POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
2025 ANNUAL REPORT

As required by Section 32-1-207(3)(c), C.R.S., and Section VII of the Service Plan for the Poudre Heights Valley Metropolitan District ("**District**"), approved by the Town of Windsor ("**Town**") on February 28, 2022, the following report of the District's activities from January 1, 2025 to December 31, 2025 is hereby submitted:

1. A narrative summary of the progress of the District in implementing the Service Plan for the report year. **The progress of the District implementing its Service Plan is proceeding as planned. Please see the District's Service Plan for the Capital Plan for Public Improvements.**

2. The audited financial statements of the District for the report year, including a statement of financial condition (i.e, balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures for the report year, or the District's application for exemption from Audit. **The District's audit for the current report year (2025) is still in process, and the District has been granted from the State Auditor an extension of time to September 30, 2026 to file the 2025 Audit. A copy of the 2025 Audit will be provided once it is completed. The 2024 Audit was not completed when the District's 2024 Annual Report was filed but has now been completed. A copy of the 2024 Audit is attached hereto as Exhibit A**.

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year and the source of funds for the same. **A copy of the District's 2026 budget is attached hereto as Exhibit B. The District did not construct any Public Improvements in 2025.**

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations incurred in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to Debt retirement in the report year. **On October 1, 2024, the District issued its Limited Tax General Obligation Bonds, Series 2024A in the principal amount of $7,810,000 and Subordinate Limited Tax General Obligation Bonds, Series 2024B in the principal amount of $985,000. Please see the attached Budget relative to debt service payments. The total assessed valuation for 2025 was $3,639,720. The District imposed a Debt Service Mill Levy of 41.168 mills in 2025 for collection in 2026.**

5. Copies of developer Reimbursement Agreements or amendments thereto made in the applicable year. **Attached as Exhibit C are copies of:**

- **Third Amendment to the Operation Funding Agreement dated November 18, 2025 between the District and Meritage Homes of Colorado, Inc.**

- **First Amendment to Facilities Funding and Acquisition Agreement dated November 18, 2025 between the District and Meritage Homes of Colorado, Inc.**

6. Copies of documentation establishing compliance with Section V.A.14 (Restrictions of Developer Reimbursements). **Attached hereto as <u>Exhibit D</u> is the following documentation establishing compliance with Section V.A.14:**

- **Cost Certification Report #2 prepared by Independent District Engineering Services, LLC dated February 19, 2025.**

- **Cost Certification Report #2, Revised prepared by Independent District Engineering Services, LLC dated March 25, 2025.**

7. Any other information deemed relevant by the Town Manager. **There have been no requests for additional information by the Town Manager.**

<u>*The following information required by Section 32-1-207(3)(c)(II), C.R.S. (and not already disclosed above) is also provided*</u>*:*

8. Boundary changes made. **There were no boundary changes during 2025.**

9. Intergovernmental Agreements entered into or terminated. **There were no intergovernmental agreements entered into or terminated during 2025.**

10. Access information to obtain a copy of rules and regulations adopted. **The District has not adopted any rules or regulations as of December 31, 2025. In the event the District adopts rules and regulations in the future, such documents may be accessed at the offices of McGeady Becher Cortese Williams P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado 80230, (303) 592-4380, or on the District's website: https://www.poudreheightsvalleymd.org/.**

11. Summary of litigation involving the District's Public Improvements. **To our knowledge there is no litigation involving the District's Public Improvements.**

12. Conveyances or dedications of facilities or improvements, constructed by the District, to the Town or Weld County. **The District did not convey or dedicate any facilities or improvements to the Town or Weld County in 2025.**

13. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument. **To our knowledge, there are no uncured events of default by the District which continue beyond a ninety (90) day period.**

14. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period. **To our knowledge, the District has been able to pay its obligations as they come due.**

EXHIBIT A

Audit

POUDRE HEIGHTS VALLEY METROPOLITAN
DISTRICT

Financial Statements

Year Ended December 31, 2024

with

Independent Auditors' Report

CONTENTS

Independent Auditors' Report

Board of Directors
Poudre Heights Valley Metropolitan District
Weld County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Poudre Heights Valley 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2024, and the respective changes in financial position and the respective 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.

Tatton and Company, CPAs
P.O. BOX 157
Cedaredge, CO. 81413

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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Tatton and Company, CPAs
P.O. BOX 157
Cedaredge, CO. 81413

TAC CPAs Advisory

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Tatton and Company, LLC

Cedaredge, CO
September 21, 2025

Tatton and Company, CPAs
P.O. BOX 157
Cedaredge, CO. 81413

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2024

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Net Position
ASSETS						
Cash and investments	$ 15,190	$ -	$ -	$ 15,190	$ -	$ 15,190
Cash and investments - restricted	1,719	1,737,257	1,286,420	3,025,396	-	3,025,396
Receivable - County Treasurer	14	-	-	14	-	14
Property taxes receivable	2,551	17,350	-	19,901	-	19,901
Prepaid expenses	3,249	-	-	3,249	-	3,249
Capital assets not being depreciated	-	-	-	-	5,344,085	5,344,085
Total Assets	$ 22,723	$ 1,754,607	$ 1,286,420	$ 3,063,750	5,344,085	8,407,835
LIABILITIES						
Accounts payable	$ 3,537	$ -	$ 3,588	$ 7,125	$ -	$ 7,125
Accrued interest on bonds/long-term debt	-	-	-	-	35,796	35,796
Long-term liabilities:						
Due in more than one year	-	-	-	-	9,072,724	9,072,724
Total Liabilities	3,537	-	3,588	7,125	9,108,520	9,115,645
DEFERRED INFLOW OF RESOURCES						
Deferred property taxes	2,551	17,350	-	19,901	-	19,901
Total Deferred Inflows of Resources	2,551	17,350	-	19,901	-	19,901
FUND BALANCES/NET POSITION						
Fund Balances:						
Nonspendable:						
Prepaids	3,249	-	-	3,249	(3,249)	-
Restricted:						
Emergencies	1,719	-	-	1,719	(1,719)	-
Debt Service	-	1,737,257	-	1,737,257	(1,737,257)	-
Capital	-	-	1,282,832	1,282,832	(1,282,832)	-
Unassigned	11,667	-	-	11,667	(11,667)	-
Total Fund Balances	16,635	1,737,257	1,282,832	3,036,724	(3,036,724)	-
Total Liabilities, Deferred Inflows of of Resources and Fund Balances	$ 22,723	$ 1,754,607	$ 1,286,420	$ 3,063,750		
Net Position:						
Restricted for:						
Emergencies					1,719	1,719
Debt service					1,701,461	1,701,461
Unrestricted					(2,430,891)	(2,430,891)
Total Net Position					$ (727,711)	$ (727,711)

The notes to the financial statements are an integral part of these statements.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Activities
EXPENDITURES						
General expenses:						
Accounting	$ 6,352	$ -	$ -	$ 6,352	$ -	$ 6,352
Dues	306	-	-	306	-	306
Formation costs	28,727	-	-	28,727	-	28,727
Insurance	450	-	-	450	-	450
Legal	19,235	-	-	19,235	-	19,235
Miscellaneous expenses	1,197	748	745	2,690	-	2,690
Office expenses	1,368	-	-	1,368	-	1,368
Treasurer's fees	62	-	-	62	-	62
Capital expenses:						
Capital outlay	-	-	5,322,648	5,322,648	(5,322,648)	-
Engineering	-	-	21,437	21,437	(21,437)	-
Debt service:						
Bond issuance costs	-	-	420,558	420,558	-	420,558
Bond interest expense	-	71,592	-	71,592	55,598	127,190
Repay developer advances - Principal	-	-	5,184,333	5,184,333	(5,184,333)	-
Repay developer advances - Interest	-	-	138,315	138,315	9,691	148,006
Total Expenditures	57,697	72,340	11,088,036	11,218,073	(10,463,129)	754,944
GENERAL REVENUES						
Property taxes	4,149	-	-	4,149	-	4,149
Specific ownership taxes	146	-	-	146	-	146
Interest income	6	21,505	19,875	41,386	-	41,386
Total General Revenues	4,301	21,505	19,875	45,681	-	45,681
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(53,396)	(50,835)	(11,068,161)	(11,172,392)	10,463,129	(709,263)
OTHER FINANCING SOURCES (USES)						
Developer advances/Note proceeds	89,620	-	5,322,648	5,412,268	(5,412,268)	-
Bond proceeds	-	-	8,795,000	8,795,000	(8,795,000)	-
Transfer (to) other funds	(21,437)	-	(1,788,092)	(1,809,529)	-	(1,809,529)
Transfer from other funds	-	1,788,092	21,437	1,809,529	-	1,809,529
Total Other Financing Sources (Uses)	68,183	1,788,092	12,350,993	14,207,268	(14,207,268)	-
NET CHANGES IN FUND BALANCES	14,787	1,737,257	1,282,832	3,034,876	(3,034,876)	
CHANGE IN NET POSITION					(709,263)	(709,263)
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	1,848	-	-	1,848	(20,296)	(18,448)
END OF YEAR	$ 16,635	$ 1,737,257	$ 1,282,832	$ 3,036,724	$ (3,764,435)	$ (727,711)

The notes to the financial statements are an integral part of these statements.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
GENERAL FUND
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	$ 4,045	$ 4,146	$ 4,149	$ 3
Specific ownership taxes	243	243	146	(97)
Interest income	-	5	6	1
Total Revenues	4,288	4,394	4,301	(93)
EXPENDITURES				
Accounting	4,000	4,000	6,352	(2,352)
Dues	315	315	306	9
Formation costs	-	28,727	28,727	-
Insurance	2,310	2,310	450	1,860
Legal	20,000	20,000	19,235	765
Miscellaneous expenses	-	-	1,197	(1,197)
Office expenses	100	100	1,368	(1,268)
Treasurer's fees	-	-	62	(62)
Contingency	30,000	30,000	-	30,000
Total Expenditures	56,725	85,452	57,697	27,755
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(52,437)	(81,058)	(53,396)	27,662
OTHER FINANCING SOURCES (USES)				
Developer advances/Note proceeds	53,000	133,727	89,620	(44,107)
Transfer (to) other funds	-	(50,000)	(21,437)	28,563
Total Other Financing Sources (Uses)	53,000	83,727	68,183	(15,544)
NET CHANGE IN FUND BALANCE	563	2,669	14,787	12,118
FUND BALANCE:				
BEGINNING OF YEAR	7,096	1,848	1,848	-
END OF YEAR	$ 7,659	$ 4,517	$ 16,635	$ 12,118

The notes to the financial statements are an integral part of these statements.

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Poudre Heights Valley Metropolitan District (the "District"), located in Weld County, Colorado, (the "County"), conform to the accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity
The District was organized on July 20, 2022, as a quasi-municipal corporation and a political subdivision established under the State of Colorado Special District Act. The District was established to finance and construct certain public infrastructure improvements that benefit the citizens of the District. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows GASB Statement No. 61, The Financial Reporting Entity: Omnibus, which amended GASB Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation
The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the

District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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.*

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 the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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 material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

> General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.
>
> Debt Service Fund - The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.
>
> Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

On July 9, 2024, the District amended its total appropriations in the Capital Projects Fund from $0 to $4,815,504 due to acceptance of assets from the Developer. On September 9, 2024, the District amended its total appropriations in the General Fund from $56,725 to $135,452 primarily due to the increase in certain expenses over the amount budgeted, in the Debt Service Fund from $0 to $93,747 primarily due to the issuance of the Series 2024A and Series 2024B Bonds (as defined below) and further amended the Capital Projects Fund from $4,815,504 to $9,481,554 due to the repayment of developer advances. The District intends to further amend the Capital Projects Fund from $9,481,554 to $12,876,128 due to fixed assets that were conveyed to the District from the Developer. The District has not amended the Capital Projects Fund Budget as of the date of the audit opinion and may be in violation of State Budget laws.

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

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2024, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

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 minimum number of bank accounts. 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.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of December 31, 2024, the District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Capital Assets
Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. No depreciation expense was recognized during 2024.

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 taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally 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 inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of $3,249 represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of $1,719 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of $1,737,257 is restricted for the payment of the debt service costs (see Note 4).

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a 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

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

Net investment in capital assets - consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position - net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position - consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and investments

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

Statement of net position:	
Cash and investments	$ 15,190
Cash and investments – restricted	3,025,396
	$ 3,040,586

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

Deposits with financial institutions	$ 20,496
Investments - COLOTRUST	3,020,090
	$ 3,040,586

Deposits
Custodial Credit Risk
The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 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.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

Investments
Investment Valuation
The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment, is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value (NAV) per share.

Credit Risk
The District's investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk
None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk
Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Colotrust
The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAm by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of $1.00. COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of $1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. At December 31, 2024, the District had $3,020,090 invested in COLOTRUST.

Note 3: Capital Assets

Governmental Type Activities:	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Capital assets not being depreciated:				
Construction in Progress	$ -	$ 5,344,085	$ -	$ 5,344,085
Total capital assets not being depreciated	-	5,344,085	-	5,344,085
Government type assets	$ -	$ 5,344,085	$ -	$ 5,344,085

Upon completion and acceptance, a portion of the assets will be conveyed by the District to other local governments. The District will be responsible for the maintenance of some open space tracts and other improvements.

Note 4: Long Term Debt

The following is an analysis of changes in long-term debt for the period ending December 31, 2024:

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Current Portion
General Obligation Bonds					
Series 2024A Bonds	$ -	$ 7,810,000	$ -	$ 7,810,000	$ -
Series 2024B Bonds	-	985,000	-	985,000	-
Series 2024B Bonds - Accrued Interest	-	19,802	-	19,802	-
Total	-	8,814,802	-	8,814,802	-
Other					
Developer Advances - Operations	19,348	89,620	-	108,968	-
Developer Advances - Operations - Accrued Interest	948	6,490	-	7,438	-
Developer Advances - Capital	-	5,322,648	5,184,333	138,315	-
Daveloper Advances - Capital - Accrued Interest	-	141,516	138,315	3,201	-
Total	20,296	5,560,274	5,322,648	257,922	-
	$ 20,296	$ 14,375,076	$ 5,322,648	$ 9,072,724	$ -

A description of the long-term obligations as of December 31, 2024, is as follows:

Limited Tax General Obligation Bonds, Series 2024A
On October 1, 2024, the District issued $7,810,000 of Limited Tax General Obligation Bonds Series 2024A (the "Series 2024A Bonds"). The Series 2024A Bonds were issued for the purpose of financing or reimbursing a portion of the costs of acquiring, constructing and/or installing public improvements, fund the Senior Reserve Fund, fund a portion of the interest to accrue on the Series 2024A Bonds and pay the costs of issuance of the Bonds. The Series 2024A Bonds mature on December 1, 2054 and bear an annual interest rate of 5.50% calculated on the basis of a 360- day year of twelve 30-day months, payable to the extent of senior pledged revenue available, semiannually on each June 1 and December 1, commencing on December 1, 2024. The Bonds discharge on December 1, 2054.

The Series 2024A Bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2029 and are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $1,000, on September 1, 2029 and any date thereafter, upon payment of par, accrued interest and a redemption premium that ranges between 0% and 3%.

The Series 2024A Bonds are secured by senior pledged revenues which include senior property tax revenue, senior specific ownership tax revenue and any other legally available moneys which the District determines, in its absolute discretion, to credit the Senior Bond Fund. In connection with the Series 2024A Bonds, the District is required to fund a Surplus Fund in the maximum amount of $781,000 and a Reserve Fund in the amount of $642,625. As of December 31, 2024, the Surplus Fund has a balance of $0 and the Reserve Fund has a balance of $647,643. The Senior Required Mill Levy shall not be more than 34 mills, adjusted for changes in the method of calculating assessed valuations, however, as long as the amount on deposit in the Surplus Fund is less than the maximum surplus amount, the required mill levy shall be 34 mills, adjusted for changes in the method of calculating assessed valuations.

Events of default as defined in the Series 2024A Bond Indenture are 1) the District fails or refuses to impose the Senior Require Mill Levy or to apply the Senior Pledged Revenue as required by the Series 2024A Bond Indenture, 2) the default by the District in the performance or observance of any other of the covenants, agreements, or conditions in the Series 2024A Bond Indenture or bond resolution, and fails to remedy the same after notice thereof pursuant to the Series 2024A Bond Indenture, and 3) the filing of a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2024A Bonds. The failure to pay the principal and interest on the Series 2024A Bonds when due is not to, of itself, constitute a Senior Indenture Event of Default.

In the event of default, the trustee shall have the following remedies 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the Series 2024A Bonds is not an available remedy for a Senior Indenture Event of Default.

The following is a summary of the annual long-term debt principal and interest requirement for the Series 2024A Bonds:

	Principal	Interest	Total
2025	$ -	$ 429,550	$ 429,550
2026	-	429,550	429,550
2027	-	429,550	429,550
2028	-	429,550	429,550
2029	60,000	429,550	489,550
2030-2034	545,000	2,077,350	2,622,350
2035-2039	860,000	1,895,025	2,755,025
2040-2044	1,285,000	1,614,250	2,899,250
2045-2049	1,835,000	1,203,400	3,038,400
2050-2054	3,225,000	620,950	3,845,950
	$ 7,810,000	$ 9,558,725	$ 17,368,725

Subordinate Limited Tax General Obligation Bonds, Series 2024B
On October 1, 2024, the District issued $985,000 of Subordinate Limited Tax General Obligation Bonds Series 2024B (the "Series 2024B Bonds"). The Series 2024B Bonds were issued for the purpose of financing or reimbursing a portion of the costs of acquiring, constructing and/or installing public improvements and pay the costs of issuance of the Series 2024B Bonds. The Series 2024B Bonds mature on December 15, 2040 and bear an annual interest rate of 7.875% calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of subordinate pledged revenue available, annually on each December 15, commencing on December 15, 2024. Accrued unpaid interest will compound annually on each interest payment date. The Series 2024B Bonds discharge on December 15, 2054.

The Series 2024B Bonds are subject to a mandatory sinking fund redemption commencing on December 15, 2024, from subordinate pledged revenue, if any, on deposit in the subordinate bond fund determined by the Trustee 45 days prior to the applicable mandatory redemption date. Amounts shall be applied first to interest and then to principal after accrued interest has been paid.

The Series 2024B Bonds are subject to redemption prior to maturity, on September 1, 2029, and on any other date thereafter, at the option of the District, as a whole or in integral multiples of $1,000, upon payment of par, accrued interest and a redemption premium that ranges between 0% and 3%.

The Series 2024B Bonds are secured by subordinate pledged revenues which include subordinate property tax revenue, subordinate specific ownership tax revenue, amounts released from the Surplus Fund pursuant to the Series 2024 Bonds Indenture and any other legally available moneys which the District determines, in its absolute discretion, to credit to the subordinate bond fund. The subordinate mill levy is 34 mills less the senior required mill levy or lesser amount to generate sufficient funds to pay the Series 2024B Bonds in full.

Events of default as defined in the Series 2024B Bond Indenture are 1) the District fails or refuses to impose the subordinate required mill levy or to apply the subordinate pledged revenue as required by the Series 2024B Bond Indenture, 2) the default by the District in the performance or observance of any of the covenants, agreements, or conditions on the part of the District in the Series 2024B Bond Indenture or the bond resolution, and fails to remedy the same after notice thereof as provided in the Series 2024B Bond Indenture, and 3) the filing of a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2024B Bonds. The failure to pay the principal and interest on the Series 2024B Bonds when due is not, of itself, constitute a Subordinate Indenture event of default.

In the event of default, the trustee shall have the following remedies 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the Series 2024B Bonds is not an available remedy for an event of default.

Due to the uncertainty of the timing of principal and interest payments on the Series 2024B Bonds, a schedule of the estimated timing of these payments is not available.

Operation Funding Agreement

The District and Meritage Homes of Colorado, Inc. ("Developer") entered into an Operation Funding Agreement ("OFA") dated as of August 18, 2022, with an effective date of July 20, 2022, as amended by that First Amendment, dated November 15, 2023, and further amended by that Second Amendment, dated November 13, 2024. Pursuant to the OFA, the Developer agrees to advance funds for the operation of the District through 2025 up to a maximum amount of $175,000. Simple interest shall accrue on each Developer advance from the date of deposit into the District's account or from the date of direct payment by Developer, until paid. The District shall not pay a rate of interest on such Developer advance that exceeds a rate equal to the prime rate as published in the Wall Street Journal plus two percent (2%) for the applicable period. The OFA states that the District agrees that it is the intention of the District to repay the amounts the Developer has advanced or directly paid pursuant to the OFA, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations, maintenance and administrative expenses, which repayment is subject to annual budget and appropriation. The District's obligation to pay any Developer advances does not constitute a multiple fiscal year financial obligation, and the making of any reimbursement thereof is subject to annual appropriation by the District in its absolute discretion.

Any obligation of the District to reimburse the Developer shall expire on December 31, 2065. In the event the District has not reimbursed the Developer for any Developer advances made pursuant to the OFA on or before December 31, 2065, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

As of December 31, 2024, the District had $108,968 of principal and $7,438 of accrued interest outstanding under the OFA.

Facilities Funding and Acquisition Agreement

The District and the Developer entered into a Facilities Funding and Acquisition Agreement ("FFAA"), dated as of August 18, 2022, with an effective date of July 20, 2022, pursuant to which the Developer agrees to advance funds to or for the benefit of the District for organizational expenses and certain expenses related to the provision of capital improvements through fiscal year 2026 up to a maximum amount of $19,301,972, which amounts the District agrees to reimburse to the Developer. Simple interest shall accrue on such Developer advances at a rate of interest not to exceed a rate equal to the prime rate as published in the Wall Street Journal plus two percent (2%) for the applicable period until paid, subject to the conditions precedent and otherwise in accordance with the procedures set forth in the FFAA. Payments shall credit first against accrued and unpaid interest and then to the principal amount due. The parties agree that no payment is required of the District under the agreement unless and until the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of such amounts. The District also agrees to utilize any available moneys not otherwise pledged to payment of bonds, used for operation and maintenance expenses or otherwise encumbered to reimburse the Developer. The agreement terminates on December 31, 2066, unless terminated earlier by the parties. In the event the District has not reimbursed the Developer for any advances made pursuant to the agreement on or before December 31, 2066, any amount of principal and accrued interest outstanding on such date will be deemed to be forever discharged and satisfied in full.

As of December 31, 2024, the District had $138,315 of principal and $3,201 of accrued interest outstanding under the FFAA.

Debt Authorization

The limit on the District's ability to issue Debt is set forth in its Service Plan as $14,295,000 (the "Service Plan Debt Issuance Limit").

On May 3, 2022, a majority of the eligible electors of the District voted to authorize debt issuance by power (such as water, sewer, or streets). As the actual costs of construction were not known at the time of the election, the Service Plan Debt Issuance Limit was voted in every power resulting in the District having voter authorization in excess of the Service Plan Debt Issuance Limit.

With that understanding, as of December 31, 2024, the District had $5,500,00 available remaining Service Plan Debt Issuance Limit. In no event is the District authorized to issue Debt that results in an amount that is in excess of the Service Plan Debt Issuance Limit.

Note 5: Related Party

The Developer of the property which constitutes the District is Meritage Homes of Colorado, Inc. All of the members of the Board are employees, owners or are otherwise associated with the Developer, and have disclosed any potential conflicts of interest in taking action on matters brought before the Board. The District currently is indebted to the Developer for public improvements costs certified as constructed and acquired by the District as of December 31, 2024 in the amount of $247,283 and accrued interest on the outstanding debt in the amount of $10,639. Two Directors are consultants that provide accounting and administrative services to the District and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer 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.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On May 3, 2022, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (the "Pool") which is an organization created by intergovernmental agreement to provided common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and

2) long-term liabilities such as developer advances/bonds and accrued developer advance/bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

1) Governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in progress pending transfer to other governmental entities or depreciated over their useful lives;

2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;

3) governmental funds report developer advances/bond proceeds as revenue; and

4) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTARY INFORMATION

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
DEBT SERVICE FUND
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest income	$ -	$ 25,000	$ 21,505	$ (3,495)
Total Revenues	-	25,000	21,505	(3,495)
EXPENDITURES				
Bond interest expense	-	78,747	71,592	7,155
Miscellaneous expenses	-	-	748	(748)
Contingency	-	15,000	-	15,000
Total Expenditures	-	93,747	72,340	21,407
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(68,747)	(50,835)	17,912
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	-	1,845,000	1,788,092	(56,908)
Total Other Financing Sources (Uses)	-	1,845,000	1,788,092	(56,908)
NET CHANGE IN FUND BALANCE	-	1,776,253	1,737,257	(38,996)
FUND BALANCE:				
BEGINNING OF YEAR	-	-	-	-
END OF YEAR	$ -	$ 1,776,253	$ 1,737,257	$ (38,996)

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
CAPITAL PROJECTS FUND
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest income	$ -	$ 19,875	$ 19,875	$ -
Total Revenues	-	19,875	19,875	-
EXPENDITURES				
Capital outlay	-	5,322,648	5,322,648	-
Miscellaneous expenses		745	745	-
Engineering	-	21,437	21,437	-
Bond issuance costs	-	420,558	420,558	-
Repay developer advances - Principal	-	5,184,333	5,184,333	-
Repay developer advances - Interest	-	138,315	138,315	-
Total Expenditures	-	11,088,036	11,088,036	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(11,068,161)	(11,068,161)	-
OTHER FINANCING SOURCES (USES)				
Developer advances/Note proceeds	-	5,322,648	5,322,648	-
Bond proceeds	-	8,795,000	8,795,000	-
Transfer (to) other funds	-	(1,788,092)	(1,788,092)	-
Transfer from other funds	-	21,437	21,437	-
Total Other Financing Sources (Uses)	-	12,350,993	12,350,993	-
NET CHANGE IN FUND BALANCE	-	1,282,832	1,282,832	-
FUND BALANCE:				
BEGINNING OF YEAR	-	-	-	-
END OF YEAR	$ -	$ 1,282,832	$ 1,282,832	$ -

EXHIBIT B

Budget

RESOLUTION NO. 2025-11-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT, WELD COUNTY, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2026

A. The Board of Directors of Poudre Heights Valley Metropolitan District (the "**District**") has appointed Elevated Clarity, LLC to prepare and submit a proposed budget to said governing body at the proper time.

B. Elevated Clarity, LLC has submitted a proposed budget to this governing body by October 15, 2025 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2025, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("**TABOR**") and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT, WELD COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY]

RESOLUTION APPROVED AND ADOPTED on November 18, 2025.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

By: Chelsey Green
President

Attest:

By: Carla Hawkins
Secretary

4921-1076-7216, v. 1

EXHIBIT A

Budget

Poudre Heights Valley Metropolitan District

Financial Statements

MODIFIED ACCRUAL
BUDGETARY BASIS

December 31, 2024 Actuals, 2025 Adopted and Projected Budgets
2026 Adopted Budget

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES & EXPENDIATURES WITH BUDGETS
December 31, 2024 Actuals, 2025 Adopted and Projected Budgets
2026 Adopted Budget

Modified Accrual Budgetary Basis

GENERAL FUND	**2024 Audited Actual**	**2025 Adopted Budget**	**2025 Projected Actual**	**2026 Adopted Budget**
Revenues				
Property Taxes	$ 4,149	$ 2,551	$ 2,551	$ 9,762
Specific Ownership Tax	146	153	113	586
Developer Advance	60,893	55,000	48,327	84,476
Formation Costs - Promissory Note	28,727	-	-	-
Investment Revenue	6	-	57	50
Total Revenues	**$ 93,920**	**$ 57,704**	**$ 51,048**	**$ 94,873**
Expenditures				
Accounting & Administration	$ 6,352	$ 18,000	$ 22,000	$ 21,903
Audit	-	7,000	6,100	6,500
Legal	19,235	20,000	15,000	20,000
Election	-	3,000	1,491	-
Insurance	450	2,426	3,249	3,500
Office	1,368	500	2,100	3,924
Formation Costs	28,727	-	-	-
SDA Dues	306	331	284	350
ADA Compliance	1,197	1,000	786	1,000
Treasurer's Fees	62	38	38	146
Contingency	-	5,000	-	7,500
Total Operating Expenditures	$ 57,697	$ 57,295	$ 51,048	$ 64,823
Other Sources/(Uses) of Funds				
Capital Projects Fund	$ (21,437)	$ -	$ (4,743)	$ (30,000)
Net Other Sources/(Uses) of Funds	**$ (21,437)**	**$ -**	**$ (4,743)**	**$ (30,000)**
Revenues over/(under) Expenditures	**$ 14,787**	**$ 409**	**$ (4,743)**	**$ 50**
Beginning Fund Balance	1,847	4,517	16,634	11,891
Ending Fund Balance	**$ 16,634**	**$ 4,926**	**$ 11,891**	**$ 11,941**
Components of Ending Fund Balance				
Restricted - TABOR	$ 129	$ 1,719	$ 82	$ 312
Unrestricted	16,505	3,207	11,810	11,629
Total Fund Balance	**$ 16,634**	**$ 4,926**	**$ 11,891**	**$ 11,941**

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES & EXPENDIATURES WITH BUDGETS
December 31, 2024 Actuals, 2025 Adopted and Projected Budgets
2026 Adopted Budget

Modified Accrual Budgetary Basis

DEBT SERVICE FUND	2024 Audited Actual	2025 Adopted Budget	2025 Projected Actual	2026 Adopted Budget
Revenues				
Property Taxes	$ -	$ 17,350	$ 17,350	$ 149,840
Specific Ownership Tax	-	1,041	770	8,990
Investment Revenue	21,505	100,000	74,249	70,000
Total Revenues	**$ 21,505**	**$ 118,391**	**$ 92,369**	**$ 228,830**
Expenditures				
Interest Payment - 2024A Bonds	$ 71,592	$ 436,138	$ 436,138	$ 429,550
Treasurer's Fees	-	260	260	2,248
Trustee Fees	748	7,000	7,500	7,000
Contingency	-	10,000	-	10,000
Total Expenditures	**$ 72,339**	**$ 453,398**	**$ 443,898**	**$ 448,798**
Other Sources/(Uses) of Funds				
Capital Projects Fund	$ 1,788,092	$ -	$ -	$ -
Net Other Sources/(Uses) of Funds	**$ 1,788,092**	**$ -**	**$ -**	**$ -**
Revenues over/(under) Expenditures	**$ 1,737,257**	**$ (335,007)**	**$ (351,529)**	**$ (219,967)**
Beginning Fund Balance	-	1,776,253	1,737,257	1,385,728
Ending Fund Balance	**$ 1,737,257**	**$ 1,441,246**	**$ 1,385,728**	**$ 1,165,761**
Components of Ending Fund Balance				
Restricted - Debt Reserves	$ 647,643	$ -	$ 642,625	$ 642,625
Restricted - Capitalized Interest	1,089,614	1,441,246	743,103	523,136
Total Fund Balance	**$ 1,737,257**	**$ 1,441,246**	**$ 1,385,728**	**$ 1,165,761**
Property Tax Revenue				
Operating	$ 4,149	$ 2,551	$ 2,551	$ 9,762
Debt Service	-	17,350	17,350	149,840
Total Property Tax Revenue	$ 4,149	$ 19,901	$ 19,901	$ 159,602
Mill Levy				
Operating	20.000	5.197	5.197	2.682
Debt Service	-	35.341	35.341	41.168
Total Mill Levy	20.000	40.538	40.538	43.850
Net Assessed Valuation	202,260	490,930	490,930	3,639,720

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
STATEMENT OF REVENUES & EXPENDIATURES WITH BUDGETS
December 31, 2024 Actuals, 2025 Adopted and Projected Budgets
2026 Adopted Budget

Modified Accrual Budgetary Basis

CAPITAL PROJECTS FUND	**2024 Unaudited Actual**	**2025 Adopted Budget**	**2025 Projected Actual**	**2026 Adopted Budget**
Revenues				
Investment Revenue	$ 19,875	$ 56,926	$ 13,192	$ -
Total Revenues	**$ 19,875**	**$ 56,926**	**$ 13,192**	**$ -**
Expenditures				
Capital Outlay - Filing 3; Phase 1	$ 5,322,648	$ -	$ 4,340,990	$ -
Capital Outlay - Phase 3a & 4a	-	10,502,000	-	10,502,000
Capital Outlay - Phase 3b & 4b	-	3,615,000	-	3,615,000
Landscaping	-	2,000,000	-	2,000,000
Engineering	21,437	-	4,743	30,000
Bank Fees	745	-	269	300
Contingency	-	500,000	-	500,000
Total Expenditures	**5,344,830**	**16,617,000**	**4,346,001**	**16,647,300**
Other Sources/(Uses) of Funds				
Proceeds from Developer Note	$ 5,322,648	$ 15,295,060	$ 4,340,990	$ 16,617,300
Transfer to/from General Fund	21,437	-	4,743	30,000
Proceeds from Bond Issuance - 2024 A & B	8,795,000	-	-	-
Cost of Issuance	(420,558)	-	-	-
Repay Developer Note - Principal	(5,184,333)	-	(1,271,050)	-
Repay Developer Note - Interest	(138,315)	-	(24,706)	-
Transfer to/from Debt Service Fund	(1,788,092)	-	-	-
Net Other Sources/(Uses) of Funds	**$ 6,607,787**	**$ 15,295,060**	**$ 3,049,977**	**$ 16,647,300**
Revenues over/(under) Expenditures	**$ 1,282,831**	**$ (1,265,014)**	**$ (1,282,832)**	**$ -**
Beginning Fund Balance	-	1,265,014	1,282,831	(0)
Ending Fund Balance	**$ 1,282,831**	**$ -**	**$ (0)**	**$ (0)**
Components of Ending Fund Balance				
Restricted - Project Funds	$ 1,282,831	$ -		$ -
Total Fund Balance	**$ 1,282,831**	**$ -**	**$ -**	**$ -**

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
2026 BUDGET MESSAGE
SUMMARY OF SIGNIFCANT BUDGET ASSUMPTIONS

Poudre Heights Valley Metropolitan District was established in 2022 and is located in Windsor, Colorado. The District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized and operated pursuant to provisions set forth in the Colorado Special District Act. It was organized to provide the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of Public Improvements.

The District has no employees.

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

The District's 2025 assessed value for 2026 collections is $3,639,720.

Poudre Heights Valley Metropolitan District has adopted a budget for a General Fund to provide for operating and maintenance expenses, a Capital Projects Fund for capital outlay expenses, and a Debt Fund for bond payments.

The primary sources of revenue for the District in 2026 will be developer advances and property tax revenue.

Revenues

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. The District is authorized to levy up to 2.682 mills for operations and maintenance for the 2026 collection year due to limitations set forth by Senate Bill 24-233 and House Bill 24B-1001.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the Treasurer for the County, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the Treasurer for the County to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.0% of the property taxes collected by the General Fund and Debt Service Fund.

Expenditures

General Fund

The District has allocated funds to support the necessary accounting, finance, and legal overhead required for the effective management of its operations and compliance program.

Debt Service Fund

The District has budgeted to spend $429,550 towards its pledge on its 2024A Bonds in 2026.

Capital Projects Fund

The District has allocated funds to acquire public improvements from the Developer in 2026 totaling $16,647,300.

Bond Information

Poudre Heights Valley Metropolitan District holds a Limited Tax General Obligation Bond (2024A) and a Subordinate Limited Tax General Obligation Bond (2024B). The bonds were issued 10/1/2024 in the amount of $7,810,000 and $985,000, respectively. The Senior bond payments are made semi-annually, while the Subordinate bond is payable annually. The Debt Fund budget reflects the total payment amounts. Below is a schedule for interest and principal for the 2024A bond. No schedule is provided for the 2024B bond due to being dependent on available surplus cash flow.

Limited Tax General Obligation Bond, 2024A

Year	Principal	Interest	Total
2024	-	71,592	71,592
2025	-	429,550	429,550
2026	-	429,550	429,550
2027	-	429,550	429,550
2028	-	429,550	429,550
2029	60,000	429,550	489,550
2030	90,000	426,250	516,250
2031	95,000	421,300	516,300
2032	110,000	416,075	526,075
2033	115,000	410,025	525,025
2034	135,000	403,700	538,700
2035	140,000	396,275	536,275
2036	160,000	388,575	548,575
2037	170,000	379,775	549,775
2038	190,000	370,425	560,425
2039	200,000	359,975	559,975
2040	220,000	348,975	568,975
2041	235,000	336,875	571,875
2042	260,000	323,950	583,950
2043	270,000	309,650	579,650
2044	300,000	294,800	594,800
2045	315,000	278,300	593,300
2046	345,000	260,975	605,975
2047	365,000	242,000	607,000
2048	395,000	221,925	616,925
2049	415,000	200,200	615,200
2050	455,000	177,375	632,375
2051	480,000	152,350	632,350
2052	515,000	125,950	640,950
2053	545,000	97,625	642,625
2054	1,230,000	67,650	1,297,650
Total	**$7,810,000**	**$9,630,317**	**$17,440,317**

The District has a Facilities License Agreement that allows for the maintenance and repair of its facilities to be completed by the Poudre Heights Valley Homeowners Association, Inc.

Reserves

The District is projected to maintain a Debt Service Reserve of $1,165,731 at the end of 2026.

I, Carla Hawkins, hereby certify that I am the duly appointed Secretary of the Poudre Heights Valley Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2026, duly adopted at a meeting of the Board of Directors of the Poudre Heights Valley Metropolitan District held on November 18, 2025.

Carla Hawkins
Secretary

RESOLUTION NO. 2025-11-04

RESOLUTION TO SET MILL LEVIES

RESOLUTION OF THE POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE YEAR 2025, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2026 BUDGET YEAR

A. The Board of Directors of the Poudre Heights Valley Metropolitan District (the "**District**") has adopted an annual budget in accordance with the Local Government Budget Law, on November 18, 2025.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Poudre Heights Valley Metropolitan District, Weld County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2026 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2026 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2026 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District's Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 18, 2025.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT

By: Chelsey Green
President

Attest:

By: Carla Hawkins
Secretary

EXHIBIT 1

Certification of Tax Levies

1756 County Tax Entity Code DOLA LGID/SID 67617/1

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners[1] of WELD COUNTY, Colorado.

On behalf of the POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT,
(taxing entity)[A]

the Board of Directors
(governing body)[B]

of the POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
(local government)[C]

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ $3,639,720.00
(GROSS[D] assessed valuation, Line 2 of the Certification of Valuation Form DLG 57[E])

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area[F] the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: $ $3,639,720.00
(NET[G] assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/09/2025 for budget/fiscal year 2026.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	**LEVY**[2]		**REVENUE**[2]
1. General Operating Expenses[H]	2.682	mills	$ 9761.73
2. <**Minus**> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I]	< >	mills	$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	2.682	**mills**	**$** 9761.73
3. General Obligation Bonds and Interest[J]	41.168	mills	$ 149839.99
4. Contractual Obligations[K]		mills	$ 0
5. Capital Expenditures[L]		mills	$ 0
6. Refunds/Abatements[M]		mills	$ 0
7. Other[N] (specify):		mills	$
		mills	$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	43.850	**mills**	**$** 159601.72

Contact person: (print) Teresa Adler Daytime phone: 970-217-1976

Signed: Teresa Adler Title: Finance Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

[1] If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
[2] Levies must be rounded to three decimal places and revenue must be calculated from the total *NET assessed valuation* (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS[J]:

1. Purpose of Issue: Limited Tax General Obligation Bonds
   Series: 2024A
   Date of Issue: 10/01/2024
   Coupon Rate: 5.50%
   Maturity Date: 12/01/2054
   Levy: 41.168
   Revenue: $149,839.99

2. Purpose of Issue: Subordinate Limited Tax General Obligation Bonds
   Series: 2024B
   Date of Issue: 10/01/2024
   Coupon Rate: 7.875%
   Maturity Date: 12/01/2054
   Levy: 41.168
   Revenue: $149,839.99

CONTRACTS[K]:

3. Purpose of Contract:
   Title:
   Date:
   Principal Amount:
   Maturity Date:
   Levy:
   Revenue:

4. Purpose of Contract:
   Title:
   Date:
   Principal Amount:
   Maturity Date:
   Levy:
   Revenue:

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

[A] **Taxing Entity—**A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government[C].

[B] **Governing Body—**The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

[C] **Local Government -** For purposes of this line on Page 1of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

[D] **GROSS Assessed Value -** There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a "tax increment financing" entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's Gross Assessed Value* found on Line 2 of Form DLG 57.

[E] **Certification of Valuation by County Assessor, Form DLG 57 -** The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

[F] **TIF Area—**A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use "tax increment financing" to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

[G] **NET Assessed Value—**The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

[H] **General Operating Expenses (DLG 70 Page 1 Line 1)—**The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

[I] **Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—**The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

[J] **General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—**Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

[K] **Contractual Obligation (DLG 70 Page 1 Line 4)—**If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

[L] **Capital Expenditures (DLG 70 Page 1 Line 5)—**These revenues are not subject to the statutory property tax revenue limit <u>if</u> they are approved by counties and municipalities <u>through public hearings</u> pursuant to 29-1-301(1.2) C.R.S. and for special districts <u>through approval from the Division of Local Government</u> pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if <u>approved at election</u>. Only levies approved by these methods should be entered on Line 5.

[M] **Refunds/Abatements (DLG 70 Page 1 Line 6)—**The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, <u>if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county.</u> To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round <u>down</u> to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

[N] **Other (DLG 70 Page 1 Line 7)—**Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

I, Carla Hawkins, hereby certify that I am the duly appointed Secretary of the Poudre Heights Valley Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2026, duly adopted at a meeting of the Board of Directors of the Poudre Heights Valley Metropolitan District held on November 18, 2025.

Carla Hawkins
Secretary

EXHIBIT C

Developer Reimbursement Agreements and/or Amendments

FIRST AMENDMENT TO FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **FIRST AMENDMENT TO FACILITIES FUNDING AND ACQUISITION AGREEMENT** ("**First Amendment**") is made and entered into this 18th day of November, 2025, by and between **POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**") and **MERITAGE HOMES OF COLORADO, INC.,** an Arizona corporation (the "**Developer**") (individually, each a "**Party**" and collectively the "**Parties**").

RECITALS

A. The District and the Developer entered into that certain Facilities Funding and Acquisition Agreement, dated August 18, 2022, effective as of July 20, 2022 (the "**Agreement**").

B. The District and the Developer desire to amend the provisions of the Agreement, pertaining to the Shortfall Amount.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. All terms which are not defined herein shall have the same meaning as set forth in the Agreement.

2. Amendment to Section 2.2 of the Agreement. Section 2.2 of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

> 1. Acknowledgement of Anticipated Shortfalls. The Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer's commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is Twenty Seven Million ($27,000,000.00) Dollars (the "**Shortfall Amount**").

3. Except as expressly set forth in this Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the day and year first set forth above.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Chelsey Green
President

Attest:

Carla Hawkins
Secretary

MERITAGE HOMES OF COLORADO INC., an Arizona corporation

By: Michael Salmina

Name: Mike Salmina

Title: Vice President - Land Acquisitions

THIRD AMENDMENT TO OPERATION FUNDING AGREEMENT

This **THIRD AMENDMENT TO OPERATION FUNDING AGREEMENT** ("**Amendment**") is made and entered into this 18th day of November, 2025, by and between **POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**") and **MERITAGE HOMES OF COLORADO, INC.**, an Arizona corporation (the "**Developer**") (individually, each a "**Party**" and collectively the "**Parties**").

RECITALS

A. The District and the Developer entered into that certain Operation Funding Agreement, dated August 18, 2022 and effective as of July 20, 2022, (the "**Original Agreement**"), as amended by that certain First Amendment to Operation Funding Agreement dated November 15, 2023 and further amended by that certain Second Amendment to Operation Funding Agreement dated November 13, 2024 (collectively, the "**Amendments**", together with the Original Agreement, the "**Agreement**") whereby the Developer agreed to advance funds to the District for operations and maintenance expenses.

B. Pursuant to the Agreement, the obligation of the Developer to fund the Shortfall Amount expires on December 30, 2025.

C. The District anticipates that it will not have sufficient revenues to make payment of its operations and maintenance expenses through fiscal year 2026.

D. The District and the Developer desire to amend the provisions of the Agreement, pertaining to the term of the Agreement and Shortfall Amount.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. All terms which are not defined herein shall have the same meaning as set forth in the Agreement.

2. <u>Amendment to Section 1 of the Agreement.</u> Section 1 of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

> 1. <u>Acknowledgement of Anticipated Shortfalls</u>. The District anticipates a shortfall in revenues available for operations and maintenance expenses to be incurred for fiscal years 2022 through 2026 in an aggregate amount of One Hundred Ninety Thousand Dollars ($190,000.00) (the "**Shortfall Amount**").

3. <u>Amendment to Section 8 of the Agreement.</u> Section 8 of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

> 8. Term/Repose. Any obligation of the Developer to advance funds will expire upon advance to the District of amounts sufficient to pay expenses incurred in 2022 through 2026, not to exceed the Shortfall Amount unless agreed to in writing by the Parties. Any obligation of the District to reimburse the Developer shall expire on December 31, 2066. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 2066, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

4. All references in the Agreement, to the phrase "fiscal years 2022 through 2025" shall be deleted in their entirety and substituted in lieu thereof shall be the phrase: "fiscal years 2022 through 2026."

5. Except as expressly set forth in this Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE TO THIRD AMENDMENT TO OPERATION FUNDING AGREEMENT

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the day and year first set forth above.

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Chelsey Green
President

Attest:

Carla Hawkins
Secretary

MERITAGE HOMES OF COLORADO, INC., an Arizona corporation

By: Michael Salmina

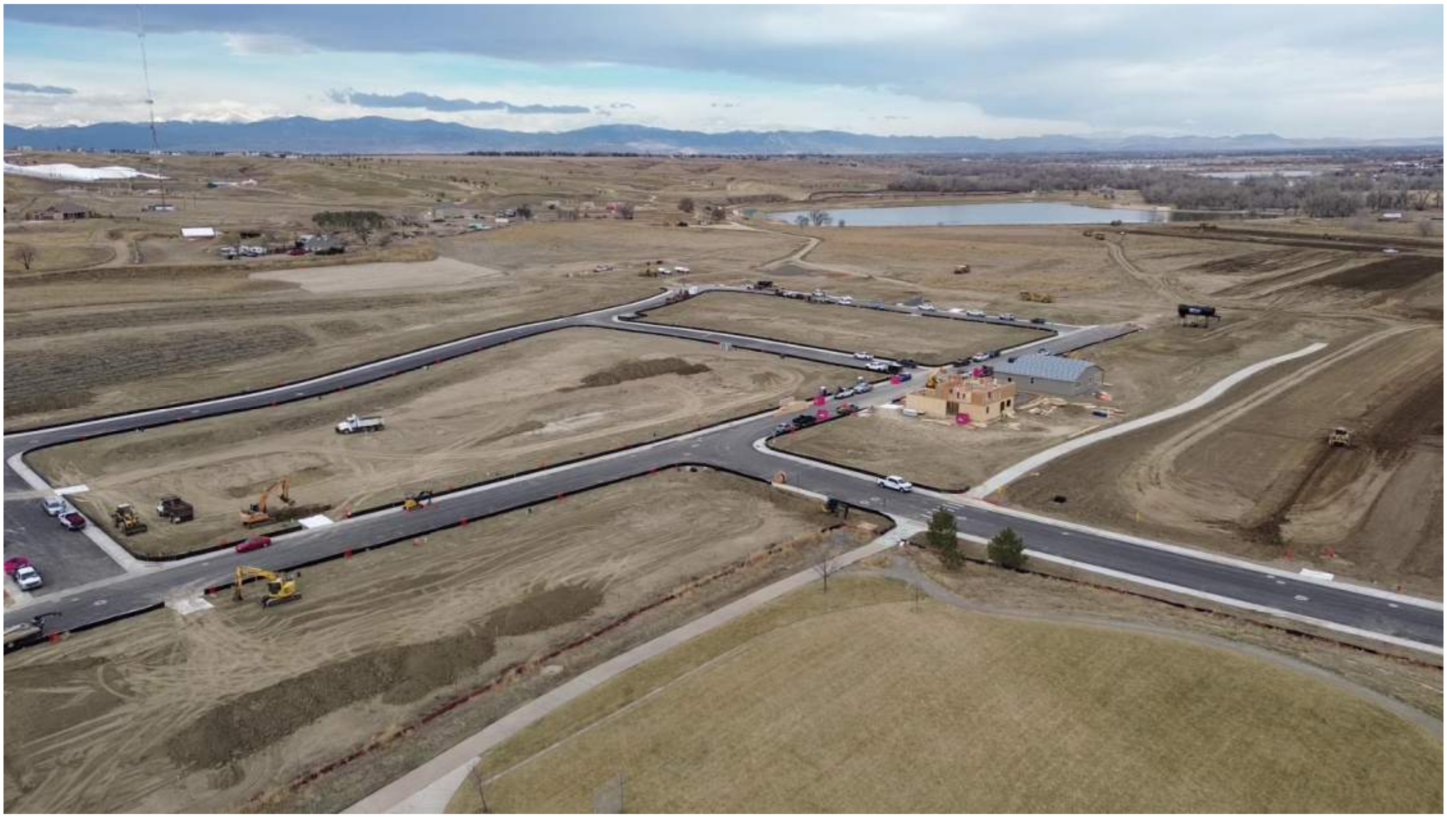
Name: Mike Salmina

Title: Vice President – Land Acquisitions

EXHIBIT D

Documentation Regarding Compliance with Section V.A.14

Poudre Heights Valley Metropolitan District Cost Certification



Report #2
February 2025

Independent District Engineering Services, LLC
1626 Cole Blvd, Suite 125
Lakewood, CO 80401
www.idesllc.com

Poudre Heights Valley Metropolitan District
Cost Certification Report #2

Table of Contents

Cost Certification Report

Attachments

February 19, 2025

Poudre Heights Valley Metropolitan District
Attn: Danaly Howe
c/o Centennial Consulting Group, LLC
2619 Canton Court, Suite A
Fort Collins, CO 80525

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
COST CERTIFICATION REPORT #2

INTRODUCTION

Independent District Engineering Services, LLC (Engineer) was hired by the Poudre Heights Valley Metropolitan District (District) to review the materials presented by Meritage Homes of Colorado, Inc. (Developer) and substantiate the costs related to the design, testing, engineering, and construction of the public improvements (Construction Related Expenses). The Construction Related Expenses reviewed are for the Poudre Heights Subdivision Third Filing located in the Town of Windsor, Colorado (Project). This cost certification report summarizes the Engineer's approach and declares the total amount of Construction Related Expenses associated with public improvements proposed for reimbursement.

The invoices reviewed were paid for by the Developer and are being certified as Construction Related Expenses in the amount of **$2,030,267.54.**

This report generally covers costs for the following public improvements generally shown on Attachment A:

- Phase 3a and 4a earthwork, erosion control, water distribution system, sanitary sewer system, storm sewer and pond system, paving, irrigation, flatwork, and signage & striping.
- Soft costs for construction management, geotechnical engineering, surveying, staking, stormwater management, civil engineering, landscape architecture and planning, and town fees.

REFERENCE DOCUMENTS

The following documents were used in determining recommendations for this report:

- Final Plat Poudre Heights Subdivision Third Filing, by Ehrhart Land Surveying, recorded April 28, 2020.
- Poudre Heights Subdivision Fifth Filing, by Lamp Rynearson, recorded February 1, 2024.
- Service Plan for Poudre Heights Valley Metropolitan District, prepared by McGeady Becher P.C., dated February 28, 2022.
- Facilities Funding and Acquisition Agreement, by and between Poudre Heights Valley Metropolitan District and Meritage Homes of Colorado, Inc., dated July 20, 2022.
- Combined Subdivision Development Agreement and Site Plan Development Agreement, by and between the Town of Windsor and Poudre Heights, L.P., dated April 20, 2020.
- Assignment and Assumption of Combined Subdivision Development Agreement and Site Plan Development Agreement Poudre Heights Subdivision, Third Filing, by Poudre Heights, L.P. and Meritage Homes of Colorado, Inc., dated November 1, 2021.

The Engineer used the above documents only as a general guideline in certification of costs.

ASSUMPTIONS

The following assumptions were made for this report.

- No other entity will reimburse the developer for the Construction Related Expenses included in this report.
- The Developer completed all storm water management practice inspections and requirements.
- Invoices presented do not represent the entire Project value, but rather the portion of the Project value provided for the Engineer's review. Other expenditures for the project exist.
- Expenditures that did not have enough information to be certified with this report may be certified in a future report.
- It is assumed that the District, the Town of Windsor, and Poudre River Trail will be responsible for the maintenance of all Filing 3 and Filing 5 tracts and have received dedicated easements to maintain public improvements on these tracts.
- Public improvements included in this report without final, preliminary, or conditional acceptance are included as part of the developer agreement (or equivalent) with the applicable government entity requiring completion and final acceptance of such public improvements and the means by which such completion and final acceptance are secured.

DISCUSSION

Activities Conducted

For this report, the following activities were performed:

- The reference documents provided by the District and the Developer were reviewed.
- The invoices and other materials presented by the Developer were reviewed.
- A site visit was conducted. Project improvements were photographed when possible.
- Contact was made with Developer to verify knowledge of the work and services performed.
- Select invoiced unit costs were compared to other projects constructed in Town of Windsor, Weld County Colorado area. Not all unit costs were compared, only a representative sample to ensure that the expenditures were reasonable overall.
- Select billed quantities were compared to construction document quantities to confirm amounts were reasonable.

This report was prepared with a specific scope and an elaborate analysis was not performed. Daily construction observation was not performed. This is a realistic and reasonable analysis to verify the public expenditures for the invoices and information provided by the Developer. Additional expenditures and information may result in adjustments to our cost certification.

Improvements

The reviewed improvement locations are generally represented in Attachment A and shown on the following documents:

- Poudre Heights Subdivision – Third Filing, by Lamp Rynearson, approved January 8, 2024.

Review of Expenditures

Invoices provided by the Developer were considered Construction Related Expenses (eligible for District reimbursement) or Private Costs (not eligible for District reimbursement). Expenditures reviewed were invoiced to the Developer between November of 2021 and October of 2024. Costs for work such as storm water management, planning, project management, and environmental studies pertaining to both public improvements, as described in the Special District Act, and private improvements were considered 39.64% Construction Related Expenses based on the land area ratio (the "District Site Percent"). Costs related to the overall site design were considered 84.91% Construction Related Expenses based on the assumed effort for each improvement type (the "District Design Percent"). Attachment C contains a summary of the certified Construction Related Expenses for the invoices provided.

Developer provided check copies, bank statements, and lien waivers were reviewed and used to confirm payment. The Engineer confirmed the invoiced amounts matched the amounts paid and that the payments were from the Developer’s account. The Engineer did not contact vendors to verify payments.

Vendors

All contractors, consultants, and vendors whose invoice information was submitted, were evaluated for their project participation and services performed, materials provided, or work completed. A summary of vendor participation is included as Attachment B.

Site Visit

A site visit was conducted in November 2024. When possible, photos were taken of the project to memorialize the construction of infrastructure and are included in Attachment D. From our visual inspection, it appears the completed improvements were constructed in a quality manner consistent with other similar projects and meeting generally accepted construction requirements.

SUMMARY OF EXPENDITURES BY CATEGORY

The table below provides a summary of expenditures by category as set forth in the Service Plan.

Cost Certification Category			
District Improvements		**Construction Related Expenses**	**Percent**
Streets	$	289,389.02	14.25%
Parks & Rec	$	86,409.87	4.26%
Water	$	593,865.11	29.25%
Sanitary	$	297,220.99	14.64%
Storm	$	763,382.55	37.60%
Total	**$**	**2,030,267.54**	**100.00%**

RECOMMENDATION

In our professional opinion the Construction Related Expenses included in this report were found to be reasonable and appropriate for the type of improvements constructed. Based on the information provided and level of analysis completed, the Engineer certifies the total amount of Construction Related Expenses associated with the public improvements proposed for reimbursement to be **$2,030,267.54**.

This report is not an acceptance of improvements, but a certification of the costs associated with the public improvements proposed for reimbursement. The cost certification is only one of the requirements from the Facilities Funding and Acquisition Agreement for the District to reimburse the Developer.

Should you have any questions or require further information please feel free to contact us.

Respectfully Submitted,

Signed by:

Brandon Collins, P.E.

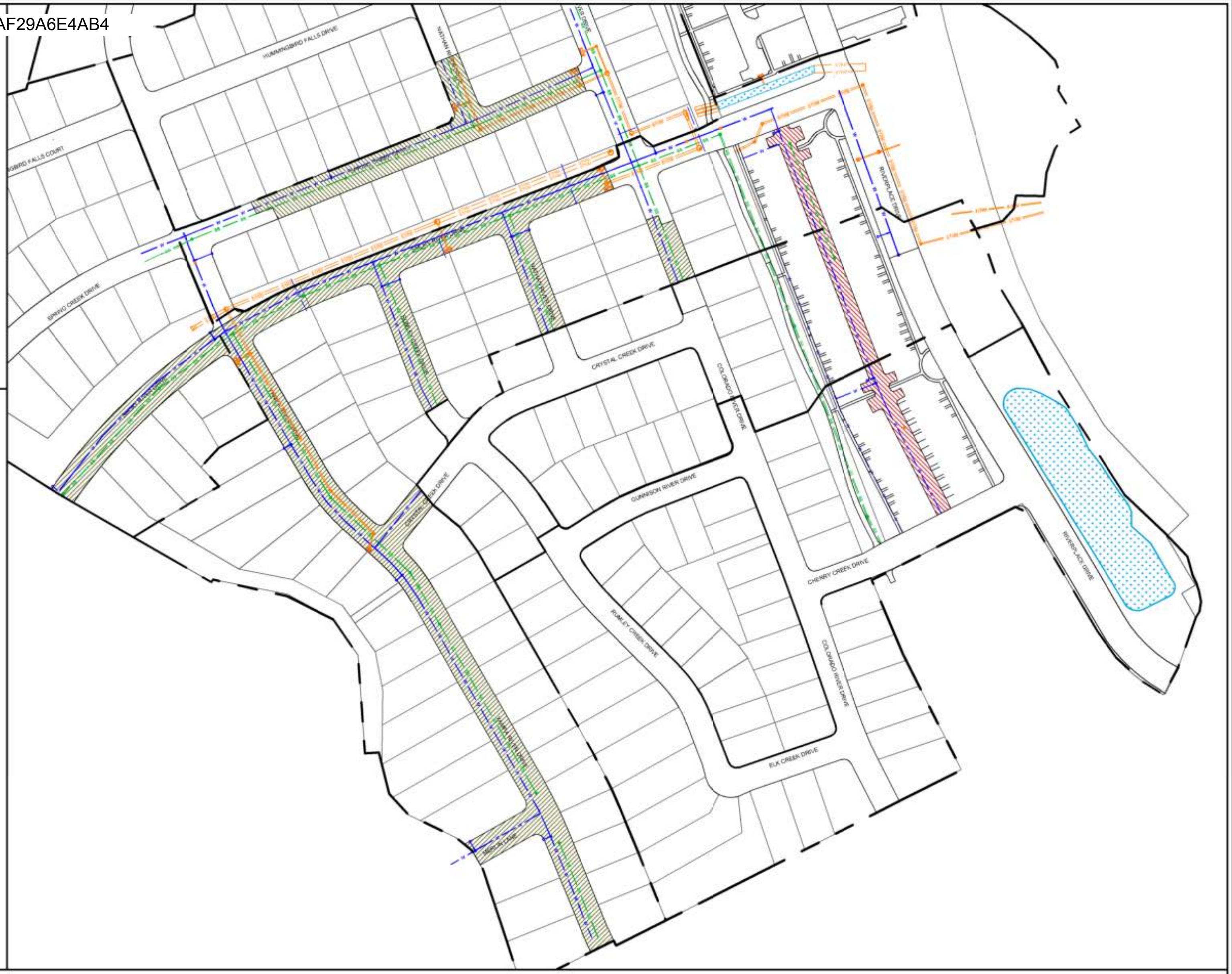
4E74C0D4C2444DE...

Brandon Collins, PE
Independent District Engineering Services, LLC

Attachment A
Site Map

VICINITY MAP

SCALE: NTS



LEGEND

- INSTALLED ROADWAY
- INSTALLED ALLEYWAY
- POND IMPROVEMENTS
- SANITARY SYSTEM IMPROVEMENTS
- STORM SYSTEM IMPROVEMENTS
- WATER SYSTEM IMPROVEMENTS
- NOT SHOWN: IRRIGATION IMPROVEMENTS

0 300' 600'

APPROXIMATE SCALE: 1" = 300'-0"

DEFINITIONS & NOTES

HARD COSTS: EXPENSES DIRECTLY RELATED TO THE PHYSICAL IMPROVEMENTS.

SOFT COSTS: DESIGN, TESTING, ENGINEERING, SURVEY, FEES/PERMITS, AND OTHER COSTS NECESSARY TO COMPLETE THE PHYSICAL IMPROVEMENTS

IMPROVEMENTS SHOWN ARE FOR VISUAL REPRESENTATION ONLY AND MAY NOT DEPICT THE AS-BUILT CONDITION. NOT FOR CONSTRUCTION

N

INDEPENDENT District Engineering SERVICES	INDEPENDENT DISTRICT ENGINEERING SERVICES, LLC 1626 COLE BOULEVARD #125, LAKEWOOD, CO 80401 WWW.IDESLLC.COM	POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT COST CERTIFICATION REPORT #2 ATTACHMENT A - SITE MAP	SHEET 1 of 1 DATE: 02/10/2025

Attachment B
Vendors

Attachment B
Vendors

Following is a summary of the contractors, consultants and vendors that performed work and services for the report.

AG Wassenaar, Inc. Geotechnical engineering consultant who provided soil and foundation studies, compaction testing, and pavement studies for the Project. Soil and foundation studies were considered Private Costs, compaction studies were considered Construction Related Expenses subject to the District Site Percent, and pavement studies were considered Construction Related Expenses.

Anderson Consulting Engineers Water resource consulting engineers who provided a flood hazard analysis for the project. Expenditures for hydraulic analysis were considered Construction Related Expenses subject to the District Site Percent.

Aztec Consultants, Inc. Surveying and staking consultants for the Project. General site surveying and staking services for site grading were considered Construction Related Expenses subject to the District Site Percent, lot staking and surveying services were considered Private Costs, and surveying and staking services for the public utilities were considered Construction Related Expenses.

B & J Surveying, Inc. Land surveying contractor for Filing 3 Phase 3a and 4a. Expenditures for retaining walls, plot plans, and house templates were considered Private Costs.

Custom Fence & Supply, Inc. Fencing contractor for Filing 3. Fencing owned by homeowners was considered Private Costs.

Dick Bricknell & Son, Inc. Retaining and channel wall contractor. Expenditures for retaining and channel walls were considered Private Costs.

Environmental Landworks Company, Inc. Landscape contractor who provided irrigation installation for the project. Costs for irrigation installation was considered Construction Related Expenses.

Fiore & Sons, Inc. Earthwork contractor for the project. Expenditures for earthwork were considered Construction Related Expenses subject to the District Site Percent. Expenditures for sub excavation for lots were considered private costs.

Hirschfeld Backhoe & Pipeline, Inc. Utility contractor who provided water system, fire suppression loop, irrigation system, sanitary system, and storm system construction for Filing 3 Phase 3a and 4a. Expenditures for water system, fire suppression loop, irrigation system, sanitary system, and storm system were considered Construction Related Expenses. Expenditures for water, fire suppression, irrigation, and sanitary services were considered Private Costs.

Lawson Construction Company Contractor who provided concrete and flatwork construction for phase 4A of the project. These expenditures were considered Construction Related Expenses.

Martin Marietta Materials Asphalt paving contractor who provided asphalt paving for phase 4A of the project. These expenditures were considered Construction Related Expenses.

Redland Consulting Group, Inc. Construction management consultant for the Project. Construction management services were considered Construction Related Expenses subject to the Design Percent.

Town of Windsor Local jurisdiction that was paid development fees. Fees for inspection and permits were considered Construction Related Expenses subject to the Site Percent. Organizational costs were not reviewed as part of this report.

Xcel Energy Dry utility company who provided electric removal and distribution, and gas distribution. Expenditures related demo and removal were considered Construction Related Expenses subject to the District Site Percent. Expenditures for electric and gas distribution were considered Private Costs.

Attachment C
Expenditure Data

Attachment C
Poudre Heights Valley Metropolitan District
Expenditure Data for Cost Certification #2

Invoice Number	Invoice Date	Check Number	Check Date	Description of Work	Invoiced Amount	Construction Related Expenses	Private Costs	Notes
AG Wassenaar Inc.								
INV018148	12/31/23	10272671	08/23/24	Compaction Testing and Report	$ 4,700.00	$ 2,207.22	$ 2,492.78	Compaction Testing Eligible at Site Percent
INV019571	01/31/24	10272671	08/23/24	Compaction Testing and Report	$ 3,205.00	$ 1,671.91	$ 1,533.09	Compaction Testing Eligible at Site Percent
INV020870	02/29/24	10271011	05/24/24	Compaction Testing and Report	$ 3,611.00	$ 1,431.47	$ 2,179.53	Compaction Testing Eligible at Site Percent
INV022614	02/29/24	10271011	05/24/24	Compaction Testing and Report	$ 16,732.00	$ 6,632.91	$ 10,099.09	Compaction Testing Eligible at Site Percent
INV024740	04/30/24	10271487	06/25/24	Compaction Testing and Report	$ 4,397.50	$ 2,024.22	$ 2,373.28	Compaction Testing Eligible at Site Percent
INV024741	04/30/24	10271487	06/25/24	Compaction Testing and Report	$ 14,882.50	$ 5,899.73	$ 8,982.77	Compaction Testing Eligible at Site Percent
INV026843	05/31/24	10272064	07/25/24	Compaction Testing and Report	$ 7,773.00	$ 3,754.67	$ 4,018.33	Compaction Testing Eligible at Site Percent
INV026809	05/31/24	10271487	06/25/24	Soil and Foundation Studies	$ 4,785.00	$ 0.00	$ 4,785.00	Lot Soil Studies not Eligible
INV028063	06/25/24	10272064	07/25/24	Soil and Foundation Studies	$ 2,995.00	$ 0.00	$ 2,995.00	Lot Soil Studies not Eligible
INV028548	06/30/24	10273261	09/26/24	Compaction Testing and Report	$ 12,327.00	$ 4,886.67	$ 7,440.33	Compaction Testing Eligible at Site Percent
INV028547	6/31/2024	10273261	09/26/24	Compaction Testing and Report	$ 9,578.00	$ 4,277.97	$ 5,300.03	Compaction Testing Eligible at Site Percent
INV029675	07/22/24	10272671	08/23/24	Soil and Foundation Studies	$ 7,160.00	$ 0.00	$ 7,160.00	Lot Soil Studies not Eligible
INV029948	07/30/24	10273261	09/26/24	Pavement Study	$ 3,000.00	$ 3,000.00	$ 0.00	Pavement Study Fully Eligible
INV030088	07/31/24	10273261	09/26/24	Compaction Testing and Report	$ 12,685.50	$ 5,918.77	$ 6,766.73	Compaction Testing Eligible at Site Percent
INV030089	07/31/24	10273261	09/26/24	Compaction Testing and Report	$ 12,725.50	$ 5,044.65	$ 7,680.85	Compaction Testing Eligible at Site Percent
INV030331	07/31/24	10273211	09/25/24	Soil and Foundation Studies	$ 5,370.00	$ 0.00	$ 5,370.00	Lot Soil Studies not Eligible
INV031532	08/26/24	10273211	09/25/24	Soil and Foundation Studies	$ 1,205.00	$ 0.00	$ 1,205.00	Lot Soil Studies not Eligible
INV031575	08/28/24	10273261	09/26/24	Soil and Foundation Studies	$ 2,480.00	$ 0.00	$ 2,480.00	Lot Soil Studies not Eligible
Subtotal AG Wassenaar Inc.					**$ 129,612.00**	**$ 46,750.18**	**$ 82,861.82**	
Anderson Consulting Engineers								
20682	6/6/24	10271545	06/25/24	Flood Hazard Analysis	$ 5,432.50	$ 2,153.55	$ 3,278.95	Hydraulic Analysis Eligible at Site Percent
Subtotal Anderson Consulting Engineers					**$ 5,432.50**	**$ 2,153.55**	**$ 3,278.95**	
Aztec Consultant, Inc								
159682	03/06/24	10270487	04/25/24	Staking and Surveying Consultant	$ 5,462.85	$ 2,545.84	$ 2,917.01	Lots not Eligible; Earthwork Eligible at Site Percent
159699	03/06/24	10270487	04/25/24	Staking and Surveying Consultant	$ 5,866.00	$ 3,004.43	$ 2,861.57	Lots not Eligible; Earthwork Eligible at Site Percent
161118	04/03/24	10271014	05/24/24	Staking and Surveying Consultant	$ 9,153.50	$ 7,600.49	$ 1,553.01	Lots not Eligible; Earthwork Eligible at Site Percent
161120	04/03/24	10271014	05/24/24	Staking and Surveying Consultant	$ 12,784.00	$ 10,937.65	$ 1,846.35	Earthwork Eligible at Site Percent
162908	05/02/24	10271488	06/25/24	Staking and Surveying Consultant	$ 2,394.96	$ 2,394.96	$ 0.00	
162909	05/02/24	10271488	06/25/24	Staking and Surveying Consultant	$ 10,347.96	$ 6,440.93	$ 3,907.03	Lots not Eligible; Earthwork Eligible at Site Percent
164991	06/01/24	10272674	08/23/24	Staking and Surveying Consultant	$ 9,112.19	$ 5,983.75	$ 3,128.44	Lots not Eligible; Earthwork Eligible at Site Percent
164992	06/01/24	10272674	08/23/24	Staking and Surveying Consultant	$ 1,650.00	$ 1,650.00	$ 0.00	
166448	06/27/24	10272674	08/23/24	Staking and Surveying Consultant	$ 8,404.00	$ 6,901.09	$ 1,502.91	Lots not Eligible; Earthwork Eligible at Site Percent
168078	07/25/24	10272674	08/23/24	Staking and Surveying Consultant	$ 16,881.94	$ 11,227.13	$ 5,654.81	Lots not Eligible; Earthwork Eligible at Site Percent
168101	07/25/24	10272674	08/23/24	Staking and Surveying Consultant	$ 7,566.76	$ 7,245.66	$ 321.10	As-builts Eligible at Site Percent
169572	08/22/24	10273257	09/26/24	Staking and Surveying Consultant	$ 6,212.00	$ 4,809.28	$ 1,402.72	Lots not Eligible; Earthwork Eligible at Site Percent
169573	08/22/24	10273257	09/26/24	Staking and Surveying Consultant	$ 900.00	$ 900.00	$ 0.00	
Subtotal Aztec Consultant, Inc					**$ 96,736.16**	**$ 71,641.21**	**$ 25,094.95**	
B & J Surveying, Inc.								
381609	02/07/24	N/A	N/A	Survey Consultant	$ 4,500.00	$ 0.00	$ 4,500.00	Retaining Wall for Lots not Eligible
383902	03/18/24	N/A	N/A	Survey Consultant	$ 36,420.00	$ 0.00	$ 36,420.00	Retaining Wall for Lots not Eligible
389798	06/28/24	N/A	N/A	Survey Consultant	$ 140.00	$ 0.00	$ 140.00	Plot Plan Revision not Eligible
389800	06/28/24	N/A	N/A	Survey Consultant	$ 500.00	$ 0.00	$ 500.00	House Template not Eligible
Subtotal B & J Surveying, Inc.					**$ 41,560.00**	**$ 0.00**	**$ 41,560.00**	
Custom Fence & Supply, Inc.								
326966	07/31/24	10272680	08/23/24	Fencing Contractor	$ 20,049.75	$ 0.00	$ 20,049.75	Fencing Owned by Homeowner not Eligible
Subtotal Custom Fence & Supply, Inc.					**$ 20,049.75**	**$ 0.00**	**$ 20,049.75**	
Dick Bricknell & Son, Inc.								
48198	03/21/24	10270492	04/25/24	Retaining Walls	$ 3,300.00	$ 0.00	$ 3,300.00	Retaining Walls not Eligible
48283	07/03/24	N/A	N/A	Retaining Walls	$ 21,442.00	$ 0.00	$ 21,442.00	Retaining Walls not Eligible
48276	06/28/24	10272076	07/25/24	Retaining Walls	$ 4,712.75	$ 0.00	$ 4,712.75	Retaining Walls not Eligible
48277	06/28/24	10272076	07/25/24	Retaining Walls	$ 8,790.00	$ 0.00	$ 8,790.00	Retaining Walls not Eligible
48278	06/28/24	10272076	07/25/24	Retaining Walls	$ 12,652.00	$ 0.00	$ 12,652.00	Retaining Walls not Eligible
48316	08/01/24	10272681	08/23/24	Channel Walls	$ 64,142.00	$ 0.00	$ 64,142.00	Retaining Walls not Eligible
Subtotal Dick Bricknell & Son, Inc.					**$ 115,038.75**	**$ 0.00**	**$ 115,038.75**	
Environmental Landworks Company, Inc								
Pay Application #2	08/02/24	10272683	08/23/24	Landscape Contractor	$ 40,628.65	$ 40,628.65	$ 0.00	Irrigation Publicly Owned
Pay Application #1	07/03/24	10272078	07/25/24	Landscape Contractor	$ 57,966.15	$ 57,966.15	$ 0.00	Irrigation Publicly Owned

Attachment C
Poudre Heights Valley Metropolitan District
Expenditure Data for Cost Certification #2

Invoice Number	Invoice Date	Check Number	Check Date	Description of Work	Invoiced Amount	Construction Related Expenses	Private Costs	Notes
Subtotal Environmental Landworks Company, Inc					**$ 98,594.80**	**$ 98,594.80**	**$ 0.00**	
Fiore & Sons, Inc.								
2401005.01	02/29/24	10269925	03/25/24	Earthwork Contractor	$ 180,026.37	$ 71,366.12	$ 108,660.25	Earthwork Eligible at Site Percent
2401005.03	05/01/24	10271021	05/24/24	Earthwork Contractor	$ 343,512.17	$ 136,175.22	$ 207,336.95	Earthwork Eligible at Site Percent
2401005.04	05/16/24	10271497	07/05/24	Earthwork Contractor	$ 909,291.49	$ 360,461.67	$ 548,829.82	Earthwork Eligible at Site Percent
2401005.02	07/10/24	10272081	08/02/24	Earthwork Contractor	$ 305,802.88	$ 121,226.49	$ 184,576.39	Earthwork Eligible at Site Percent
2401005.05	07/10/24	10272081	08/02/24	Earthwork Contractor	$ 473,790.33	$ 200,506.01	$ 273,284.32	Earthwork Eligible at Site Percent; Subex for Lots Not Eligible
2401005.06	08/07/24	10272684	08/30/24	Earthwork Contractor	$ 153,038.45	$ 55,190.16	$ 97,848.29	Earthwork Eligible at Site Percent; Subex for Lots Not Eligible
2401005.07	09/10/24	10273220	09/25/24	Earthwork Contractor	$ 238,149.32	$ 94,407.24	$ 143,742.08	Earthwork Eligible at Site Percent
Subtotal Fiore & Sons, Inc.					**$ 2,603,611.01**	**$ 1,039,332.93**	**$ 1,564,278.08**	
Hirschfeld Backhoe & Pipeline, Inc.								
1338	04/27/24	10271066	05/28/24	Utility Contractor	$ 242,819.05	$ 242,819.05	$ 0.00	
1339	04/27/24	10271066	05/28/24	Utility Contractor	$ 222,723.70	$ 222,723.70	$ 0.00	
1357	05/29/24	10271689	06/26/24	Utility Contractor	$ 151,174.45	$ 0.00	$ 151,174.45	Domestic and Fire Service for Multi-Family not Eligible
1358	05/29/24	10271689	06/26/24	Utility Contractor	$ 319,733.90	$ 300,410.90	$ 19,323.00	Sanitary - Single Family not Eligible
1362	06/27/24	10272147	07/25/24	Utility Contractor	$ 65,414.15	$ 0.00	$ 65,414.15	Domestic Service not Eligible
1363	06/27/24	10272147	07/25/24	Utility Contractor	$ 690,540.75	$ 642,877.35	$ 47,663.40	Sanitary - Single Family not Eligible
1368	07/30/24	10272704	08/23/24	Utility Contractor	$ 10,925.00	$ 10,925.00	$ 0.00	
1369	07/30/24	10272704	08/23/24	Utility Contractor	$ 438,620.70	$ 408,233.23	$ 30,387.47	Sanitary - Single Family & R&R RCP From Pond not Eligible
1377	08/29/24	10273402	09/26/24	Utility Contractor	$ 516,416.20	$ 461,023.60	$ 55,392.60	Sanitary - Single Family not Eligible
Subtotal Hirschfeld Backhoe & Pipeline, Inc.					**$ 2,658,367.90**	**$ 2,289,012.83**	**$ 369,355.07**	
Lawson Construction Company								
7651	07/26/24	10272691	08/23/24	Concrete Flatwork	$ 113,313.39	$ 113,313.39	$ 0.00	
7660	08/30/24	10273260	09/26/24	Concrete Flatwork	$ 142,408.42	$ 142,408.42	$ 0.00	
Subtotal Lawson Construction Company					**$ 255,721.81**	**$ 255,721.81**	**$ 0.00**	
Martin Marietta Materials								
43198467	07/25/24	10272923	08/30/24	Asphalt Paving Contractor	$ 38,161.55	$ 38,161.55	$ 0.00	
Subtotal Martin Marietta Materials					**$ 38,161.55**	**$ 38,161.55**	**$ 0.00**	
Redland Consulting Group, Inc.								
13037	03/31/24	10271059	05/28/24	Engineering Consultant	$ 37,135.58	$ 31,532.01	$ 5,603.57	Eligible at Design Percent
13178	04/30/24	10271507 & 10271517	06/25/24	Engineering Consultant	$ 46,549.77	$ 39,525.65	$ 7,024.12	Eligible at Design Percent
13257	05/31/24	10272135	07/25/24	Engineering Consultant	$ 46,849.47	$ 39,780.12	$ 7,069.35	Eligible at Design Percent
13373	06/30/24	10272708	08/27/24	Engineering Consultant	$ 45,882.76	$ 38,959.29	$ 6,923.47	Eligible at Design Percent
13467	07/31/24	10273231 & 10273264	9/25/2024 & 9/26/24	Engineering Consultant	$ 40,000.00	$ 33,964.20	$ 6,035.80	Eligible at Design Percent
13543	08/31/24	10273231 & 10273264	9/25/2024 & 9/26/24	Engineering Consultant	$ 38,200.00	$ 32,435.81	$ 5,764.19	Eligible at Design Percent
Subtotal Redland Consulting Group, Inc.					**$ 254,617.58**	**$ 216,197.08**	**$ 38,420.50**	
Town of Windsor								
TOWNOFWINSO	11/08/21	N/A	N/A	Metro District App Fee	$ 6,000.00	$ 0.00	$ 6,000.00	Organizational Costs not Reviewed as Part of This Report
TOWNOFWINSO	06/28/24	10271756	07/02/24	Inspection and Permit Fees	$ 1,872.00	$ 742.10	$ 1,129.90	Inspection and Permit Fees Eligible at Site Percent
Subtotal Town of Windsor					**$ 7,872.00**	**$ 742.10**	**$ 7,129.90**	
Xcel Energy								
1/01/2024 Distribution Reinforcement	01/01/24	N/A	N/A	Distribution Reinforcement	$ 811,355.66	$ 0.00	$ 811,355.66	Dry Utilities not Eligible
06/01/2024 Remove Electric Facilities	06/01/24	10272467	08/22/24	Remove Electric Facilities	$ 5,617.88	$ 2,227.04	$ 3,390.84	Demo Eligible at Site Percent
06/01/2024 Distribution Reinforcement	06/01/24	1-272468	08/21/24	Distribution Reinforcement	$ 29,358.06	$ 0.00	$ 29,358.06	Dry Utilities not Eligible
1/01/2024 New Gas Distribution	09/16/24	10273044	09/19/24	New Gas Distribution	$ 76,140.20	$ 0.00	$ 76,140.20	Dry Utilities not Eligible
1/01/2024 Electric Distribution	10/14/24	N/A	N/A	New Electric Distribution	$ 89,009.14	$ 0.00	$ 89,009.14	Dry Utilities not Eligible
Subtotal Xcel Energy					**$ 1,011,480.94**	**$ 2,227.04**	**$ 1,009,253.90**	
Total					**$ 3,668,428.38**	**$ 2,030,267.54**	**$ 1,638,160.83**	

The Private Amount includes private expenses as well as expenses that could not be verified.

Attachment D
Project Photos

INDEPENDENT
District Engineering
SERVICES

Poudre Heights Valley Metropolitan District Site Photos


Overall


Sanitary Sewer Installation

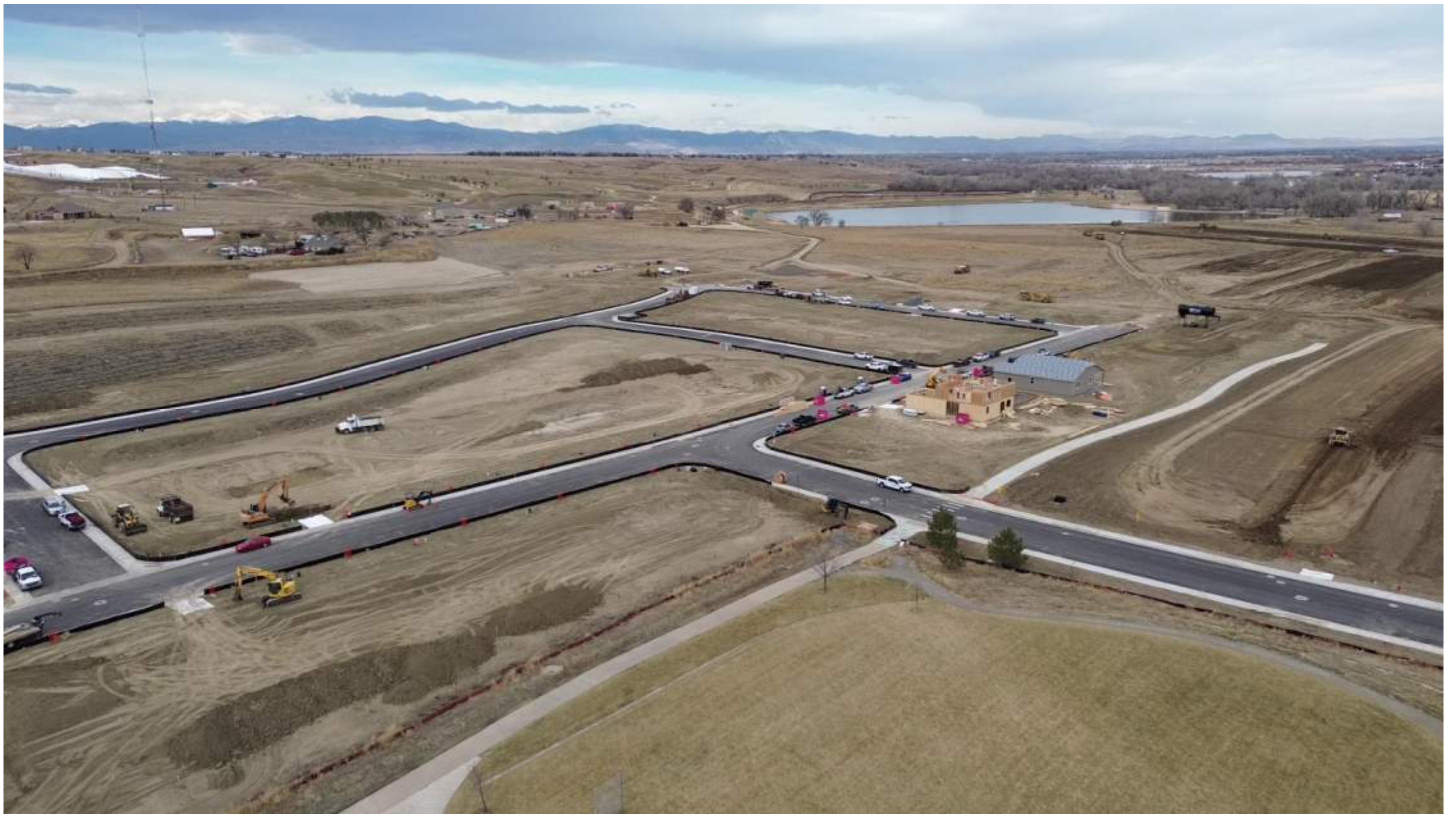

Earthwork and Paving


Northwest Section of Site


Colorado River Drive


Intersection of Colorado River Drive & Gunnison River Drive

Poudre Heights Valley Metropolitan District Cost Certification



Report #2 Revised
March 2025

Independent District Engineering Services, LLC
1626 Cole Blvd, Suite 125
Lakewood, CO 80401
www.ideslIc.com

Poudre Heights Valley Metropolitan District
Cost Certification Report #2 Revised

Table of Contents

March 25, 2025

Poudre Heights Valley Metropolitan District
Attn: Danaly Howe
c/o Centennial Consulting Group, LLC
2619 Canton Court, Suite A
Fort Collins, CO 80525

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
COST CERTIFICATION REPORT #2 REVISED

INTRODUCTION

Independent District Engineering Services, LLC (Engineer) was hired by the Poudre Heights Valley Metropolitan District (District) to review the materials presented by Meritage Homes of Colorado, Inc. (Developer) and substantiate the costs related to the design, testing, engineering, and construction of the public improvements (Construction Related Expenses). The Construction Related Expenses reviewed are for the Poudre Heights Subdivision Third Filing located in the Town of Windsor, Colorado (Project). This cost certification report summarizes the Engineer's approach and declares the total amount of Construction Related Expenses associated with public improvements proposed for reimbursement.

The invoices reviewed were paid for by the Developer and are being certified as Construction Related Expenses in the amount of **$4,060,535.08**.

This report generally covers costs for the following public improvements generally shown on Attachment A:

- Phase 3a and 4a earthwork, erosion control, water distribution system, sanitary sewer system, storm sewer and pond system, paving, irrigation, flatwork, and signage & striping.
- Soft costs for construction management, geotechnical engineering, surveying, staking, stormwater management, civil engineering, landscape architecture and planning, and town fees.

REFERENCE DOCUMENTS

The following documents were used in determining recommendations for this report:

- Final Plat Poudre Heights Subdivision Third Filing, by Ehrhart Land Surveying, recorded April 28, 2020.
- Poudre Heights Subdivision Fifth Filing, by Lamp Rynearson, recorded February 1, 2024.
- Service Plan for Poudre Heights Valley Metropolitan District, prepared by McGeady Becher P.C., dated February 28, 2022.
- Facilities Funding and Acquisition Agreement, by and between Poudre Heights Valley Metropolitan District and Meritage Homes of Colorado, Inc., dated July 20, 2022.
- Combined Subdivision Development Agreement and Site Plan Development Agreement, by and between the Town of Windsor and Poudre Heights, L.P., dated April 20, 2020.
- Assignment and Assumption of Combined Subdivision Development Agreement and Site Plan Development Agreement Poudre Heights Subdivision, Third Filing, by Poudre Heights, L.P. and Meritage Homes of Colorado, Inc., dated November 1, 2021.

The Engineer used the above documents only as a general guideline in certification of costs.

ASSUMPTIONS

The following assumptions were made for this report.

- No other entity will reimburse the developer for the Construction Related Expenses included in this report.
- The Developer completed all storm water management practice inspections and requirements.
- Invoices presented do not represent the entire Project value, but rather the portion of the Project value provided for the Engineer's review. Other expenditures for the project exist.
- Expenditures that did not have enough information to be certified with this report may be certified in a future report.
- It is assumed that the District, the Town of Windsor, and Poudre River Trail will be responsible for the maintenance of all Filing 3 and Filing 5 tracts and have received dedicated easements to maintain public improvements on these tracts.
- Public improvements included in this report without final, preliminary, or conditional acceptance are included as part of the developer agreement (or equivalent) with the applicable government entity requiring completion and final acceptance of such public improvements and the means by which such completion and final acceptance are secured.

DISCUSSION

Activities Conducted

For this report, the following activities were performed:

- The reference documents provided by the District and the Developer were reviewed.
- The invoices and other materials presented by the Developer were reviewed.
- A site visit was conducted. Project improvements were photographed when possible.
- Contact was made with Developer to verify knowledge of the work and services performed.
- Select invoiced unit costs were compared to other projects constructed in Town of Windsor, Weld County Colorado area. Not all unit costs were compared, only a representative sample to ensure that the expenditures were reasonable overall.
- Select billed quantities were compared to construction document quantities to confirm amounts were reasonable.

This report was prepared with a specific scope and an elaborate analysis was not performed. Daily construction observation was not performed. This is a realistic and reasonable analysis to verify the public expenditures for the invoices and information provided by the Developer. Additional expenditures and information may result in adjustments to our cost certification.

Improvements

The reviewed improvement locations are generally represented in Attachment A and shown on the following documents:

- Poudre Heights Subdivision – Third Filing, by Lamp Rynearson, approved January 8, 2024.

Review of Expenditures

Invoices provided by the Developer were considered Construction Related Expenses (eligible for District reimbursement) or Private Costs (not eligible for District reimbursement). Expenditures reviewed were invoiced to the Developer between November of 2021 and October of 2024. Costs for work such as storm water management, planning, project management, and environmental studies pertaining to both public improvements, as described in the Special District Act, and private improvements were considered 39.64% Construction Related Expenses based on the land area ratio (the "District Site Percent"). Costs related to the overall site design were considered 84.91% Construction Related Expenses based on the assumed effort for each improvement type (the "District Design Percent"). Attachment C contains a summary of the certified Construction Related Expenses for the invoices provided.

Developer provided check copies, bank statements, and lien waivers were reviewed and used to confirm payment. The Engineer confirmed the invoiced amounts matched the amounts paid and that the payments were from the Developer's account. The Engineer did not contact vendors to verify payments.

Vendors
All contractors, consultants, and vendors whose invoice information was submitted, were evaluated for their project participation and services performed, materials provided, or work completed. A summary of vendor participation is included as Attachment B.

Site Visit
A site visit was conducted in November 2024. When possible, photos were taken of the project to memorialize the construction of infrastructure and are included in Attachment D. From our visual inspection, it appears the completed improvements were constructed in a quality manner consistent with other similar projects and meeting generally accepted construction requirements.

SUMMARY OF EXPENDITURES BY CATEGORY
The table below provides a summary of expenditures by category as set forth in the Service Plan.

Cost Certification Category			
District Improvements		**Construction Related Expenses**	**Percent**
Streets	$	578,778.04	14.25%
Parks & Rec	$	172,819.74	4.26%
Water	$	1,187,730.23	29.25%
Sanitary	$	594,441.99	14.64%
Storm	$	1,526,765.08	37.60%
Total	**$**	**4,060,535.08**	**100.00%**

RECOMMENDATION
In our professional opinion the Construction Related Expenses included in this report were found to be reasonable and appropriate for the type of improvements constructed. Based on the information provided and level of analysis completed, the Engineer certifies the total amount of Construction Related Expenses associated with the public improvements proposed for reimbursement to be **$4,060,535.08**.

This report is not an acceptance of improvements, but a certification of the costs associated with the public improvements proposed for reimbursement. The cost certification is only one of the requirements from the Facilities Funding and Acquisition Agreement for the District to reimburse the Developer.

Should you have any questions or require further information please feel free to contact us.

Respectfully Submitted,

Signed by:
Brandon Collins, P.E.
4E74C0D4C2444DE...

Brandon Collins, PE
Independent District Engineering Services, LLC

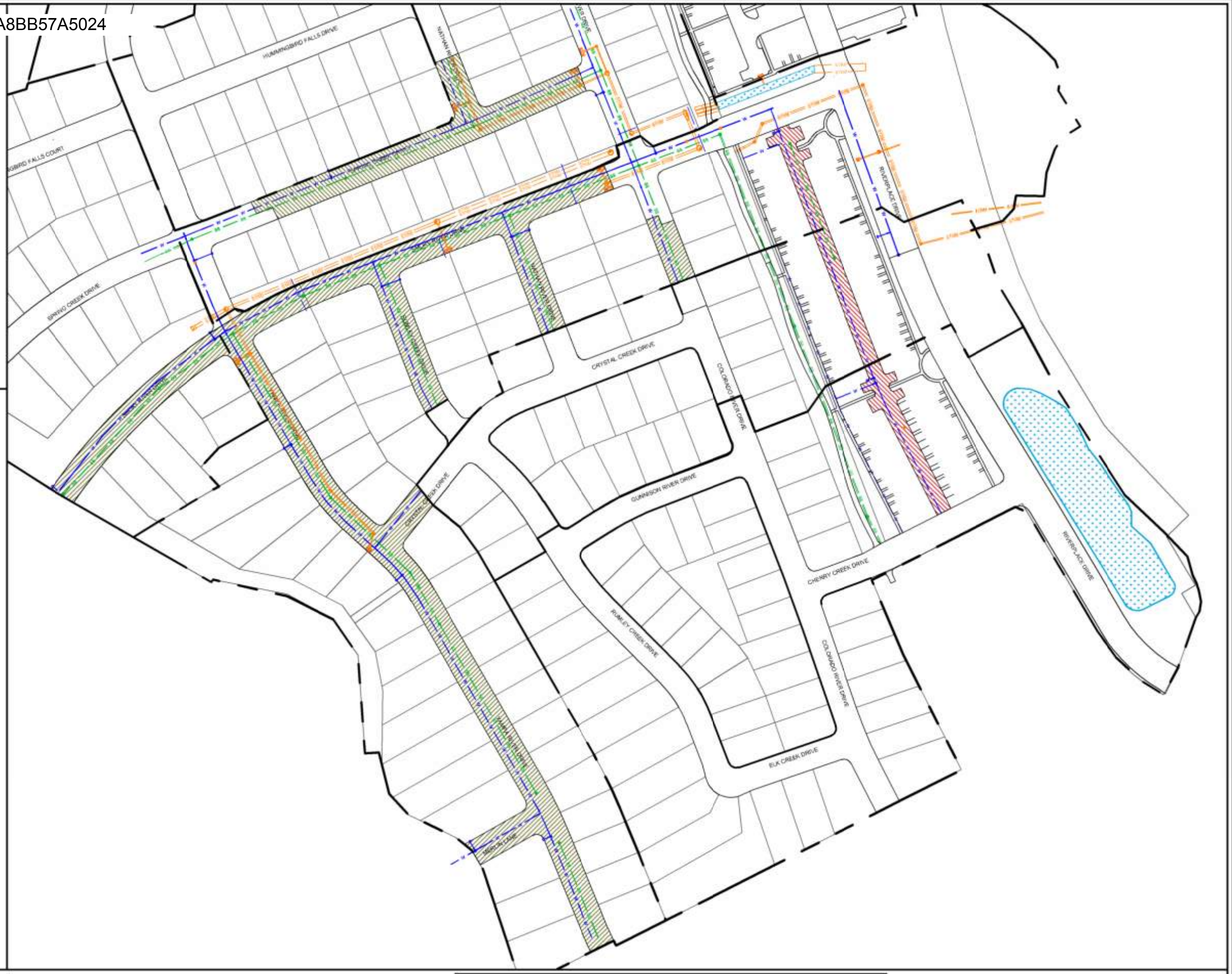
Attachment A
Site Map

INDEPENDENT
DES
District Engineering
SERVICES

Docusign Envelope ID: B7BB1453-3848-439C-844C-BA8BB57A5024

VICINITY MAP

SCALE: NTS



LEGEND

- INSTALLED ROADWAY
- INSTALLED ALLEYWAY
- POND IMPROVEMENTS
- SANITARY SYSTEM IMPROVEMENTS
- STORM SYSTEM IMPROVEMENTS
- WATER SYSTEM IMPROVEMENTS
- NOT SHOWN: IRRIGATION IMPROVEMENTS

0 300' 600'

APPROXIMATE SCALE: 1" = 300'-0"

DEFINITIONS & NOTES

HARD COSTS: EXPENSES DIRECTLY RELATED TO THE PHYSICAL IMPROVEMENTS.

SOFT COSTS: DESIGN, TESTING, ENGINEERING, SURVEY, FEES/PERMITS, AND OTHER COSTS NECESSARY TO COMPLETE THE PHYSICAL IMPROVEMENTS

IMPROVEMENTS SHOWN ARE FOR VISUAL REPRESENTATION ONLY AND MAY NOT DEPICT THE AS-BUILT CONDITION. NOT FOR CONSTRUCTION

Cost Certification Category

District Improvements	Construction Related Expenses		Percent
Streets	$	578,778.04	14.25%
Parks & Rec	$	172,819.74	4.26%
Water	$	1,187,730.23	29.25%
Sanitary	$	594,441.99	14.64%
Storm	$	1,526,765.08	37.60%
Total	**$**	**4,060,535.08**	**100.00%**

N

INDEPENDENT DISTRICT ENGINEERING SERVICES, LLC
1626 COLE BOULEVARD #125, LAKEWOOD, CO 80401

WWW.IDESLLC.COM

POUDRE HEIGHTS VALLEY METROPOLITAN DISTRICT
COST CERTIFICATION REPORT #2 REVISED
ATTACHMENT A - SITE MAP

SHEET
1 of 1

DATE:
03/25/2025

Attachment B
Vendors

Attachment B
Vendors

Following is a summary of the contractors, consultants and vendors that performed work and services for the report.

AG Wassenaar, Inc. Geotechnical engineering consultant who provided soil and foundation studies, compaction testing, and pavement studies for the Project. Soil and foundation studies were considered Private Costs, compaction studies were considered Construction Related Expenses subject to the District Site Percent, and pavement studies were considered Construction Related Expenses.

Anderson Consulting Engineers Water resource consulting engineers who provided a flood hazard analysis for the project. Expenditures for hydraulic analysis were considered Construction Related Expenses subject to the District Site Percent.

Aztec Consultants, Inc. Surveying and staking consultants for the Project. General site surveying and staking services for site grading were considered Construction Related Expenses subject to the District Site Percent, lot staking and surveying services were considered Private Costs, and surveying and staking services for the public utilities were considered Construction Related Expenses.

B & J Surveying, Inc. Land surveying contractor for Filing 3 Phase 3a and 4a. Expenditures for retaining walls, plot plans, and house templates were considered Private Costs.

Custom Fence & Supply, Inc. Fencing contractor for Filing 3. Fencing owned by homeowners was considered Private Costs.

Dick Bricknell & Son, Inc. Retaining and channel wall contractor. Expenditures for retaining and channel walls were considered Private Costs.

Environmental Landworks Company, Inc. Landscape contractor who provided irrigation installation for the project. Costs for irrigation installation was considered Construction Related Expenses.

Fiore & Sons, Inc. Earthwork contractor for the project. Expenditures for earthwork were considered Construction Related Expenses subject to the District Site Percent. Expenditures for sub excavation for lots were considered private costs.

Hirschfeld Backhoe & Pipeline, Inc. Utility contractor who provided water system, fire suppression loop, irrigation system, sanitary system, and storm system construction for Filing 3 Phase 3a and 4a. Expenditures for water system, fire suppression loop, irrigation system, sanitary system, and storm system were considered Construction Related Expenses. Expenditures for water, fire suppression, irrigation, and sanitary services were considered Private Costs.

Lawson Construction Company Contractor who provided concrete and flatwork construction for phase 4A of the project. These expenditures were considered Construction Related Expenses.

Martin Marietta Materials Asphalt paving contractor who provided asphalt paving for phase 4A of the project. These expenditures were considered Construction Related Expenses.

Redland Consulting Group, Inc. Construction management consultant for the Project. Construction management services were considered Construction Related Expenses subject to the Design Percent.

Town of Windsor Local jurisdiction that was paid development fees. Fees for inspection and permits were considered Construction Related Expenses subject to the Site Percent. Organizational costs were not reviewed as part of this report.

Xcel Energy Dry utility company who provided electric removal and distribution, and gas distribution. Expenditures related demo and removal were considered Construction Related Expenses subject to the District Site Percent. Expenditures for electric and gas distribution were considered Private Costs.

Attachment C
Expenditure Data

Attachment C
Poudre Heights Valley Metropolitan District
Expenditure Data for Cost Certification #2 Revised

Invoice Number	Invoice Date	Check Number	Check Date	Description of Work	Invoiced Amount	Construction Related Expenses	Private Costs	Notes
AG Wassenaar Inc.								
INV018148	12/31/23	10272671	08/23/24	Compaction Testing and Report	$ 4,700.00	$ 2,207.22	$ 2,492.78	Compaction Testing Eligible at Site Percent
INV019571	01/31/24	10272671	08/23/24	Compaction Testing and Report	$ 3,205.00	$ 1,671.91	$ 1,533.09	Compaction Testing Eligible at Site Percent
INV020870	02/29/24	10271011	05/24/24	Compaction Testing and Report	$ 3,611.00	$ 1,431.47	$ 2,179.53	Compaction Testing Eligible at Site Percent
INV022614	02/29/24	10271011	05/24/24	Compaction Testing and Report	$ 16,732.00	$ 6,632.91	$ 10,099.09	Compaction Testing Eligible at Site Percent
INV024740	04/30/24	10271487	06/25/24	Compaction Testing and Report	$ 4,397.50	$ 2,024.22	$ 2,373.28	Compaction Testing Eligible at Site Percent
INV024741	04/30/24	10271487	06/25/24	Compaction Testing and Report	$ 14,882.50	$ 5,899.73	$ 8,982.77	Compaction Testing Eligible at Site Percent
INV026843	05/31/24	10272064	07/25/24	Compaction Testing and Report	$ 7,773.00	$ 3,754.67	$ 4,018.33	Compaction Testing Eligible at Site Percent
INV026809	05/31/24	10271487	06/25/24	Soil and Foundation Studies	$ 4,785.00	$ 0.00	$ 4,785.00	Lot Soil Studies not Eligible
INV028063	06/25/24	10272064	07/25/24	Soil and Foundation Studies	$ 2,995.00	$ 0.00	$ 2,995.00	Lot Soil Studies not Eligible
INV028548	06/30/24	10273261	09/26/24	Compaction Testing and Report	$ 12,327.00	$ 4,886.67	$ 7,440.33	Compaction Testing Eligible at Site Percent
INV028547	6/31/2024	10273261	09/26/24	Compaction Testing and Report	$ 9,578.00	$ 4,277.97	$ 5,300.03	Compaction Testing Eligible at Site Percent
INV029675	07/22/24	10272671	08/23/24	Soil and Foundation Studies	$ 7,160.00	$ 0.00	$ 7,160.00	Lot Soil Studies not Eligible
INV029948	07/30/24	10273261	09/26/24	Pavement Study	$ 3,000.00	$ 3,000.00	$ 0.00	Pavement Study Fully Eligible
INV030088	07/31/24	10273261	09/26/24	Compaction Testing and Report	$ 12,685.50	$ 5,918.77	$ 6,766.73	Compaction Testing Eligible at Site Percent
INV030089	07/31/24	10273261	09/26/24	Compaction Testing and Report	$ 12,725.50	$ 5,044.65	$ 7,680.85	Compaction Testing Eligible at Site Percent
INV030331	07/31/24	10273211	09/25/24	Soil and Foundation Studies	$ 5,370.00	$ 0.00	$ 5,370.00	Lot Soil Studies not Eligible
INV031532	08/26/24	10273211	09/25/24	Soil and Foundation Studies	$ 1,205.00	$ 0.00	$ 1,205.00	Lot Soil Studies not Eligible
INV031575	08/28/24	10273261	09/26/24	Soil and Foundation Studies	$ 2,480.00	$ 0.00	$ 2,480.00	Lot Soil Studies not Eligible
Subtotal AG Wassenaar Inc.					**$ 129,612.00**	**$ 46,750.18**	**$ 82,861.82**	
Anderson Consulting Engineers								
20682	6/6/24	10271545	06/25/24	Flood Hazard Analysis	$ 5,432.50	$ 2,153.55	$ 3,278.95	Hydraulic Analysis Eligible at Site Percent
Subtotal Anderson Consulting Engineers					**$ 5,432.50**	**$ 2,153.55**	**$ 3,278.95**	
Aztec Consultant, Inc								
159682	03/06/24	10270487	04/25/24	Staking and Surveying Consultant	$ 5,462.85	$ 2,545.84	$ 2,917.01	Lots not Eligible; Earthwork Eligible at Site Percent
159699	03/06/24	10270487	04/25/24	Staking and Surveying Consultant	$ 5,866.00	$ 3,004.43	$ 2,861.57	Lots not Eligible; Earthwork Eligible at Site Percent
161118	04/03/24	10271014	05/24/24	Staking and Surveying Consultant	$ 9,153.50	$ 7,600.49	$ 1,553.01	Lots not Eligible; Earthwork Eligible at Site Percent
161120	04/03/24	10271014	05/24/24	Staking and Surveying Consultant	$ 12,784.00	$ 10,937.65	$ 1,846.35	Earthwork Eligible at Site Percent
162908	05/02/24	10271488	06/25/24	Staking and Surveying Consultant	$ 2,394.96	$ 2,394.96	$ 0.00	
162909	05/02/24	10271488	06/25/24	Staking and Surveying Consultant	$ 10,347.96	$ 6,440.93	$ 3,907.03	Lots not Eligible; Earthwork Eligible at Site Percent
164991	06/01/24	10272674	08/23/24	Staking and Surveying Consultant	$ 9,112.19	$ 5,983.75	$ 3,128.44	Lots not Eligible; Earthwork Eligible at Site Percent
164992	06/01/24	10272674	08/23/24	Staking and Surveying Consultant	$ 1,650.00	$ 1,650.00	$ 0.00	
166448	06/27/24	10272674	08/23/24	Staking and Surveying Consultant	$ 8,404.00	$ 6,901.09	$ 1,502.91	Lots not Eligible; Earthwork Eligible at Site Percent
168078	07/25/24	10272674	08/23/24	Staking and Surveying Consultant	$ 16,881.94	$ 11,227.13	$ 5,654.81	Lots not Eligible; Earthwork Eligible at Site Percent
168101	07/25/24	10272674	08/23/24	Staking and Surveying Consultant	$ 7,566.76	$ 7,245.66	$ 321.10	As-builts Eligible at Site Percent
169572	08/22/24	10273257	09/26/24	Staking and Surveying Consultant	$ 6,212.00	$ 4,809.28	$ 1,402.72	Lots not Eligible; Earthwork Eligible at Site Percent
169573	08/22/24	10273257	09/26/24	Staking and Surveying Consultant	$ 900.00	$ 900.00	$ 0.00	
Subtotal Aztec Consultant, Inc					**$ 96,736.16**	**$ 71,641.21**	**$ 25,094.95**	
B & J Surveying, Inc.								
381609	02/07/24	N/A	N/A	Survey Consultant	$ 4,500.00	$ 0.00	$ 4,500.00	Retaining Wall for Lots not Eligible
383902	03/18/24	N/A	N/A	Survey Consultant	$ 36,420.00	$ 0.00	$ 36,420.00	Retaining Wall for Lots not Eligible
389798	06/28/24	N/A	N/A	Survey Consultant	$ 140.00	$ 0.00	$ 140.00	Plot Plan Revision not Eligible
389800	06/28/24	N/A	N/A	Survey Consultant	$ 500.00	$ 0.00	$ 500.00	House Template not Eligible
Subtotal B & J Surveying, Inc.					**$ 41,560.00**	**$ 0.00**	**$ 41,560.00**	
Custom Fence & Supply, Inc.								
326966	07/31/24	10272680	08/23/24	Fencing Contractor	$ 20,049.75	$ 0.00	$ 20,049.75	Fencing Owned by Homeowner not Eligible
Subtotal Custom Fence & Supply, Inc.					**$ 20,049.75**	**$ 0.00**	**$ 20,049.75**	
Dick Bricknell & Son, Inc.								
48198	03/21/24	10270492	04/25/24	Retaining Walls	$ 3,300.00	$ 0.00	$ 3,300.00	Retaining Walls not Eligible
48283	07/03/24	N/A	N/A	Retaining Walls	$ 21,442.00	$ 0.00	$ 21,442.00	Retaining Walls not Eligible
48276	06/28/24	10272076	07/25/24	Retaining Walls	$ 4,712.75	$ 0.00	$ 4,712.75	Retaining Walls not Eligible
48277	06/28/24	10272076	07/25/24	Retaining Walls	$ 8,790.00	$ 0.00	$ 8,790.00	Retaining Walls not Eligible
48278	06/28/24	10272076	07/25/24	Retaining Walls	$ 12,652.00	$ 0.00	$ 12,652.00	Retaining Walls not Eligible
48316	08/01/24	10272681	08/23/24	Channel Walls	$ 64,142.00	$ 0.00	$ 64,142.00	Retaining Walls not Eligible
Subtotal Dick Bricknell & Son, Inc.					**$ 115,038.75**	**$ 0.00**	**$ 115,038.75**	
Environmental Landworks Company, Inc								
Pay Application #2	08/02/24	10272683	08/23/24	Landscape Contractor	$ 40,628.65	$ 40,628.65	$ 0.00	Irrigation Publicly Owned

Attachment C
Poudre Heights Valley Metropolitan District
Expenditure Data for Cost Certification #2 Revised

Invoice Number	Invoice Date	Check Number	Check Date	Description of Work	Invoiced Amount	Construction Related Expenses	Private Costs	Notes
Pay Application #1	07/03/24	10272078	07/25/24	Landscape Contractor	$ 57,966.15	$ 57,966.15	$ 0.00	Irrigation Publicly Owned
Subtotal Environmental Landworks Company, Inc					**$ 98,594.80**	**$ 98,594.80**	**$ 0.00**	
Fiore & Sons, Inc.								
2401005.01	02/29/24	10269925	03/25/24	Earthwork Contractor	$ 180,026.37	$ 71,366.12	$ 108,660.25	Earthwork Eligible at Site Percent
2401005.03	05/01/24	10271021	05/24/24	Earthwork Contractor	$ 343,512.17	$ 136,175.22	$ 207,336.95	Earthwork Eligible at Site Percent
2401005.04	05/16/24	10271497	07/05/24	Earthwork Contractor	$ 909,291.49	$ 360,461.67	$ 548,829.82	Earthwork Eligible at Site Percent
2401005.02	07/10/24	10272081	08/02/24	Earthwork Contractor	$ 305,802.88	$ 121,226.49	$ 184,576.39	Earthwork Eligible at Site Percent
2401005.05	07/10/24	10272081	08/02/24	Earthwork Contractor	$ 473,790.33	$ 200,506.01	$ 273,284.32	Earthwork Eligible at Site Percent; Subex for Lots Not Eligible
2401005.06	08/07/24	10272684	08/30/24	Earthwork Contractor	$ 153,038.45	$ 55,190.16	$ 97,848.29	Earthwork Eligible at Site Percent; Subex for Lots Not Eligible
2401005.07	09/10/24	10273220	09/25/24	Earthwork Contractor	$ 238,149.32	$ 94,407.24	$ 143,742.08	Earthwork Eligible at Site Percent
Subtotal Fiore & Sons, Inc.					**$ 2,603,611.01**	**$ 1,039,332.93**	**$ 1,564,278.08**	
Hirschfeld Backhoe & Pipeline, Inc.								
1338	04/27/24	10271066	05/28/24	Utility Contractor	$ 242,819.05	$ 242,819.05	$ 0.00	
1339	04/27/24	10271066	05/28/24	Utility Contractor	$ 222,723.70	$ 222,723.70	$ 0.00	
1357	05/29/24	10271689	06/26/24	Utility Contractor	$ 151,174.45	$ 0.00	$ 151,174.45	Domestic and Fire Service for Multi-Family not Eligible
1358	05/29/24	10271689	06/26/24	Utility Contractor	$ 319,733.90	$ 300,410.90	$ 19,323.00	Sanitary - Single Family not Eligible
1362	06/27/24	10272147	07/25/24	Utility Contractor	$ 65,414.15	$ 0.00	$ 65,414.15	Domestic Service not Eligible
1363	06/27/24	10272147	07/25/24	Utility Contractor	$ 690,540.75	$ 642,877.35	$ 47,663.40	Sanitary - Single Family not Eligible
1368	07/30/24	10272704	08/23/24	Utility Contractor	$ 10,925.00	$ 10,925.00	$ 0.00	
1369	07/30/24	10272704	08/23/24	Utility Contractor	$ 438,620.70	$ 408,233.23	$ 30,387.47	Sanitary - Single Family & R&R RCP From Pond not Eligible
1377	08/29/24	10273402	09/26/24	Utility Contractor	$ 516,416.20	$ 461,023.60	$ 55,392.60	Sanitary - Single Family not Eligible
Subtotal Hirschfeld Backhoe & Pipeline, Inc.					**$ 2,658,367.90**	**$ 2,289,012.83**	**$ 369,355.07**	
Lawson Construction Company								
7651	07/26/24	10272691	08/23/24	Concrete Flatwork	$ 113,313.39	$ 113,313.39	$ 0.00	
7660	08/30/24	10273260	09/26/24	Concrete Flatwork	$ 142,408.42	$ 142,408.42	$ 0.00	
Subtotal Lawson Construction Company					**$ 255,721.81**	**$ 255,721.81**	**$ 0.00**	
Martin Marietta Materials								
43198467	07/25/24	10272923	08/30/24	Asphalt Paving Contractor	$ 38,161.55	$ 38,161.55	$ 0.00	
Subtotal Martin Marietta Materials					**$ 38,161.55**	**$ 38,161.55**	**$ 0.00**	
Redland Consulting Group, Inc.								
13037	03/31/24	10271059	05/28/24	Engineering Consultant	$ 37,135.58	$ 31,532.01	$ 5,603.57	Eligible at Design Percent
13178	04/30/24	10271507 & 10271517	06/25/24	Engineering Consultant	$ 46,549.77	$ 39,525.65	$ 7,024.12	Eligible at Design Percent
13257	05/31/24	10272135	07/25/24	Engineering Consultant	$ 46,849.47	$ 39,780.12	$ 7,069.35	Eligible at Design Percent
13373	06/30/24	10272708	08/27/24	Engineering Consultant	$ 45,882.76	$ 38,959.29	$ 6,923.47	Eligible at Design Percent
13467	07/31/24	10273231 & 10273264	9/25/2024 & 9/26/24	Engineering Consultant	$ 40,000.00	$ 33,964.20	$ 6,035.80	Eligible at Design Percent
13543	08/31/24	10273231 & 10273264	9/25/2024 & 9/26/24	Engineering Consultant	$ 38,200.00	$ 32,435.81	$ 5,764.19	Eligible at Design Percent
Subtotal Redland Consulting Group, Inc.					**$ 254,617.58**	**$ 216,197.08**	**$ 38,420.50**	
Town of Windsor								
TOWNOFWINSO	11/08/21	N/A	N/A	Metro District App Fee	$ 6,000.00	$ 0.00	$ 6,000.00	Organizational Costs not Reviewed as Part of This Report
TOWNOFWINSO	06/28/24	10271756	07/02/24	Inspection and Permit Fees	$ 1,872.00	$ 742.10	$ 1,129.90	Inspection and Permit Fees Eligible at Site Percent
Subtotal Town of Windsor					**$ 7,872.00**	**$ 742.10**	**$ 7,129.90**	
Xcel Energy								
1/01/2024 Distribution Reinforcement	01/01/24	N/A	N/A	Distribution Reinforcement	$ 811,355.66	$ 0.00	$ 811,355.66	Dry Utilities not Eligible
06/01/2024 Remove Electric Facilities	06/01/24	10272467	08/22/24	Remove Electric Facilities	$ 5,617.88	$ 2,227.04	$ 3,390.84	Demo Eligible at Site Percent
06/01/2024 Distribution Reinforcement	06/01/24	1-272468	08/21/24	Distribution Reinforcement	$ 29,358.06	$ 0.00	$ 29,358.06	Dry Utilities not Eligible
1/01/2024 New Gas Distribution	09/16/24	10273044	09/19/24	New Gas Distribution	$ 76,140.20	$ 0.00	$ 76,140.20	Dry Utilities not Eligible
1/01/2024 Electric Distribution	10/14/24	N/A	N/A	New Electric Distribution	$ 89,009.14	$ 0.00	$ 89,009.14	Dry Utilities not Eligible
Subtotal Xcel Energy					**$ 1,011,480.94**	**$ 2,227.04**	**$ 1,009,253.90**	
Total					**$ 7,336,856.75**	**$ 4,060,535.08**	**$ 3,276,321.67**	

The Private Amount includes private expenses as well as expenses that could not be verified.

Attachment D
Project Photos

Poudre Heights Valley Metropolitan District Site Photos


Overall


Sanitary Sewer Installation


Earthwork and Paving


Northwest Section of Site


Colorado River Drive


Intersection of Colorado River Drive & Gunnison River Drive