

WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NOS. 1-3

2025 CONSOLIDATED ANNUAL REPORT

Pursuant to §32-1-207(3)(c), Resolution No. 71-R-2021 and the Consolidated Service Plan for Waterfront at Foster Lake Metropolitan District Nos. 1-3 (collectively the “**Districts**”), the Districts are required to provide an annual report to the Town Council of the Town of Mead, Weld County, Colorado (the “**Town**”) with regard to the following matters:

For the year ending December 31, 2025, the Districts make the following report:

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

There were no boundary changes made or proposed to the Districts’ boundaries in 2025.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

The Districts did not enter into or terminate any governmental agreements in 2025.

3. Access information to obtain a copy of rules and regulations adopted by the board.

As of December 31, 2025, the Districts did not adopt rules and regulations.

4. A summary of litigation involving public improvements owned by the Districts.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts’ public improvements as of December 31, 2025.

5. The status of the construction of public improvements by the Districts.

As of December 31, 2025, the Districts did not construct any Public Improvements.

6. A list of facilities or improvements constructed by the Districts that were conveyed or dedicated to the county or municipality.

The Districts did not construct any facilities or improvements dedicated to or accepted by the Town in 2025.

7. The final assessed valuation of the Districts as of December 31st of the reporting year.

The 2025 assessed valuation for District No. 1 is \$433,010.

The 2025 assessed valuation for District No. 2 is \$774,840.

The 2025 assessed valuation for District No. 3 is \$158,380.

8. A copy of the current year's budget.

Copies of the 2026 Budgets are attached hereto as **Exhibit A**.

9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

Copies of the 2025 Audit Exemption Applications for District Nos. 1 and 3 are attached hereto as **Exhibit B**. The 2025 Audit for District No. 2 is not complete and will be submitted as a supplemental report upon completion.

10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the Districts.

To our actual knowledge, the Districts did not receive notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the Districts to pay their obligations as they come due under any obligation which continues beyond a ninety (90) day period.

To our actual knowledge, there was not any inability of the Districts to pay their obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

Service Plan Requirements

1. Narrative of the Districts' progress in implementing the Service Plan and a summary of the development in the project.

The Districts continue to implement the development schedule as contemplated in the Service Plan.

2. Boundary changes made or proposed.

There were no boundary changes made or proposed to the Districts' boundaries in 2025.

3. Intergovernmental Agreements executed.

The Districts did not enter into or terminate any governmental agreements in 2025.

4. A summary of any litigation involving the Districts.

To our actual knowledge, based on review of the court records in Weld County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts' public improvements as of December 31, 2025.

5. Proposed plans for the year immediately following the report year.

The Developer plans to construct the on-site and off-site improvements in Filing No. 1 in 2026.

6. Construction contracts executed and the name of the contractors as well as the principle of each contractor.

The Districts have no current construction contracts.

7. Status of the Districts' Public Improvement construction schedule and the Public Improvement schedule for the following five years.

The Districts are not planning to construct the Public Improvements. The Developer plans to continue construction of the on- and off-site improvements to serve Filing No. 1 in the five years following the report year.

8. Notice of any uncured defaults.

To our actual knowledge, the Districts did not receive notice of any uncured events of default by the Districts, under any Debt instrument.

9. A list of all Public Improvements constructed by the Districts that have been dedicated to and accepted by the Town.

The Districts did not construct any facilities or improvements dedicated to or accepted by the Town in 2025.

10. If requested by the Town, copies of minutes of all meetings of the Districts' boards of directors.

None requested.

11. The name, business address and telephone number of each member of the Boards and it's chief administrative officer and general counsel and the date, place and time of the regular meetings of the Boards.

Thomas Clark
8678 Concord Center Drive, #200
Englewood, CO 80112
303-346-7006

Josh Brgoch
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Megan J. Murphy, Esq., Legal Counsel
WBA, PC
2154 E Commons Ave., Suite 2000,
Centennial, CO 80122
mmurphy@wbapc.com
303-858-1800

2026 Regular Meetings: The Boards determined to hold regular meetings on the last Tuesday of March, June, September, and December at 1:00 p.m., by telephone, electronic, or other means not requiring physical presence.

12. Certification from the Boards that the Districts are in compliance with all provisions of the Service Plan.

The Certification is attached hereto as **Exhibit C**.

13. Copies of any Agreements with the Developer entered into in the report year.

The Districts did not enter into any agreements with the Developer in the report year.

14. If requested, copies of any applicable cost verification reports issued by an accountant or engineer and provided to the Districts in the report year.

None requested.

15. Assessed value of taxable property within the Districts' boundaries.

The 2025 assessed valuation for District No. 1 is \$433,010.
The 2025 assessed valuation for District No. 2 is \$774,840.
The 2025 assessed valuation for District No. 3 is \$158,380.

16. Total acreage of property within the Districts' boundaries.

District No. 1 is approximately 11.829 Acres.
District No. 2 is approximately 338.998 Acres.
District No. 3 is approximately 235.245 Acres.

17. Most recently filed audited financial statements of the Districts, to the extent audit financial statements are required by state law or most recently filed audit exemption.

Copies of the 2025 Audit Exemption Applications for District Nos. 1 and 3 are attached hereto as **Exhibit B**. The 2025 Audit for District No. 2 is not complete and will be submitted as a supplemental report upon completion.

18. Annual budgets of the Districts.

Copies of the 2026 Budgets are attached hereto as **Exhibit A**.

19. Resolutions regarding issuance of debt or other financial obligations, including relevant financing documents, credit agreements and official statements.

As of December 31, 2025, District Nos. 1 & 3 had not issued any debt. District No. 2 did not issue any debt or other financial obligations during calendar year 2025.

20. Outstanding Debt (stated separately for each class of Debt).

As of December 31, 2025, District Nos. 1 & 3 had not issued any debt. District No. 2 issued its: (1) Limited Tax General Obligation Senior Bonds, Series 2022A₃-1; Limited Tax General Obligation Convertible Capital Appreciation Senior Bonds, Series 2022A₃-2; and Special Revenue Bonds, Series 2022 all on January 27, 2022.

21. Outstanding Debt Service (stated separately for each class of Debt).

As of December 31, 2025, District Nos. 1 & 3 had not issued any debt. District No. 2 issued its: (1) Limited Tax General Obligation Senior Bonds, Series 2022A₃-1; Limited Tax General Obligation Convertible Capital Appreciation Senior Bonds, Series 2022A-2; and Special Revenue Bonds, Series 2022 all on January 27, 2022.

22. The Districts' inability to pay any financial obligations as they come due.

To our actual knowledge, there was not any inability of the Districts to pay their obligations as they came due, in accordance with the terms of such obligations.

23. The amount and terms of any new Debt issued.

As of December 31, 2025, the Districts had not issued any new Debt.

24. Any Developer Debt.

Not applicable.

EXHIBIT A
2026 Budgets

WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 1
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Waterfront at Foster Lake Metropolitan District No.1.

The Waterfront at Foster Lake Metropolitan District No. 1 has adopted a budget for one fund, a General Fund to provide for operating and maintenance expenditures.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2026 will be property taxes from the imposition of a 40.000 mill levy on all property within the district for 2026, all of which will be allocated to the General Fund.

Waterfront at Foster Lake Metropolitan District No. 1
Adopted Budget
General Fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 18,370	\$ 38,821	\$ 1,088	\$ 1,088	\$ 39,863
Revenues:					
Property taxes	25,279	17,052	17,391	17,052	17,320
Specific ownership taxes	889	1,364	365	1,364	1,386
Transfer from District 2 and District 3	-	75,308	-	74,473	43,708
Interest income	1,264	500	762	1,000	500
Total revenues	<u>27,432</u>	<u>94,224</u>	<u>18,518</u>	<u>93,889</u>	<u>62,914</u>
Total funds available	<u>45,802</u>	<u>133,045</u>	<u>19,606</u>	<u>94,977</u>	<u>102,777</u>
Expenditures:					
Accounting	7,400	5,000	4,366	9,000	10,000
Audit	9,000	7,500	-	7,500	8,000
Legal	21,536	5,000	5,633	15,000	15,000
Insurance	6,252	3,000	2,858	2,858	3,500
Miscellaneous	147	100	61	100	100
Directors fees	-	400	-	400	400
Planning and Engineering	-	-	-	20,000	-
Treasurer fees	379	256	256	256	260
Contingency	-	107,151	-	-	60,399
Trustee fees	-	4,000	-	-	4,000
Emergency reserve (3%)	-	638	-	-	1,118
Total expenditures	<u>44,714</u>	<u>133,045</u>	<u>13,174</u>	<u>55,114</u>	<u>102,777</u>
Ending fund balance	<u>\$ 1,088</u>	<u>\$ -</u>	<u>\$ 6,432</u>	<u>\$ 39,863</u>	<u>\$ -</u>
Assessed value		<u>\$ 426,290</u>			<u>\$ 433,010</u>
Mill Levy		<u>40.000</u>			<u>40.000</u>

WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 2
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Waterfront at Foster Lake Metropolitan District No.2.

The Waterfront at Foster Lake Metropolitan District No. 2 has adopted a budget for four separate funds, a General Fund to provide for operating and maintenance expenditures; a Capital Project Fund to provide for payment of the estimated infrastructure costs to be built for the benefit of the district; a Debt Service Fund to provide for the payments on the general obligation debt and a Water Enterprise Fund to provide for costs associated with the water utility.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2026 will be interest income, tap fees, and property taxes from the imposition of a 69.463 mill levy on property within the district for 2026, of which 16.032 mills will be dedicated to the General Fund and 53.431 will be dedicated to the Debt Service Fund.

Waterfront at Foster Lake Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 484,186	\$ 424,066	\$ 513,713	\$ 513,713	\$ 499,709
Revenues:					
Property taxes	11,655	9,375	9,393	11,655	12,422
Specific ownership taxes	411	750	201	411	994
Interest income	<u>27,500</u>	<u>500</u>	<u>10,769</u>	<u>27,500</u>	<u>500</u>
Total revenues	<u>39,566</u>	<u>10,625</u>	<u>20,363</u>	<u>39,566</u>	<u>13,916</u>
Total funds available	<u>523,752</u>	<u>434,691</u>	<u>534,076</u>	<u>553,279</u>	<u>513,625</u>
Expenditures:					
Accounting	9,000	-	-	9,000	-
Legal	864	-	-	864	-
Insurance	-	-	3,531	3,531	-
Transfer to District 1	-	40,000	-	40,000	40,461
Treasurer fees	175	141	140	175	186
Contingency	-	393,346	-	-	471,759
Emergency reserve (3%)	<u>-</u>	<u>1,204</u>	<u>-</u>	<u>-</u>	<u>1,219</u>
Total expenditures	<u>10,039</u>	<u>434,691</u>	<u>3,671</u>	<u>53,570</u>	<u>513,625</u>
Ending fund balance	<u>\$ 513,713</u>	<u>\$ -</u>	<u>\$ 530,405</u>	<u>\$ 499,709</u>	<u>\$ -</u>
Assessed value		<u>\$ 597,480</u>			<u>\$ 774,840</u>
Mill levy		<u>15.691</u>			<u>16.032</u>

Waterfront at Foster Lake Metropolitan District No. 2
Adopted Budget
Capital Projects fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ <u>26,572,358</u>	\$ <u>22,772,357</u>	\$ <u>24,847,854</u>	\$ <u>24,847,854</u>	\$ <u>24,457,854</u>
Revenues:					
Interest income	<u>1,309,597</u>	<u>10,000</u>	<u>530,219</u>	<u>110,000</u>	<u>10,000</u>
Total revenues	<u>1,309,597</u>	<u>10,000</u>	<u>530,219</u>	<u>110,000</u>	<u>10,000</u>
Total funds available	<u>27,881,955</u>	<u>22,782,357</u>	<u>25,378,073</u>	<u>24,957,854</u>	<u>24,467,854</u>
Expenditures:					
Capital improvements	3,018,675	22,332,357	-	500,000	24,467,854
Planning and engineering	15,426	-	-	-	-
Total expenditures	<u>3,034,101</u>	<u>22,332,357</u>	<u>-</u>	<u>500,000</u>	<u>24,467,854</u>
Ending fund balance	\$ <u>24,847,854</u>	\$ <u>450,000</u>	\$ <u>25,378,073</u>	\$ <u>24,457,854</u>	\$ <u>-</u>
Assessed value		\$ <u>597,480</u>			\$ <u>774,840</u>

Waterfront at Foster Lake Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 4,904,021	\$ 3,853,127	\$ 3,895,198	\$ 3,895,197	\$ 2,844,304
Revenues:					
Property taxes	37,871	31,250	31,171	37,875	41,400
Specific ownership taxes	1,369	2,500	669	1,300	3,312
Interest income	<u>225,504</u>	<u>4,500</u>	<u>80,662</u>	<u>180,000</u>	<u>4,500</u>
Total revenues	<u>264,744</u>	<u>38,250</u>	<u>112,502</u>	<u>219,175</u>	<u>49,212</u>
Total funds available	<u>5,168,765</u>	<u>3,891,377</u>	<u>4,007,700</u>	<u>4,114,372</u>	<u>2,893,516</u>
Expenditures:					
Treasurer fees	568	469	7,500	568	621
Interest expense	1,269,500	1,269,500	634,750	1,269,500	1,269,500
Trustee fees	<u>3,500</u>	<u>6,000</u>	<u>468</u>	<u>-</u>	<u>6,000</u>
Total expenditures	<u>1,273,568</u>	<u>1,275,969</u>	<u>642,718</u>	<u>1,270,068</u>	<u>1,276,121</u>
Ending fund balance	\$ <u>3,895,197</u>	\$ <u>2,615,408</u>	\$ <u>3,364,982</u>	\$ <u>2,844,304</u>	\$ <u>1,617,395</u>
Assessed value		\$ <u>597,480</u>			\$ <u>774,840</u>
Mill levy		<u>52.303</u>			<u>53.431</u>
Total Mill levy		<u>67.994</u>			<u>69.463</u>

Waterfront at Foster Lake Metropolitan District No. 2
Adopted Budget
Water Entripise fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 14,199	\$ 14,799	\$ 14,948	\$ 14,948	\$ 17,948
Revenues:					
Tap fees	-	2,500,000	-	-	2,500,000
Interest income	<u>749</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Total revenues	<u>749</u>	<u>2,503,000</u>	<u>-</u>	<u>3,000</u>	<u>2,503,000</u>
Total funds available	<u>14,948</u>	<u>2,517,799</u>	<u>14,948</u>	<u>17,948</u>	<u>2,520,948</u>
Expenditures:					
Debt service	-	2,500,000	-	-	2,500,000
Paying agent fees	-	3,000	-	-	3,000
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>2,503,000</u>	<u>-</u>	<u>-</u>	<u>2,503,000</u>
Ending fund balance	<u>\$ 14,948</u>	<u>\$ 14,799</u>	<u>\$ 14,948</u>	<u>\$ 17,948</u>	<u>\$ 17,948</u>
Assessed value		<u>\$ 597,480</u>			<u>\$ 774,840</u>

WATERFRONT AT FOSTER LAKE METROPOLITAN DISTRICT NO. 3
2026
BUDGET MESSAGE

Attached please find a copy of the adopted 2026 budget for the Waterfront at Foster Lake Metropolitan District No.3.

The Waterfront at Foster Lake Metropolitan District No. 3 has adopted a budget for one fund, a General Fund to provide for operating and maintenance expenditures.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2026 will be property taxes from the imposition of a 40.000 mill levy on all property within the district for 2026, all of which will be allocated to the General Fund.

Waterfront at Foster Lake Metropolitan District No. 3
Adopted Budget
General Fund
For the Year ended December 31, 2026

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ 26,695	\$ 30,234	\$ 30,475	\$ 30,475	\$ -
Revenues:					
Property taxes	6,665	4,764	4,764	4,764	6,335
Specific ownership taxes	236	381	102	381	507
Interest income	<u>1,231</u>	<u>-</u>	<u>604</u>	<u>1,000</u>	<u>-</u>
Total revenues	<u>8,132</u>	<u>5,145</u>	<u>5,470</u>	<u>6,145</u>	<u>6,842</u>
Total funds available	<u>34,827</u>	<u>35,379</u>	<u>35,945</u>	<u>36,620</u>	<u>6,842</u>
Expenditures:					
Accounting	-	-	-	-	-
Legal	-	-	-	-	-
Insurance	4,252	-	2,076	2,076	3,500
Treasurer fees	100	71	71	71	95
Transfer to District 1	-	35,308	-	34,473	3,247
Transfer to Capital Projects Fund	-	-	-	-	-
Contingency	-	-	-	-	-
Emergency reserve (3%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,352</u>	<u>35,379</u>	<u>2,147</u>	<u>36,620</u>	<u>6,842</u>
Ending fund balance	<u>\$ 30,475</u>	<u>\$ -</u>	<u>\$ 33,798</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed value		<u>\$ 119,100</u>			<u>\$ 158,380</u>
Mill levy		<u>40.000</u>			<u>40.000</u>

EXHIBIT B
2025 Audit Exemption Applications
(District Nos. 1 & 3)

Application for Exemption From Audit Short Form

Instructions

If either revenues or expenditures exceed \$200,000, use the Long Form

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$1,000,000 in the year.

Exemptions from audit are NOT automatic

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **each year** and submit it to the Office of the State Auditor (OSA). Approval for an exemption from audit is granted only upon the review by the OSA.

Any preparer of an Application for Exemption from Audit — Short Form must be a person skilled in governmental accounting.

Read ALL instructions before completing and submitting this form

All applications must be filed with the OSA **within 3 months** after the accounting year-end.

For example, applications must be received by the OSA on or before March 31 for governments with a December 31 year-end. Applications for exemption from audit are not eligible for an extension of time.

Governmental activity should be reported on the modified accrual basis. Proprietary activity should be reported on a cash or budgetary basis.

Important!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the **Modified Accrual Basis**.

Proprietary Activity should be reported on a **Budgetary Basis**.

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year. In that event, an audit shall be required.

Postmark dates will not be accepted as proof of submission on or before the statutory deadline

Prior year forms are obsolete and will not be accepted.

Applications must be fully and accurately completed. Applications submitted on forms other than those prescribed by the OSA will not be accepted.

For your reference, the Colorado Revised Statutes are available through the [LexisNexis Colorado portal](#).

Checklist

- ☐ Has the preparer signed the application prior to board approval?
 - ☐ Has the entity corrected all prior year deficiencies as communicated by the OSA?
 - ☐ Has the application been **personally** reviewed and approved by the governing body?
 - ☐ Are all sections on the form complete, including responses to all of the questions?
 - ☐ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically? ☐ Yes ☐ No
- ☐ If yes, have you read and understood the Electronic Signature Policy? See policy in Part 10.

-- or --

☐ If yes, have you included a resolution?

☐ Does the resolution state that the governing body **personally** reviewed and approved the resolution in an open public meeting?

☐ Has the resolution been signed by a **majority** of the governing body? See sample resolution at the end of this form.

Will this application be submitted via a mail service (e.g., U.S. Post Office, FedEx, UPS, courier)? ☐ Yes ☐ No

☐ If yes, does the application include **original ink signatures** from the **majority** of the governing body?

Filing Methods

Web Portal (recommended)

apps.leg.co.gov/osa/lq

For faster processing, the web portal should be used for submissions.

Mail

Office of the State Auditor

Local Government Audit Division
1375 Sherman St., 5th Floor
Denver, CO 80261-3000

Questions? Email: osa.lg@coleg.gov Phone: 303-869-3000

Contact Information

For the year ended 12/31/2025 or the fiscal year ended 2025.

Name of government	Waterfront at Fosterlake Metropolitan District No. 1
Street address	304 Inverness Way South, Suite 490
City, State, Zip	Englewood, CO 80112
Contact person	Diane Wheeler
Phone	303-689-0833
Email	Diane@simmonswheeler.com

Certification of Preparer

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge. The preparer must sign prior to board approval.

Name	Diane Wheeler	
Title	District Accountant	
Firm name (if applicable)	Simmons & Wheeler, P.C.	
Address	304 Inverness Way South, Suite 490 Englewood, CO 80112	
Phone	303-689-0833	
Preparer signature	Date prepared	
	03/13/26	

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types.

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

Part 1: Revenues

Part 1A: Revenues Table

All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
1-1	Taxes: Property (report mills levied in line 9-12)	\$ 17,391
1-2	Specific ownership	\$ 691
1-3	Sales and use	
	Other (specify in line 1-4):	
1-4		
1-5	Licenses and permits	
1-6	Intergovernmental: Grants	
1-7	Conservation Trust Funds (Lottery)	
1-8	Highway Users Tax Funds (HUTF)	
	Other (specify in line 1-9):	
1-9		
1-10	Charges for services	
1-11	Fines and forfeits	
1-12	Special assessments	
1-13	Investment income	\$ 1,499
1-14	Charges for utility services	
1-15	Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-16	Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-17	Developer Advances received (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-18	Proceeds from sale of capital assets	
1-19	Fire and police pension	
1-20	Donations	
	Other (specify in lines 1-21 through 1-24)	
1-21	Transfer from D2	\$ 56,626
1-22		
1-23		
1-24		
1-25	TOTAL REVENUES (add lines 1-1 through 1-24)	\$ 76,207

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN \$200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 1B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 2: Expenditures/Expenses

Part 2A: Expenditures/Expenses Table

All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
2-1	Administrative	\$ 374
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	\$ 2,858
2-7	Accounting and legal fees	\$ 40,693
2-8	Repair and maintenance	
2-9	Supplies	
2-10	Utilities and telephone	
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24	Paying Agent Fees	\$ 7,500
2-25		
2-26		
2-27		
2-28	TOTAL EXPENDITURES/EXPENSES (Add lines 2-1 through 2-27)	\$ 51,425

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN \$200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 2B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 3: Debt Outstanding, Issued, and Retired

3-1	Does the entity have outstanding debt?	☐ Yes	☒ No
3-2	If no, skip to line 3-13. If yes, please attach a copy of the entity's debt repayment schedule.		
3-3	Is the debt repayment schedule attached?	☐ N/A	☐ Yes ☐ No
	If no, MUST explain below.		
3-4	Is the entity current in its debt service payments?	☐ Yes	☐ No
	If no, MUST explain below.		
3-5	If no, also indicate if the government is in default with its bond agreements.	☐ Yes	☐ No

Debt Schedule Table

Please complete the following debt schedule, if applicable.

Please only include principal amounts. Enter all amounts as positive numbers.

Line	Debt Type	Oustanding at End of Prior Year*	Issued During Year	Retired During Year	Outstanding at Year-End
3-6	General Obligation Bonds				\$ 0
3-7	Revenue Bonds				\$ 0
3-8	Notes/Loans				\$ 0
3-9	Lease & SBITA** Liabilities (GASB 87 & 96)				\$ 0
3-10	Developer Advances				\$ 0
	Other (specify in line 3-11)				
3-11					\$ 0
3-12	TOTAL (Add lines 3-6 through 3-11)	\$ 0	\$ 0	\$ 0	\$ 0

*Must agree to prior year-end balance

**Subscription-Based Information Technology Arrangements

Comments (optional)

3-13	Does the entity have any authorized but unissued debt as of its fiscal year-end?	☒ Yes	☐ No
3-14	If yes, how much?	\$ 560,000,000	
3-15	Date the debt was authorized	11/06/2018	
3-16	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	☒ Yes	☐ No
3-17	If yes, how much?	\$ 28,000,000	
3-18	Date of the most recent Service Plan	08/29/2007	
3-19	Does the entity intend to issue debt within the next calendar year?	☐ Yes	☒ No
3-20	If yes, how much?		
3-21	Does the entity have debt that has been refinanced that it is still responsible for?	☐ Yes	☒ No
3-22	If yes, what is the amount outstanding?		
3-23	Does the entity have any lease agreements?	☐ Yes	☒ No
3-24	If yes, what is being leased?		
3-25	What is the original date of the lease?		
3-26	Number of years of lease?		
3-27	Is the lease subject to annual appropriation?	☐ Yes	☒ No
3-28	What are the annual lease payments?		

Please use the space below to provide any additional information (optional):

Part 4: Cash and Investments

Please provide the entity's cash deposit and investment balances.

Line	Description	Amount
4-1	Year-end Total of all Checking and Savings Accounts	\$ 4,319
4-2	Certificates of deposit	
4-3	TOTAL CASH DEPOSITS (Add lines 4-1 and 4-2)	\$ 4,319
	Investments (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)	
4-4	Colotrust	\$ 9,308
4-5		
4-6		
4-7		
4-8		
4-9	Total Investments (Add lines 4-4 through 4-8)	\$ 9,308
4-10	TOTAL CASH AND INVESTMENTS (Add lines 4-3 and 4-9)	\$ 13,627

4-11	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	☐ N/A	☒ Yes	☐ No
4-12	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	☒ Yes	☐ No	
4-13	If no, MUST explain below.			

Please use the space below to provide any additional information (optional).

Part 5: Capital and Right-to-Use Assets

5-1	Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)	☐ Yes	☒ No
5-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.?	☒ Yes	☐ No
5-3	If no, MUST explain below.		

Capital and Right-to-Use Assets Table

Line	Asset Type	Beginning of the Year Balance*	Additions**	Deletions	Year-End Balance
5-4	Land				\$ 0
5-5	Buildings				\$ 0
5-6	Machinery and Equipment				\$ 0
5-7	Furniture and Fixtures				\$ 0
5-8	Infrastructure				\$ 0
5-9	Construction In Progress (CIP)				\$ 0
5-10	Leased & SBITA Right-to-Use Assets				\$ 0
	Other (explain in line 5-11)				
5-11					\$ 0
5-12	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				\$ 0
5-13	TOTAL (Add lines 5-4 through 5-12)	\$ 0	\$ 0	\$ 0	\$ 0

*Must agree to prior year-end balance

**Generally capital asset additions should be reported as capital outlay on line 2-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy in the comments section below.

Please use the space below to provide any additional information (optional).

Part 6: Pension Information

6-1	Does the entity have an "old hire" firefighters' pension plan?	☐ Yes	☒ No
6-2	Does the entity have a volunteer firefighters' pension plan?	☐ Yes	☒ No
6-3	If yes, who administers the plan?		
	Indicate the contributions from the following in lines 6-4 through 6-6.		
6-4	Tax (property, specific ownership, sales, etc.)		
6-5	State contribution amount		
6-6	Other (gifts, donations, etc.)		
6-7	TOTAL (Add lines 6-4 through 6-6)	\$ 0	
6-8	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		

Please use the space below to provide any additional information (optional).

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Part 7: Budget Information

7-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	☐ N/A	☒ Yes	☐ No
7-2	If no, MUST explain below.			
7-3	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.?	☐ N/A	☒ Yes	☐ No
7-4	If no, MUST explain below.			
	If yes, indicate the amount appropriated for each fund separately for the year reported in the table below.			

Appropriation Amount by Fund Table

Enter the fund name, then indicate the final amount appropriated for each fund for the year reported. Ensure each individual fund's final appropriated amount agrees to the adopted budget. Do not combine funds.

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	\$ 133,045
7-6		
7-7		
7-8		
7-9		

Please use the space below to provide any additional information (optional).



Part 8: Taxpayer's Bill of Rights (TABOR)

8-1	Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?	☒ Yes	☐ No
8-2	If no, MUST explain below.		

Note: An election to exempt the entity from the spending limitations of TABOR does not exempt the entity from the 3 percent emergency reserve requirement. All entities should determine if they meet this requirement of TABOR.

Please use the space below to provide any additional information (optional).

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Part 9: General Information

9-1	Is this application for a newly formed governmental entity?	☐ Yes	☒ No
9-2	If yes, what was the date of formation		
9-3	Has the entity changed its name in the past or current year?	☐ Yes	☒ No
9-4	If yes, please list the NEW name below.		
9-5	If yes, please list the PRIOR name below.		
9-6	Is the entity a metropolitan district?	☒ Yes	☐ No
9-7	Please indicate what services the entity provides below.		
9-8	Does the entity have an agreement with another government to provide services?	☐ Yes	☒ No
9-9	If yes, list the name of the other governmental entity and the services provided below.		
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)	☐ Yes	☒ No
9-11	If yes, what was the date filed		
9-12	Does the entity have a certified mill levy?	☒ Yes	☐ No
	If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14. (Do not report \$ amounts.)		
9-13	Bond redemption mills		
9-14	General/other mills	40.000	
9-15	TOTAL MILLS (Add lines 9-13 through 9-14)	40.000	
9-16	If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?	☐ N/A	☒ Yes ☐ No
9-17	If no, please explain below.		

Please use the space below to provide any additional information (optional).

Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	☒ Yes	☐ No
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Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or EchoSign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards must note their approval and submit the application using one of the following two methods:

- 1) Submit the application in hard copy via U.S. Mail, including original signatures.
- 2) Submit the application electronically via email and either:
 - a. include a copy of an adopted resolution that documents formal approval by the board; or
 - b. include electronic signatures obtained through a software program such as DocuSign or EchoSign, in accordance with the requirements noted above.

Governing Body Signatures

Print or type the names of all members of current governing body below.
A majority of the members of the governing body must sign below.

Board Member 1		
Board member's name	Dalton Horan	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Dalton Horan (Mar 13, 2026 13:00:42 MDT)	03/13/26
Board Member 2		
Board member's name	Thomas Clark	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Tom Clark (Mar 13, 2026 13:01:37 MDT)	03/13/26
Board Member 3		
Board member's name	Joshua Brgoch	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Josh Brgoch (Mar 13, 2026 12:41:06 MDT)	03/13/26
Board Member 4		
Board member's name	Darwin Horan	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 5		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 6		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 7		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date

Application for Exemption From Audit Short Form

Instructions

If either revenues or expenditures exceed \$200,000, use the Long Form

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$1,000,000 in the year.

Exemptions from audit are NOT automatic

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **each year** and submit it to the Office of the State Auditor (OSA). Approval for an exemption from audit is granted only upon the review by the OSA.

Any preparer of an Application for Exemption from Audit — Short Form must be a person skilled in governmental accounting.

Read ALL instructions before completing and submitting this form

All applications must be filed with the OSA **within 3 months** after the accounting year-end.

For example, applications must be received by the OSA on or before March 31 for governments with a December 31 year-end. Applications for exemption from audit are not eligible for an extension of time.

Governmental activity should be reported on the modified accrual basis. Proprietary activity should be reported on a cash or budgetary basis.

Important!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the **Modified Accrual Basis**.

Proprietary Activity should be reported on a **Budgetary Basis**.

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year. In that event, an audit shall be required.

Postmark dates will not be accepted as proof of submission on or before the statutory deadline

Prior year forms are obsolete and will not be accepted.

Applications must be fully and accurately completed. Applications submitted on forms other than those prescribed by the OSA will not be accepted.

For your reference, the Colorado Revised Statutes are available through the [LexisNexis Colorado portal](#).

Checklist

- ☐ Has the preparer signed the application prior to board approval?
 - ☐ Has the entity corrected all prior year deficiencies as communicated by the OSA?
 - ☐ Has the application been **personally** reviewed and approved by the governing body?
 - ☐ Are all sections on the form complete, including responses to all of the questions?
 - ☐ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically? ☐ Yes ☐ No
- ☐ If yes, have you read and understood the Electronic Signature Policy? See policy in Part 10.

-- or --

☐ If yes, have you included a resolution?

☐ Does the resolution state that the governing body **personally** reviewed and approved the resolution in an open public meeting?

☐ Has the resolution been signed by a **majority** of the governing body? See sample resolution at the end of this form.

Will this application be submitted via a mail service (e.g., U.S. Post Office, FedEx, UPS, courier)? ☐ Yes ☐ No

☐ If yes, does the application include **original ink signatures** from the **majority** of the governing body?

Filing Methods

Web Portal (recommended)

apps.leg.co.gov/osa/lq

For faster processing, the web portal should be used for submissions.

Mail

Office of the State Auditor

Local Government Audit Division
1375 Sherman St., 5th Floor
Denver, CO 80261-3000

Questions? Email: osa.lg@coleg.gov Phone: 303-869-3000

Contact Information

For the year ended 12/31/2025 or the fiscal year ended 2025.

Name of government	Waterfront at Fosterlake Metropolitan District No. 3
Street address	304 Inverness Way South, Suite 490
City, State, Zip	Englewood, CO 80112
Contact person	Diane Wheeler
Phone	303-689-0833
Email	Diane@simmons-wheeler.com

Certification of Preparer

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge. The preparer must sign prior to board approval.

Name	Diane Wheeler	
Title	District Accountant	
Firm name (if applicable)	Simmons & Wheeler, P.C.	
Address	304 Inverness Way South, Suite 490 Englewood, CO 80112	
Phone	303-689-0833	
Preparer signature	Date prepared	
		Mar 25, 2026

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types.

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

Part 1: Revenues

Part 1A: Revenues Table

All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
1-1	Taxes: Property (report mills levied in line 9-12)	\$ 4,764
1-2	Specific ownership	\$ 193
1-3	Sales and use	
	Other (specify in line 1-4):	
1-4		
1-5	Licenses and permits	
1-6	Intergovernmental: Grants	
1-7	Conservation Trust Funds (Lottery)	
1-8	Highway Users Tax Funds (HUTF)	
	Other (specify in line 1-9):	
1-9		
1-10	Charges for services	
1-11	Fines and forfeits	
1-12	Special assessments	
1-13	Investment income	\$ 1,292
1-14	Charges for utility services	
1-15	Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-16	Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-17	Developer Advances received (should agree to Part 3, Debt Schedule Table, column 'issued during year')	
1-18	Proceeds from sale of capital assets	
1-19	Fire and police pension	
1-20	Donations	
	Other (specify in lines 1-21 through 1-24)	
1-21		
1-22		
1-23		
1-24		
1-25	TOTAL REVENUES (add lines 1-1 through 1-24)	\$ 6,249

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN \$200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 1B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 2: Expenditures/Expenses

Part 2A: Expenditures/Expenses Table

All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line	Description	Total (round to nearest dollar)
2-1	Administrative	\$ 71
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	\$ 2,076
2-7	Accounting and legal fees	
2-8	Repair and maintenance	
2-9	Supplies	
2-10	Utilities and telephone	
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24		
2-25		
2-26		
2-27		
2-28	TOTAL EXPENDITURES/EXPENSES (Add lines 2-1 through 2-27)	\$ 2,147

IF TOTAL REVENUES OR TOTAL EXPENDITURES ARE GREATER THAN \$200,000 — STOP.

You may not use this form. Please use the Application for Exemption from Audit - Long Form.

Part 2B: Comments or Additional Information

Please use the space below to provide any additional information (optional):

Part 3: Debt Outstanding, Issued, and Retired

3-1	Does the entity have outstanding debt?	☐ Yes	☒ No
3-2	If no, skip to line 3-13. If yes, please attach a copy of the entity's debt repayment schedule.		
3-3	Is the debt repayment schedule attached?	☐ N/A	☐ Yes ☐ No
	If no, MUST explain below.		
3-4	Is the entity current in its debt service payments?	☐ Yes	☐ No
	If no, MUST explain below.		
3-5	If no, also indicate if the government is in default with its bond agreements.	☐ Yes	☐ No

Debt Schedule Table

Please complete the following debt schedule, if applicable.

Please only include principal amounts. Enter all amounts as positive numbers.

Line	Debt Type	Oustanding at End of Prior Year*	Issued During Year	Retired During Year	Outstanding at Year-End
3-6	General Obligation Bonds				\$ 0
3-7	Revenue Bonds				\$ 0
3-8	Notes/Loans				\$ 0
3-9	Lease & SBITA** Liabilities (GASB 87 & 96)				\$ 0
3-10	Developer Advances				\$ 0
	Other (specify in line 3-11)				
3-11					\$ 0
3-12	TOTAL (Add lines 3-6 through 3-11)	\$ 0	\$ 0	\$ 0	\$ 0

*Must agree to prior year-end balance

**Subscription-Based Information Technology Arrangements

Comments (optional)

3-13	Does the entity have any authorized but unissued debt as of its fiscal year-end?	☒ Yes	☐ No
3-14	If yes, how much?	\$ 560,000,000	
3-15	Date the debt was authorized	11/06/2018	
3-16	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	☒ Yes	☐ No
3-17	If yes, how much?	\$ 28,000,000	
3-18	Date of the most recent Service Plan	08/29/2007	
3-19	Does the entity intend to issue debt within the next calendar year?	☐ Yes	☒ No
3-20	If yes, how much?		
3-21	Does the entity have debt that has been refinanced that it is still responsible for?	☐ Yes	☒ No
3-22	If yes, what is the amount outstanding?		
3-23	Does the entity have any lease agreements?	☐ Yes	☒ No
3-24	If yes, what is being leased?		
3-25	What is the original date of the lease?		
3-26	Number of years of lease?		
3-27	Is the lease subject to annual appropriation?	☐ Yes	☒ No
3-28	What are the annual lease payments?		

Please use the space below to provide any additional information (optional):

Part 4: Cash and Investments

Please provide the entity's cash deposit and investment balances.

Line	Description	Amount
4-1	Year-end Total of all Checking and Savings Accounts	
4-2	Certificates of deposit	
4-3	TOTAL CASH DEPOSITS (Add lines 4-1 and 4-2)	\$ 0
	Investments (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)	
4-4	Colostrust	\$ 32,736
4-5		
4-6		
4-7		
4-8		
4-9	Total Investments (Add lines 4-4 through 4-8)	\$ 32,736
4-10	TOTAL CASH AND INVESTMENTS (Add lines 4-3 and 4-9)	\$ 32,736

4-11	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	☐ N/A	☒ Yes	☐ No
4-12	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?		☒ Yes	☐ No
4-13	If no, MUST explain below.			

Please use the space below to provide any additional information (optional).

--

Part 5: Capital and Right-to-Use Assets

5-1	Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)	☐ Yes	☒ No
5-2	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.?	☒ Yes	☐ No
5-3	If no, MUST explain below.		

Capital and Right-to-Use Assets Table

Line	Asset Type	Beginning of the Year Balance*	Additions**	Deletions	Year-End Balance
5-4	Land				\$ 0
5-5	Buildings				\$ 0
5-6	Machinery and Equipment				\$ 0
5-7	Furniture and Fixtures				\$ 0
5-8	Infrastructure				\$ 0
5-9	Construction In Progress (CIP)				\$ 0
5-10	Leased & SBITA Right-to-Use Assets				\$ 0
	Other (explain in line 5-11)				
5-11					\$ 0
5-12	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				\$ 0
5-13	TOTAL (Add lines 5-4 through 5-12)	\$ 0	\$ 0	\$ 0	\$ 0

*Must agree to prior year-end balance

**Generally capital asset additions should be reported as capital outlay on line 2-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy in the comments section below.

Please use the space below to provide any additional information (optional).

Part 6: Pension Information

6-1	Does the entity have an "old hire" firefighters' pension plan?	☐ Yes	☒ No
6-2	Does the entity have a volunteer firefighters' pension plan?	☐ Yes	☒ No
6-3	If yes, who administers the plan?		
	Indicate the contributions from the following in lines 6-4 through 6-6.		
6-4	Tax (property, specific ownership, sales, etc.)		
6-5	State contribution amount		
6-6	Other (gifts, donations, etc.)		
6-7	TOTAL (Add lines 6-4 through 6-6)	\$ 0	
6-8	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?		

Please use the space below to provide any additional information (optional).

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Part 7: Budget Information

7-1	Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?	☐ N/A	☒ Yes	☐ No
7-2	If no, MUST explain below.			
7-3	Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.?	☐ N/A	☒ Yes	☐ No
7-4	If no, MUST explain below.			
	If yes, indicate the amount appropriated for each fund separately for the year reported in the table below.			

Appropriation Amount by Fund Table

Enter the fund name, then indicate the final amount appropriated for each fund for the year reported.
Ensure each individual fund's final appropriated amount agrees to the adopted budget. Do not combine funds.

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	\$ 35,379
7-6		
7-7		
7-8		
7-9		

Please use the space below to provide any additional information (optional).

Part 8: Taxpayer's Bill of Rights (TABOR)

8-1	Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?	☒ Yes	☐ No
8-2	If no, MUST explain below.		

Note: An election to exempt the entity from the spending limitations of TABOR does not exempt the entity from the 3 percent emergency reserve requirement. All entities should determine if they meet this requirement of TABOR.

Please use the space below to provide any additional information (optional).

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Part 9: General Information

9-1	Is this application for a newly formed governmental entity?	☐ Yes	☒ No
9-2	If yes, what was the date of formation		
9-3	Has the entity changed its name in the past or current year?	☐ Yes	☒ No
9-4	If yes, please list the NEW name below.		
9-5	If yes, please list the PRIOR name below.		
9-6	Is the entity a metropolitan district?	☒ Yes	☐ No
9-7	Please indicate what services the entity provides below. Streets, traffic control, water, sewer, parks & recreation, transportation, directional drilling		
9-8	Does the entity have an agreement with another government to provide services?	☐ Yes	☒ No
9-9	If yes, list the name of the other governmental entity and the services provided below.		
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)	☐ Yes	☒ No
9-11	If yes, what was the date filed		
9-12	Does the entity have a certified mill levy?	☒ Yes	☐ No
	If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14. (Do not report \$ amounts.)		
9-13	Bond redemption mills		
9-14	General/other mills	40.000	
9-15	TOTAL MILLS (Add lines 9-13 through 9-14)	40.000	
9-16	If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?	☐ N/A	☒ Yes ☐ No
9-17	If no, please explain below.		

Please use the space below to provide any additional information (optional).

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Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	☒ Yes	☐ No
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Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or EchoSign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards must note their approval and submit the application using one of the following two methods:

- 1) Submit the application in hard copy via U.S. Mail, including original signatures.
- 2) Submit the application electronically via email and either:
 - a. include a copy of an adopted resolution that documents formal approval by the board; or
 - b. include electronic signatures obtained through a software program such as DocuSign or EchoSign, in accordance with the requirements noted above.

Governing Body Signatures

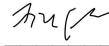
Print or type the names of all members of current governing body below.
A majority of the members of the governing body must sign below.

Board Member 1		
Board member's name	Dalton Horan	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Dalton Horan (Mar 25, 2026 14:30:31 MDT)	Mar 25, 2026
Board Member 2		
Board member's name	Josh Brgoch	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Josh Brgoch (Mar 25, 2026 14:28:38 MDT)	Mar 25, 2026
Board Member 3		
Board member's name	Thomas Clark	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Tom Clark (Mar 25, 2026 14:25:17 MDT)	Mar 25, 2026
Board Member 4		
Board member's name	Darwin Horan	
My term expires on	May 2027	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	 Darwin Horan (Mar 25, 2026 18:23:36 MDT)	Mar 25, 2026
Board Member 5		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 6		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
Board Member 7		
Board member's name		
My term expires on		
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date

EXHIBIT C

Certification of Compliance

By signature below, the President of the Board of Directors certifies that, to the best of their actual knowledge, the Districts are in compliance with all provisions of the Service Plan. This Certification is provided in relation to the Annual Report for the year 2025, as required under the Service Plan for the Waterfront at Foster Lake Metropolitan District Nos. 1-3.



Tom Clark, President