027	3.0%	\$ 165,600
December 01, 2027, to November 30, 2028	2.0%	\$ 110,400
December 01, 2028, to November 30, 2029	1.0%	\$ 55,200
December 01, 2029 and thereafter	0.0%	\$ -

The 2021 Bonds are held by Front Range Securities, LLC, a wholly-owned affiliate of the Developer and the net proceeds from the 2021 bonds totaling \$5,357,613 was paid to the Developer. All directors serving on the District’s board in 2021 and approved issuance of the 2021 bonds were affiliated with the Developer.

No debt-to-maturity schedule is provided for the 2021 Bonds because semi-annual payments due on these Bonds are payable only to the extent of net Pledged Revenue.

### Events of Default – Series 2021 Bonds

The following events are considered events of default under the Series 2021 Bond indenture of trust: (1) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Indenture of Trust, (2) the District defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the District in the Indenture or the Bond Resolution and fails to remedy the same after notice thereof is provided to the District by the Trustee, Bond Insurer or Bond Owners or (3) the District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds. Failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default if the District has levied the Required Mill Levy, complied with all covenants and conditions of the Indenture of Trust and remitted all Pledged Revenues to the Trustee. Available remedies for an Event of Default are (1) placing the District in receivership, (2) Trustee initiating a lawsuit against the District and (3) compelling the District to cure the default via mandamus or any other suit, action, or proceeding at law or in equity. Acceleration of the repayment of the Bonds and punitive or consequential damages are not available remedies for an Event of Default.

### Debt Authorization – Service Plan

The District’s Service Plan, which was approved by the City of Loveland on May 01, 2018, authorizes the District to issue up to \$5.8 million in debt over a term not to exceed 40 years. The repayment of the District’s debt can exceed 40 years if the majority of the District’s Board are residents of the District and the District’s Board has voted in favor of refunding a part or all of the District’s debt (which must result in a net present value savings).

The District’s Service Plan also establishes a Maximum Mill levy the District is permitted to impose on taxable property within the District for the payment of debt. As long as the District’s total outstanding debt exceeds 50% of the assessed valuation of all taxable property within the District, the Maximum Debt Mill Levy is 55.278 mills, as adjusted by the State of Colorado for changes in the ratio of taxable valuation to assessed valuation of real property since May 01, 2018. As of May 01, 2018, the ratio was 7.20%. The ratio for 2023 was 6.95%, which caused the District’s Maximum Mill Levy for debt service for 2023 to be 57.266.

As of December 31, 2024, total remaining debt issuance authorization under the District’s Amended and Restated Service Plan is as follows:

Authorized maximum debt issuance per Service Plan	\$ 5,800,000
Less:	
2021 Bonds – principal	( 5,520,000)
2021 Bonds – Accrued, unpaid interest	( 283,423)
<b>Amount borrowed in excess of the Service Plan borrowing limit as of Dec. 31, 2024</b>	<b>(\$ 3,423)</b>

**Public Infrastructure Cost Financing Plan:** Per the Service Plan prepared by the Developer and approved by the City, total public infrastructure costs related to the development of the District was estimated at \$4,251,319. Per the financing plan attached to the Service Plan, total public infrastructure costs incurred by the Developer to be reimbursed by the District was projected to be \$2,865,615 (or 67.4% of the total estimated cost to construct public infrastructure) and total debt to be issued by the District to finance such construction costs was projected to be \$3,310,000 (through issuance of a senior and subordinate bond).

Actual debt issued by the District to fund the Developer’s claims under the AARA (See Note 7) totaled \$5,520,000 (\$2,654,385 or 92% higher than the financial projection attached to the District’s Service Plan).

### Debt Authorization – TABOR

On November 07, 2023, the District’s electors voted in an election to forever eliminate all remaining, unused borrowing power granted by the District’s eligible electors to the District in all past elections. The District is unable to issue additional debt without first obtaining approval from the District’s eligible electors.

### NOTE 7 – CONTINGENT OBLIGATIONS

The District has entered into two contingent obligation agreements with the Developer (as defined in Note 9). The District has neither registered nor filed a notice of claim of exemption regarding this contingent obligation agreement with the Colorado Securities Commissioner (“Commissioner”). Interpretative Order No. 06-IN-001 issued by the Commissioner provides that neither a registration application nor notice of claim of exemption is required to be filed with the Commissioner for a contractual obligation to repay a developer for advanced funds if such obligation provides that it is not transferable. This contingent obligation agreements are not transferrable to third parties. The contingent obligations of the District contemplated in the agreements identified below are subject to annual appropriation and are not multiple-fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution. The following contingent obligations exist, but are not necessarily owing, as of December 31, 2024:

#### Operating and Reimbursement Agreement

On April 3, 2019, while the Board was under control of directors who all reported conflicts of interest regarding their business relationships with the Developer, the District entered into an Operating and Reimbursement Agreement (ORA) with the Developer pursuant to which, the Developer agreed, in its sole discretion, to advance funds to the District for operating, maintenance, and/or administrative expenses. The District Board may, but has no obligation to do so, reimburse the Developer for such advances and any interest accrued thereon at the Board’s sole discretion.

Per the terms of the ORA, any and all advances received from the Developer accrue simple interest at a fixed rate equal to the prime interest rate plus 3% not to exceed a maximum interest rate of 8.5%. obligated, pledged or reserve together with simple interest thereon at the prime rate plus 3%, not to exceed 8.5%. Such interest provision in the

OORA is in violation of section VII.B of the District’s Service Plan which states, “Developer advances for operations or capital costs, including capital loans, shall not accrue interest.”

The term of this agreement ends on the date that amounts advanced by the Developer under the ORA have been paid in full or 40 years after the agreement date, whichever occurs first. Any outstanding, unpaid amounts owed to the Developer under the ORA as of January 11, 2059 shall be deemed discharged, paid and canceled.

For the 12-month period ended December 31, 2024, District payments made and advances received and interest accrued under the ORA is as follows:

	Developer Claims	Accrued interest net of repayments	Total
Beginning Balance (Dec. 31, 2023)	\$ 136,745	\$ 25,955	\$ 162,700
Additional claims/interest	-	11,623	11,623
Payments to the Developer	-	-	-
<b>Ending Balance (Dec. 31, 2024)</b>	<b>\$ 136,745</b>	<b>\$ 37,578</b>	<b>\$ 174,323</b>

#### Advance, Acquisition and Reimbursement Agreement

On April 3, 2019, while the Board was under control of directors who all reported conflicts of interest regarding their business relationships with the Developer, the District entered into an Advance, Acquisition and Reimbursement Agreement (AARA) with the Developer pursuant to which, the Developer agreed, in its sole discretion, to either advance funds to the District for construction of Public Improvements or to construct and complete Public Improvements and then transfer these improvements to the District or the City. The District Board may, but has no obligation to do so, reimburse the Developer for such advances and any interest accrued thereon at the Board’s sole discretion.

Per the terms of the ORA, any and all advances received from the Developer accrue simple interest at a fixed rate equal to the prime interest rate plus 3% not to exceed a maximum interest rate of 8.5%. obligated, pledged or reserve together with simple interest thereon at the prime rate plus 3%, not to exceed 8.5%. Such interest provision in the OORA is in violation of section VII.B of the District’s Service Plan which states, “Developer advances for operations or capital costs, including capital loans, shall not accrue interest.”

For the 12-month period ended December 31, 2024, District payments made and advances received under the AARA is as follows:

	Developer Claims	Accrued interest net of repayments	Total
Beginning Balance (Dec. 31, 2023)	\$ 25,000	\$ 4,228	\$ 29,228
Additional claims/interest	-	2,125	2,125
Payments to the Developer	-	-	-
<b>Ending Balance (Dec. 31, 2024)</b>	<b>\$ 25,000</b>	<b>\$ 6,353</b>	<b>\$ 31,353</b>

## **NOTE 8 – NET POSITION (DEFICIT)**

### **Restricted Net Position**

The District's restricted net position as of December 31, 2024 in the general fund, debt service fund and capital projects fund totaled \$2,200, \$9,173 and \$300, respectively. The restricted net position within the general fund is due to spending restrictions established by TABOR. See Note 11 for further details. The restricted net position within the debt service fund is comprised of funds that are restricted to servicing the Series 2021 Bonds. The restricted net position within the capital project fund is comprised of funds restricted for funding the construction of public infrastructure.

### **Non-Spendable Net Position**

The District's non-spendable net position as of December 31, 2024 in the general fund, debt service fund and capital project fund totaled \$4,251, \$0, and \$0, respectively. These balances were created due to the District prepaying certain 2025 expenses in 2024.

### **Unassigned Net Position**

The District's unassigned net position as of December 31, 2024 totaled (\$5,440,084). This deficit amount was a result of the District being responsible for the repayment of bonds issued for public improvements conveyed to the City of Loveland and the District.

## **NOTE 9 – RELATED PARTIES**

For the 12-month period ended December 31, 2024, all five directors serving on the District's board were residents of the District and reported no conflicts of interest arising from their participation on the District's board.

The owner and developer of all land within the District was Boedecker Lake Partners, LLC, a Colorado limited liability company (the "Developer").

The Developer is wholly owned by Arbor Capital Partners, a California corporation ("Arbor CP").

Arbor CP wholly owns Front Range Securities, LLC ("FRS LLC"), which owns 100% of the District's Bonds.

The approval of the ORA, AARA and the District's Bonds occurred when the District's board was entirely comprised of directors who were employees/owners of MLD LLC.

Sherman & Howard acted as bond counsel for the District regarding the issuance of the District's Bonds to FRS LLC and Sherman & Howard assisted Arbor CP regarding the formation and operation of FRS LLC.

## **NOTE 10 – RISK MANAGEMENT**

Except as provided in the Colorado Governmental Immunity Act, the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

#### **NOTE 11 – TAX, SPENDING AND DEBT 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 limit must be refunded unless the voters approve retention of such revenue.

On November 08, 2022, District voters authorized the District to assess property taxes at no more than \$136,000 annually, without limitation to rate, to pay the District's operations, maintenance and other expenses. The voter-approved property tax limit may be adjusted to reflect changes in the Denver-Aurora-Lakewood Consumer Price Index (CPI). As of December 31, 2022, the CPI was 304.424. As of December 31, 2024, the CPI was 327.572 causing the voter-approved property tax limit to be adjusted to \$146,300.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). TABOR prohibits the District from using its emergency reserves to compensate for economic conditions and revenue shortfalls.

TABOR is complex and subject to legal interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

## **SUPPLEMENTARY INFORMATION**

**PARKSIDE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2024**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Property taxes	\$ 207,200	\$ 206,903	\$ (297)
Specific ownership taxes	13,500	12,971	(529)
Net investment income	3,000	10,060	7,060
<b>Total Revenues</b>	<b>223,700</b>	<b>229,934</b>	<b>6,234</b>
<b>EXPENDITURES</b>			
Direct and indirect collection costs	30,200	8,141	22,059
Debt service			
Interest - Series 2021 Bonds	196,900	258,174	(61,274)
Principal - Series 2021 Bonds	-	-	-
<b>Total Expenditures</b>	<b>227,100</b>	<b>266,315</b>	<b>(39,215)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,400)</b>	<b>(36,381)</b>	<b>(32,981)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	-	43,225	43,225
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>43,225</b>	<b>43,225</b>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(3,400)</b>	<b>6,844</b>	<b>10,244</b>
<b>FUND BALANCE – BEGINNING</b>	<b>3,400</b>	<b>2,329</b>	<b>(1,071)</b>
<b>FUND BALANCE – END OF YEAR</b>	<b>\$ -</b>	<b>\$ 9,173</b>	<b>\$ 9,173</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
COLLECTION COST DETAILS - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2024**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>DIRECT AND INDIRECT COLLECTION COSTS</b>			
Collection fees – County Treasurer	\$ 4,200	\$ 4,141	\$ 59
Indirect Collection Cost Allocation	19,900	-	19,900
Legal fees	-	-	-
Bond paying agent fees	4,000	4,000	-
Miscellaneous	2,100	-	2,100
<b>Total Direct and Indirect Collection Costs</b>	<b>\$ 30,200</b>	<b>\$ 8,141</b>	<b>\$ 22,059</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**PARKSIDE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL  
12-Month Period Ended  
December 31, 2024**

	Original Budget	Actual Amounts	Positive / (Negative) Variance with Original Budget
<b>REVENUES</b>			
Net investment income	\$ -	\$ -	\$ -
Other	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
General and administrative fees	-	-	-
Capital projects			
Major capital projects	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCIAL SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE – BEGINNING OF YEAR</b>	<u>300</u>	<u>300</u>	<u>-</u>
<b>FUND BALANCE – END OF YEAR</b>	<u><u>\$ 300</u></u>	<u><u>\$ 300</u></u>	<u><u>\$ -</u></u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

PARKSIDE METROPOLITAN DISTRICT  
**SUMMARY OF ASSESSED VALUATION,  
MILL LEVY AND PROPERTY TAXES COLLECTED**  
December 31, 2024

Year Ended December 31,	Prior Year Assessed Valuation for Current Year tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		Operations	Debt	Levied	Collected (Note A)	
2020	\$ 36,176	16.583	-	\$ 600	\$ 600	100.0%
2021	808,221	16.583	-	13,403	13,403	100.0%
2022	2,626,230	16.698	55.664	190,000	190,039	100.2%
2023	2,285,264	38.938	57.266	219,900	219,852	100.0%
2024	3,487,300	38.938	59.403	342,900	342,525	99.9%
2025	3,523,881	38.938	64.124	363,200	[TBD]	[TBD]

**NOTE A:** Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years.

## OTHER SUPPLEMENTARY INFORMATION

PARKSIDE METROPOLITAN DISTRICT  
**CHANGE IN TOTAL OVERLAPPING MILL LEVY**  
 December 31, 2024

	2023 Mill Levy **	2024 Mill Levy *	Change
Parkside Metropolitan District	98.341	103.062	4.721
Thompson R2-J Gen Fund	36.937	38.808	1.871
Larimer County	21.745	22.461	0.716
City of Loveland	9.564	9.564	-
Thompson R2-J Bond	5.823	6.075	0.252
Thompson Valley Health Svc District	1.759	1.757	(0.002)
N Colo Water Cons District	1.000	1.000	-
Larimer Co Pest Ctrl District	0.142	0.142	-
Little Thompson Water	0.000	0.000	-
<b>Total Mill Levy</b>	<b>175.311</b>	<b>182.869</b>	<b>7.558</b>

\* -- For property tax collections in 2024

\*\* -- For property tax collections in 2025

PARKSIDE METROPOLITAN DISTRICT  
**HISTORICAL DEBT RATIOS**  
 December 31, 2024

	12/31/22	12/31/23	12/31/24
General Obligation Bonds	\$ 5,520,000	\$ 5,520,000	\$ 5,520,000
Accrued, unpaid interest - Bonds	\$ 124,011	\$ 260,291	\$ 283,423
Combined assessed property values within the District	\$ 2,285,264	\$ 3,487,300	\$ 3,523,881
Ratio of debt to assessed property values	147.0%	165.8%	164.7%