

SERRATOGA FALLS METROPOLITAN DISTRICT NO. 1

TOWN OF TIMNATH, COLORADO

2024 ANNUAL REPORT

Town Manager
Timnath, Colorado
via Email

Clerk and Recorder
Larimer County, Colorado
via Email

Office of the State Auditor,
via E-Filing Portal
1525 Sherman Street, 7th Floor
Denver, Colorado 80203

Division of Local Government,
via E-Filing Portal
1313 Sherman Street
Room 521
Denver, Colorado 80203

Pursuant to Section VII of the Amended and Restated Service Plan for Serratoga Falls Metropolitan District Nos. 1 and 3 (as amended, the “**Service Plan**”), Serratoga Falls Metropolitan District No. 1 (the “**District**”) is required to submit an annual report (“**Report**”) to the Town of Timnath, Colorado (the “**Town**”) which reflects activity and financial events of the District. Pursuant to Section 32-1-207(3)(c)(I), C.R.S., the District is also required to submit this Report to the Division of Local Government, Office of the State Auditor, and the Larimer County Clerk and Recorder; the Report must also be posted on the District’s public website.

To the best of our actual knowledge, for the year ending December 31, 2024, the District makes the following report:

1. **Boundary changes made or proposed:**

There were no boundary changes made or proposed to the District’s boundary during the Report year.

2. **Intergovernmental agreements either entered into, proposed or terminated:**

- Second Amendment to Intergovernmental Agreement by and between the District and Serratoga Falls Metropolitan District No. 2, dated December 19, 2024.

Proposed:

None.

3. **Access information to obtain a copy of the Rules and Regulations:**

A copy of the most recent Rules and Regulations for Kitchel Lake Filing 3 and a copy of the Serratoga Falls Metropolitan District No. 1 Water Rules and Regulations can be found on the District’s website: <https://www.serratogafallsmd1.org/>

4. A summary of any litigation involving the Public Improvements:

There is no litigation, pending or threatened, against the District of which we are aware.

5. Status of the District's construction of Public Improvements:

Construction of improvements (potable water, sanitary, storm) has been completed for Phases 1 through 4. In addition, all concrete, paving, and dry utilities have been completed for Phases 1 through 4 and meet initial acceptance requirements (see #6 below). The District is currently completing landscape and irrigation for Phases 3 and 4.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town:

The Town issued Initial Acceptance for Filing 3, Phases 1 and 2, on March 24, 2023, and for Phases 3 and 4 on January 17, 2025. All will remain under the developer's warranty until the Town grants final acceptance.

7. Final Assessed Value of Taxable Property within the District's boundaries as of December 31, 2024:

The 2024 total assessed value of taxable property within the boundaries of the District is \$11,426,341.

8. Current year budget including a description of the Public Improvements to be constructed in such year:

The District's 2025 annual budget filing is attached hereto as Exhibit A.

9. Most recently filed audited financial statements of the District, and any entity formed by the District, financial statements, for the year ending December 31, 2024 or an audit exemption if applicable:

Audited financial statements for 2024 will be filed with the Town Clerk upon completion.

10. Notice of any uncured events of default:

The District is current on all outstanding financial obligations.

11. **The District's Inability to Pay its Financial Obligations as they Come Due:**

As of December 31, 2024, the District is current on all outstanding financial obligations.

Respectfully submitted this 31st day of July, 2025.

SERRATOGA FALLS
METROPOLITAN DISTRICT NO. 1

By:  _____
President

EXHIBIT A
2025 BUDGET

Serratoga Falls Metropolitan District No.1

2025 Budget Message

Serratoga Falls Metropolitan District No. 1 (SFMD #1) is a quasi-municipal corporation organized and operated pursuant to the provisions set forth in the Colorado Special District Act, and was formed in May 2006. The District was established as part of a “Multiple District Structure” for the community located in the Town of Timnath, Larimer County, Colorado and is approximately 177.3 acres generally located East of Interstate 25 and Larimer County Road 5, North of Prospect Road (Larimer County Road 44), West of Larimer County Road 3, and South of Colorado Highway #14. SFMD #1 was organized to provide for the design, acquisition, construction and installation of both street and roadway improvements, street landscaping, signage, monuments and lighting, safety protection, park and recreation improvements, sanitation and storm drainage, water improvements, irrigation water system, and provide for the operation and maintenance of these improvements.

The District has no employees, and all services are contracted. The following budget is prepared on a modified accrual basis of accounting, which is consistent with the basis of accounting used in the District’s financial statements.

2025 Budget Strategy

General Fund

The District’s 2025 General Fund expenditures will mainly be funded by the homeowner operations fees and property taxes. The District imposed a 10.000 Operating mill levy for 2025.

Special Revenue Fund

The District’s 2025 Special Revenue Fund expenditures will be funded by non-potable water fees, including a fee to Serratoga Falls District No.2 and Serratoga Falls District No. 3 for non-potable water services.

Capital Projects Fund

The District’s 2025 Capital Projects Fund expenditures for public improvements will be funded by a draw on the authorized 2023 Debt issuance funds. Capital Projects Fund expenditures for non-potable water system installations will be funded by Tap & Connect Fees on each developed lot.

Debt Service Fund

The Debt Service Fund is used to account for the collection of taxes and payments related to the District’s General Obligation Bonds-Series 2023A. The District imposed a 41.600 debt service mill levy in 2025. *Due to the cash flow nature of these bonds, a debt schedule is not included.*

TABOR

The District has provided for an Emergency Reserve Fund equal to at least 3% of the fiscal year spending for 2025, as defined under the Taxpayer Bill of Rights (TABOR).

Serratoga Falls District 1 2025 Budget
 Modified Accrual Accounting Basis

General Fund

	2023	2024	2024	2025
	Actual	Budget	Estimated Actual	Budget
Beginning Fund Balance	41,601	44,421	(16,712)	161,996
Income				
Fines		-	1,500	-
Homeowner Operations Fees	123,600	123,600	123,364	123,600
Developer Advance	6,500	-	30,000	-
Interest Revenue	53	-	44	-
Design Review Fees		2,500	4,821	3,450
Property Taxes	6,705	97,152	97,152	114,263
Specific Ownership Taxes	483	5,829	6,019	6,856
Other Revenues		-	7,166	-
Tax Related Interest	52	-	3,727	-
Transfer In			-	
Intergovernmental Revenue	-	4,500	50	4,500
Total Income	137,393	233,581	273,843	252,669
Expense				
<i>General and Administrative</i>				
Management & Accounting Services	5,786	22,000	22,000	25,000
Other Management Fees	2,500	-	-	-
Design Review Fees	-	2,500	4,821	3,450
Legal	74,670	25,000	24,778	25,000
Audit/Tax Prep	-	17,500	23,000	12,500
Election	-	-	-	3,500
Insurance	5,528	2,625	5,373	5,910
Engineers	12,790	-	-	-
Treasurers Fees	135	1,943	1,943	2,285
Bad Debt Expense	5,239	-	-	-
Office	1,284	500	655	500
Dues and Compliance	371	1,500	414	1,500
Total G&A	108,303	73,568	82,984	79,645
<i>Other</i>				
Contingency	-	40,000	-	40,000
Total Other	-	40,000	-	40,000
<i>Utilities</i>				
Electric	304	3,960	709	4,356
Total Utilities	304	3,960	709	4,356
<i>Landscape</i>				
Landscape Contract	64,554	25,000	5,795	26,250
Landscape Maintenance and Repairs	1,470	10,000	(3,013)	10,000
Landscape Projects	-	-	-	-
Snow Removal	-	5,000	417	5,000
Sprinklers	8,009	7,500	1,582	7,500
Trees/Bushes	-	-	-	-
Pumphouse	6,668	-	-	-
Recreational Lease	6,398	6,910	6,661	7,194
Total Landscape	87,099	54,410	11,442	55,944
Transfer Out	-	-	-	150,000
Total Expenses	195,706	171,938	95,135	329,945
Excess Revenue (Expenses)	(58,313)	61,643	178,708	(77,276)
Ending Fund Balance	(16,712)	106,064	161,996	84,720

Special Revenue Fund

	2023	2024	2024	2025
	Actual	Budget	Estimated Actual	Budget
Beginning Fund Balance	(3,193)	19,538	(24,124)	54,694

Income				
Irrigation Water Fees	51,645	51,645	52,090	52,090
Intergovernmental Fees	-	72,000	-	-
Irrigation Water Rental	-	-	-	-
Tap Fees	-	-	13,568	-
Transfer in	-	-	-	150,000
Late Fees	-	-	-	-
Intergovernmental Revenue	-	-	117,434	80,000
Interest Charges	-	-	3,230	-
Total Income	51,645	123,645	186,322	282,090
Expense				
<i>General and Administrative</i>				
Management and Accounting	5,000	10,000	11,863	11,000
Insurance	-	4,725	-	-
Bad Debt Expense	1,999	-	-	-
Total G&A	6,999	14,725	11,863	11,000
<i>Other</i>				
Contingency	-	12,000	-	12,000
Total Other	-	12,000	-	12,000
<i>Utilities</i>				
Electric - Well Pump	10,506	16,000	8,173	17,600
Electric - Pumphouse	9,776	10,000	21,794	11,000
Water Assessments	5,256	8,772	8,522	9,649
Total Utilities	25,538	34,772	38,489	38,249
<i>Nonpotable System</i>				
Meter Reading Software	1,043	2,800	2,098	2,800
Water Resource Accounting	6,257	10,000	25,542	11,000
Irrigation System Repairs	19,201	25,000	18,384	25,000
Irrigation System Monitoring	-	-	-	-
Utility Locates	-	7,740	-	8,500
Pumphouse	13,538	8,000	11,128	11,500
Total Landscape	40,039	53,540	57,152	58,800
Transfer Out	-	-	-	-
Total Expenses	72,576	115,037	107,504	120,049
Excess Revenue (Expenses)	(20,931)	8,608	78,818	162,041
Ending Fund Balance	(24,124)	28,146	54,694	216,735

Debt Service Fund

	2023	2024	2024	
	Actual	Budget	Estimated	2025
			Actual	Budget
Modified Accrual Accounting Basis				
Beginning Fund Balance	-	-	-	-
Income				
Other Financing Sources	-	-	-	-
Interest Revenue	-	-	-	-
Property Tax	-	388,608	388,608	475,336
Specific Ownership Tax	-	23,316	24,077	28,520
Tax Related Interest	-	-	14,907	-
Total Income	-	411,924	427,592	503,856
Expenditures				
<i>General & Administrative</i>				
Cost of Issuance	-	-	-	-
Treasurers Fees	-	7,772	8,045	9,507
Bank Fees	-	-	-	-
Paying Agent Fees	-	4,000	-	4,000
Total G&A	-	11,772	8,045	13,507
<i>Bonds & Interest</i>				
Principal 2023 Bonds	-	-	-	-
Interest 2023 Bonds	-	400,152	-	490,349
Total Bonds & Interest	-	400,152	-	490,349
Total Expenditures	-	411,924	8,045	503,856
Excess Revenue (Expenses)	-	-	419,547	-

Ending Fund Balance	-	-	419,547	-
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Capital Projects Fund

	2023 Actual	2024 Budget	2024 Estimated Actual	2025 Budget
Beginning Fund Balance	74,227	74,227	(166,274)	(244,944)
Income				
Other Financing Sources		12,500,000	-	1,000,000
Interest	39	-	10	-
Transfer In		-	86,701	-
Tap Fees		706,822	-	706,822
Developer Contribution		-	-	-
Developer Advance	637,923	-	-	-
Total Income	637,962	13,206,822	86,711	1,706,822
Expense				
Engineers	-	-	3,564	-
Management and Accounting	-	5,400	1,800	6,000
Costs of Issuance	-	-	-	-
Bank Fees	80	-	139	-
Parks and Rec	308,292	-	-	-
Landscape Installation	-	-	-	-
Streets Sidewalks	384,888	-	-	-
Potable Water	-	-	-	-
Sanitary Sewer	4,743	-	-	-
Streetlights	180,460	-	-	-
Tap Fee	-	706,822	-	706,822
Transfer Out	-	-	159,878	-
Construction	-	12,500,000	-	-
Total Expenses	878,463	13,212,222	165,381	712,822
Excess Revenue (Expenses)	(240,501)	(5,400)	(78,670)	994,000
Ending Fund Balance	(166,274)	68,827	(244,944)	749,056

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