TRAILS AT CROWFOOT METROPOLITAN DISTRICT NOS. 1-3

2025 ANNUAL REPORT

Pursuant to §32-1-207(3)(c), C.R.S. and the Amended and Restated Service Plan for the Hess Ranch Metropolitan District Nos. 1-3 (now known as the Trails at Crowfoot Metropolitan District Nos. 1-3) (collectively, the "**Service Plan**"), the Trails at Crowfoot Metropolitan District Nos. 1-3 (collectively, the "**Districts**") are required to provide an annual report to the Town of Parker with regard to the following matters:

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

§32-1-207(3), C.R.S. Statutory Requirements

1. **Boundary changes made.**

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

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

   The Districts did not enter into or terminate any intergovernmental agreements during 2025.

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

   The Districts' rules and regulations can be found at https://trailsatcrowfootmetrodistrict.com/

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

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

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

   The Districts' did not construct any public improvements in 2025. The public improvements to serve the property within the Districts' were constructed or caused to be constructed by HR935, LLC.

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

The Districts have not constructed any facilities of improvements that were conveyed or dedicated to the Town of Parker, Colorado as of December 31, 2025. The facilities and improvements to serve the property within the Districts' were constructed or caused to be constructed by HR935, LLC.

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

The 2025 final assessed valuations of the Districts are attached hereto as **Exhibit A**.

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

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

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

The 2025 Audits are attached hereto as **Exhibit C**.

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

To our actual knowledge, there are no uncured events of default by the Districts which continue beyond a ninety (90) day period, under any Debt instrument.

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

To our actual knowledge, the Districts have been able to pay their obligations as they come due.

Service Plan Requirements

1. A list of public infrastructure the Districts constructed or installed during the report year, and a schedule for the construction or installation of future public infrastructure, as well as any maintenance operations or activities the Districts plan to undertake in the upcoming year.

As of December 31, 2025, the Districts had not constructed or installed any public infrastructure. All public infrastructure was constructed or caused to be constructed by HR935, LLC or Melody Homes, Inc. prior to 2025. It is anticipated that the community park and associated amenities will be conveyed to the Town of Parker in 2026.

During 2026, District No. 3 intends to provide the following services: landscape maintenance, snow removal, holiday light installation, and pool operations and maintenance.

2. **Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the Districts 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.**

   The 2025 Audits are attached hereto as **Exhibit C**.

3. **Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year.**

   During the next five years, the Districts do not intend to incur capital expenditures in the development of Public Improvements. The Public Improvements to serve the property within the Districts were constructed or caused to be constructed by HR935, LLC or Melody Homes, Inc. All public improvements are complete, with the exception of certain improvements required for commercial development.

4. **Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt issued in the report year, the amount of payment or retirement of existing Debt of the Districts in the report year, the total assessed valuation of all taxable properties within the Districts as of January 1 of the report year and the current mill levy of the District pledged to Debt retirement in the report year.**

   Copies of the 2026 Budgets are attached hereto as **Exhibit B**. The 2025 final assessed valuations for the Districts are attached hereto as **Exhibit A**.

5. **The Districts' budget for the calendar year in which the annual report is submitted.**

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

6. **A summary of the residential and commercial development in the Districts for the report year.**

   As of the date of this report, no commercial development has begun within the Districts. As of December 31, 2025, approximately 91% of residential building permits were issued and approximately 85% of residential certificates of occupancy were issued.

7. **A summary of all fees, charges and assessments imposed by the Districts as of January 1 of the report year.**

The Districts did not impose any fees, charges, or assessments in 2025. Copies of the 2026 Budgets showing the property taxes imposed by the Districts are attached hereto as **Exhibit B**.

8. Certification of the Boards that no action, event or condition enumerated in Town Code Section 10.11.060 has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council.

To the best of the Districts' actual knowledge, no action, event or condition enumerated in Town Code section 10.11.060 occurred in 2025.

9. The name, business address and telephone number of each member of the Boards and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Boards.

District No. 1	**District No. 2**	**District No. 3**
Sandra Cintron 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 303-858-1800	Sarah Hunsche 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111	Matt Cavanaugh 5740 Olde Wadsworth Blvd Arvada, CO 80002 303-472-4633
Christopher Elliott 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111	Christopher Elliott 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111	Christopher Elliott 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111
Sarah Hunsche 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111	Corey Elliott 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111	Corey Elliott 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111
Zachary Burgeson 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 303-858-1800	VACANT	Sarah Hunsche 7353 S. Alton Way, Suite A100 Englewood, CO 80122 303-770-9111
VACANT	VACANT	VACANT

General Counsel to the Districts:
Megan J. Murphy, Esq.
WBA, PC
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122
303-858-1800

The Districts do not have a chief administrative officer.

The 2026 regular meetings of the Districts are scheduled for the 4th Thursday of each month at 4:00 p.m. via teleconference.

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

To the best of the Districts' knowledge, the Districts are in compliance with all provisions of the Service Plan.

11. A copy of the most recent notice issued by the Districts, pursuant to Section 32-1-809, C.R.S.

A copy of the Districts' notices pursuant to Section 32-1-809, C.R.S. are attached hereto as **Exhibit D**.

12. A copy of any intergovernmental agreements entered into by the Districts since the filing of the last annual report.

The Districts did not enter into or terminate any intergovernmental agreements since the filing of the last annual report.

Respectfully submitted this 20th day of August, 2026.

EXHIBIT A
2025 Final Assessed Valuations

4572 County Tax Entity Code

CERTIFICATION OF VALUATION BY
Douglas COUNTY ASSESSOR

DOLA LGID/SID 66686

New Tax Entity? ☐ YES ☐ NO

Date 11/19/2025

NAME OF TAX ENTITY: Trails at Crowfoot Metro District 1

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: ‡	**1.**	$ 10,393,590.00
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	**2.**	$ 10,212,010.00
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	**3.**	$ 0.00
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	**4.**	$ 10,212,010.00
5.	NEW CONSTRUCTION: *	**5.**	$ 0.00
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	**6.**	$ 0.00
7.	ANNEXATIONS/INCLUSIONS:	**7.**	$ 0.00
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	**8.**	$ 0.00
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.):	**9.**	$ 0.00
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.):	**10.**	$ 0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	**11.**	$ 0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
* Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	**1.**	$ 160,790,081.00
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	**2.**	$ 0.00
3.	ANNEXATIONS/INCLUSIONS:	**3.**	$ 0.00
4.	INCREASED MINING PRODUCTION: §	**4.**	$ 0.00
5.	PREVIOUSLY EXEMPT PROPERTY:	**5.**	$ 0.00
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	**6.**	$ 0.00
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	**7.**	$ 0.00
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	**8.**	$ 0.00
9.	DISCONNECTIONS/EXCLUSIONS:	**9.**	$ 0.00
10.	PREVIOUSLY TAXABLE PROPERTY:	**10.**	$ 0.00

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: $ 0.00

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 0.00
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25% LIMIT") 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	$ 10,212,010.00
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	$ 0.00
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	$ 10,212,010.00
4.	NEW CONSTRUCTION:	4.	$ 0.00
5.	ANNEXATIONS/INCLUSIONS:	5.	$ 0.00
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	$ 0.00
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	7.	$ 0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	8.	$ 0.00
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	9.	$ 0.00
10.	TOTAL PRODUCING MINES, OR PRIMARY OIL OR GAS PRODUCTION:	10.	$ 0.00
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	$ 0.00

Notes:
The property tax limit will apply to all property taxing entities with the exception of school districts, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

4573 County Tax Entity Code

CERTIFICATION OF VALUATION BY
Douglas COUNTY ASSESSOR

DOLA LGID/SID 66687

New Tax Entity? ☐ YES ☐ NO

Date 11/19/2025

NAME OF TAX ENTITY: Trails at Crowfoot Metro District 2

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: ‡	1.	$ 16,719,650.00
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2.	$ 17,282,440.00
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$ 0.00
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$ 17,282,440.00
5.	NEW CONSTRUCTION: *	5.	$ 254,970.00
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$ 0.00
7.	ANNEXATIONS/INCLUSIONS:	7.	$ 0.00
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	$ 0.00
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.):	9.	$ 0.00
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.):	10.	$ 0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	$ 0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
* Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$ 273,411,968.00
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$ 4,079,450.00
3.	ANNEXATIONS/INCLUSIONS:	3.	$ 0.00
4.	INCREASED MINING PRODUCTION: §	4.	$ 0.00
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$ 0.00
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$ 0.00
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$ 0.00
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$ 0.00
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$ 0.00
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$ 0.00

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: $ 0.00

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 0.00
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25% LIMIT") 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	**1.**	$ 17,282,440.00
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	**2.**	$ 0.00
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	**3.**	$ 17,282,440.00
4.	NEW CONSTRUCTION:	**4.**	$ 254,970.00
5.	ANNEXATIONS/INCLUSIONS:	**5.**	$ 0.00
6.	PREVIOUSLY EXEMPT PROPERTY:	**6.**	$ 0.00
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	**7.**	$ 0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	**8.**	$ 0.00
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	**9.**	$ 0.00
10.	TOTAL PRODUCING MINES, OR PRIMARY OIL OR GAS PRODUCTION:	**10.**	$ 0.00
11.	REVENUE INCREASE FROM EXPIRED TIF:	**11.**	$ 0.00

Notes:
The property tax limit will apply to all property taxing entities with the exception of school districts, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

4574 County Tax Entity Code

CERTIFICATION OF VALUATION BY
Douglas COUNTY ASSESSOR

DOLA LGID/SID 66688

New Tax Entity? ☐ YES ☐ NO

Date 11/19/2025

NAME OF TAX ENTITY: Trails at Crowfoot Metro District 3

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: ‡	1.	$ 11,235,890.00
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2.	$ 12,084,820.00
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$ 0.00
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$ 12,084,820.00
5.	NEW CONSTRUCTION: *	5.	$ 1,525,440.00
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$ 0.00
7.	ANNEXATIONS/INCLUSIONS:	7.	$ 0.00
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	$ 0.00
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.):	9.	$ 0.00
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.):	10.	$ 0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	$ 0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
* Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$ 129,916,804.00
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$ 24,407,129.00
3.	ANNEXATIONS/INCLUSIONS:	3.	$ 0.00
4.	INCREASED MINING PRODUCTION: §	4.	$ 0.00
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$ 0.00
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$ 0.00
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	$ 0.00
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$ 0.00
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$ 0.00
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$ 18,504.00

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY: $ 0.00

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 0.00
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25% LIMIT") 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	**1.**	$ 12,084,820.00
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	**2.**	$ 0.00
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	**3.**	$ 12,084,820.00
4.	NEW CONSTRUCTION:	**4.**	$ 1,525,440.00
5.	ANNEXATIONS/INCLUSIONS:	**5.**	$ 0.00
6.	PREVIOUSLY EXEMPT PROPERTY:	**6.**	$ 0.00
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	**7.**	$ 0.00
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	**8.**	$ 0.00
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	**9.**	$ 0.00
10.	TOTAL PRODUCING MINES, OR PRIMARY OIL OR GAS PRODUCTION:	**10.**	$ 0.00
11.	REVENUE INCREASE FROM EXPIRED TIF:	**11.**	$ 0.00

Notes:
The property tax limit will apply to all property taxing entities with the exception of school districts, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B
2026 Budgets

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	814,383	808,393	781,955
Specific ownership taxes	61,000	61,622	58,647
Interest income	357	-	-
Other revenue	3,780	-	11,944
Property taxes - Town capital and main	60,766	60,324	58,351
Specific ownership taxes - Town capital and main	4,551	4,598	4,376
Property taxes - Infrastructure capital	60,766	60,324	58,351
Specific ownership taxes - Infrastructure capital	4,551	4,598	4,376
Total revenues	1,010,154	999,859	978,000
Total funds available	1,010,154	999,859	978,000
EXPENDITURES			
General Fund	199,836	194,767	195,000
Debt Service Fund	810,318	805,092	783,000
Total expenditures	1,010,154	999,859	978,000
Total expenditures and transfers out requiring appropriation	1,010,154	999,859	978,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 10,210,430	$ 10,210,430	$ 10,048,970
State assessed	1,000	1,100	900
Vacant land	2,730	2,400	290
Personal property	185,430	179,500	161,700
Other	160	160	150
Certified Assessed Value	$ 10,399,750	$ 10,393,590	$ 10,212,010
MILL LEVY			
General	11.687	11.608	11.428
Debt Service	66.621	66.170	65.144
Town Capital and Maintenance	5.843	5.804	5.714
Infrastructure Capital	5.843	5.804	5.714
Total mill levy	89.994	89.386	88.000
PROPERTY TAXES			
General	$ 121,542	$ 120,649	$ 116,703
Debt Service	692,841	687,744	665,252
Town Capital and Maintenance	60,766	60,324	58,351
Infrastructure Capital	60,766	60,324	58,351
Budgeted property taxes	$ 935,915	$ 929,041	$ 898,657
BUDGETED PROPERTY TAXES			
General	**$ 182,308**	**$ 180,973**	**$ 175,054**
Debt Service	**753,607**	**748,068**	**723,603**
	$ 935,915	**$ 929,041**	**$ 898,657**

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	121,542	120,649	116,703
Specific ownership taxes	9,104	9,196	8,753
Interest income	93	-	-
Other revenue	3,780	-	6,817
Property taxes - Town capital and main	60,766	60,324	58,351
Specific ownership taxes - Town capital and main	4,551	4,598	4,376
Total revenues	199,836	194,767	195,000
Total funds available	199,836	194,767	195,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,832	1,810	1,751
County Treasurer's fee - Town	915	905	875
Transfer to Trails at Crowfoot MD No. 3	132,687	128,035	123,705
Transfer to Town	64,402	64,017	61,852
Contingency	-	-	6,817
Total expenditures	199,836	194,767	195,000
Total expenditures and transfers out requiring appropriation	199,836	194,767	195,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	692,841	687,744	665,252
Specific ownership taxes	51,896	52,426	49,894
Interest income	264	-	-
Other revenue	-	-	5,127
Property taxes - Infrastructure capital	60,766	60,324	58,351
Specific ownership taxes - Infrastructure capital	4,551	4,598	4,376
Total revenues	810,318	805,092	783,000
Total funds available	810,318	805,092	783,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	10,439	10,316	9,979
County Treasurer's fee - Infrastructure capital	915	905	875
Transfer to Trails at Crowfoot MD No. 3	798,964	793,871	767,019
Contingency	-	-	5,127
Total expenditures	810,318	805,092	783,000
Total expenditures and transfers out requiring appropriation	810,318	805,092	783,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Trails at Crowfoot Metropolitan District No. 1 (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County on May 23, 2016. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District Nos. 2-3 (together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. In June 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 1. The District’s service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado.

On November 3, 2015 and November 5, 2019, the District's voters authorized indebtedness for the District for various purposes in accordance with its Service Plan powers to construct public improvements. Also pursuant to the Service Plan, the combined debt that the Districts are permitted to issue shall not exceed $90,068,750. The District is authorized to impose ad valorem taxes of up to $10,000,000 annually to pay the operations and administrative costs of the District, without limitation as to rate.

The Service Plan limits (subject to adjustment) the District’s operation and maintenance mill levy to 10.000 mills (currently adjusted to 11.428 mills). Additionally, the Service Plan limits (subject to adjustment) the District’s debt service mill levy to 57.000 mills (currently adjusted to 65.144 mills). The Service Plan also limits the imposition of the debt service mill levy to 40 years after initial year of imposition of such mill levy.

On June 17, 2019, each of the Districts entered into intergovernmental agreements with the Town (the “Town IGAs”). The Town IGAs provides that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for certain regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and remit the proceeds to the Town for certain Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the District and for the maintenance of certain of the regional improvements. The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town no later than 30 days after receipt, to be deposited by the Town in a separate fund; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy (which includes the Bonds).

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statues C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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, sale of tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on Property Tax Summary Information page of the Budget at the adopted total mill levy.

For property tax collection year 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.50% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.50% of property tax collected.

Expenditures (Continued)

Transfer to Trails at Crowfoot Metropolitan District No. 3

Transfers to Trails at Crowfoot Metropolitan District No. 3 (District No. 3) represent funds transferred to District No. 3 to provide overall administrative and operating services for the Districts, as well as to fund debt service payments.

Transfer to Town

Transfers to Town represent transfers to the Town under the Town IGAs for revenues received by the District from the Town Capital and Maintenance Mill Levy. Under the terms of the agreement, the Districts shall remit any funds due to the Town no later than 30 days after receipt of the funds.

Debt and Leases

The District has no debt and operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3.0% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 3, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in District No. 3.

This information is an integral part of the accompanying budget.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	1,005,809	1,284,270	1,323,732
Specific ownership taxes	75,378	97,898	99,280
Interest income	440	250	250
Other revenue	4,703	-	12,348
Property taxes - Town capital and main	75,055	95,837	98,786
Specific ownership taxes - Town capital and main	5,624	7,304	7,409
Property taxes - Infrastructure capital	75,055	95,837	98,786
Specific ownership taxes - Infrastructure capital	5,624	7,304	7,409
Total revenues	1,247,688	1,588,700	1,648,000
Total funds available	1,247,688	1,588,700	1,648,000
EXPENDITURES			
General Fund	246,863	309,475	325,000
Debt Service Fund	1,000,825	1,279,225	1,323,000
Total expenditures	1,247,688	1,588,700	1,648,000
Total expenditures and transfers out requiring appropriation	1,247,688	1,588,700	1,648,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 10,985,130	$ 16,458,010	$ 17,086,800
State assessed	700	700	900
Vacant land	2,046,180	61,360	5,080
Personal property	272,730	199,480	189,570
Other	100	100	90
Certified Assessed Value	$ 13,304,840	$ 16,719,650	$ 17,282,440
MILL LEVY			
General	11.289	11.464	11.432
Debt Service	64.347	65.348	65.162
Town Capital and Maintenance	5.644	5.732	5.716
Infrastructure Capital	5.644	5.732	5.716
Total mill levy	86.924	88.276	88.026
PROPERTY TAXES			
General	$ 150,198	$ 191,674	$ 197,573
Debt Service	856,126	1,092,596	1,126,159
Town Capital and Maintenance	75,093	95,837	98,786
Infrastructure Capital	75,093	95,837	98,786
Levied property taxes	1,156,510	1,475,944	1,521,304
Adjustments to actual/rounding	(591)	-	-
Budgeted property taxes	$ 1,155,919	$ 1,475,944	$ 1,521,304
BUDGETED PROPERTY TAXES			
General	**$ 225,176**	**$ 287,511**	**$ 296,359**
Debt Service	**930,743**	**1,188,433**	**1,224,945**
	$ 1,155,919	**$ 1,475,944**	**$ 1,521,304**

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	150,121	191,674	197,573
Specific ownership taxes	11,250	14,610	14,818
Interest income	110	50	50
Other revenue	4,703	-	6,364
Property taxes - Town capital and main	75,055	95,837	98,786
Specific ownership taxes - Town capital and main	5,624	7,304	7,409
Total revenues	246,863	309,475	325,000
Total funds available	246,863	309,475	325,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,262	2,875	2,964
County Treasurer's fee - Town	1,131	1,438	1,482
Transfer to Trails at Crowfoot MD No. 3	163,922	203,459	209,477
Transfer to Town	79,548	101,703	104,713
Contingency	-	-	6,364
Total expenditures	246,863	309,475	325,000
Total expenditures and transfers out requiring appropriation	246,863	309,475	325,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/6/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Property taxes	855,688	1,092,596	1,126,159
Specific ownership taxes	64,128	83,288	84,462
Interest income	330	200	200
Other revenue	-	-	5,984
Property taxes - Infrastructure capital	75,055	95,837	98,786
Specific ownership taxes - Infrastructure capital	5,624	7,304	7,409
Total revenues	1,000,825	1,279,225	1,323,000
Total funds available	1,000,825	1,279,225	1,323,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	12,893	16,389	16,892
County Treasurer's fee - infrastructure capital	1,131	1,438	1,482
Transfer to Trails at Crowfoot MD No. 3	986,801	1,261,398	1,298,642
Contingency	-	-	5,984
Total expenditures	1,000,825	1,279,225	1,323,000
Total expenditures and transfers out requiring appropriation	1,000,825	1,279,225	1,323,000
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Trails at Crowfoot Metropolitan District No. 2 (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County on April 11, 2016. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District 1 and 3 (together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. In June 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 2. The District’s service area is located south of Hess Road and west of Motsenbocker Road in the Town in Douglas County, Colorado.

On November 3, 2015 and November 5, 2019, the District's voters authorized indebtedness for the District for various purposes in accordance with its Service Plan powers to construct public improvements. Also pursuant to the Service Plan, the combined debt that the Districts are permitted to issue shall not exceed $90,068,750. The District is authorized to impose ad valorem taxes of up to $10,000,000 annually to pay the operations and administrative costs of the District, without limitation as to rate.

The Service Plan limits (subject to adjustment) the District’s operation and maintenance mill levy to 10.000 mills (currently adjusted to 11.432 mills). Additionally, the Service Plan limits (subject to adjustment) the District’s debt service mill levy to 57.000 mills (currently adjusted to 65.162 mills). The Service Plan also limits the imposition of the debt service mill levy to 40 years after initial year of imposition of such mill levy.

On June 17, 2019, each of the Districts entered into intergovernmental agreements with the Town (the “Town IGAs”). The Town IGAs provides that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for certain regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and remit the proceeds to the Town for certain Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the District and for the maintenance of certain of the regional improvements. The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town no later than 30 days after receipt, to be deposited by the Town in a separate fund; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy (which includes the Bonds).

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statues C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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, sale 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 calculation of the taxes levied is displayed on Property Tax Summary Information page of the Budget at the adopted total mill levy.

For property tax collection year 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.50% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.50% of property tax collected.

Expenditures (Continued)

Transfer to Trails at Crowfoot Metropolitan District No. 3

Transfers to Trails at Crowfoot Metropolitan District No. 3 (District No. 3) represent funds transferred to District No. 3 to provide overall administrative and operating services for the Districts, as well as to fund debt service payments.

Transfers to Town

Transfers to Town represent transfers to the Town under the Town IGAs for revenues received by the District from the Town Capital and Maintenance Mill Levy. Under the terms of the agreement, the Districts shall remit any funds due to the Town no later than 30 days after receipt of the funds.

Debt and Leases

The District has no debt and operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish a emergency reserve. This reserve must be at least 3.0% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 3, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in District No. 3.

This information is an integral part of the accompanying budget.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 3,310,250	$ 499,771	$ 518,679
REVENUES			
Property taxes	705,169	824,018	902,289
Specific ownership taxes	52,819	62,812	67,672
Property taxes - Town capital and main	52,625	61,494	67,325
Specific ownership taxes - Town capital and main	3,942	4,688	5,049
Property taxes - Infrastructure capital	52,625	61,494	67,325
Specific ownership taxes - Infrastructure capital	3,942	4,688	5,049
Interest income	150,746	37,000	50,000
Transfer from Trails at Crowfoot MD No. 1	931,651	921,906	890,724
Transfer from Trails at Crowfoot MD No. 2	1,150,723	1,464,857	1,508,119
Transfer from HOA	800,000	835,000	763,500
Other revenue	4,002	100	100
Reimbursed expenditures	34,588	-	-
Bond issuance	57,385,000	-	-
Bond Premium	2,697	-	-
Developer advance	2,548,245	-	-
Total revenues	63,878,774	4,278,057	4,327,152
TRANSFERS IN	108,294	153,300	401,000
Total funds available	67,297,318	4,931,128	5,246,831
EXPENDITURES			
General Fund	205,108	214,096	238,000
Special Revenue Fund	923,662	1,051,403	1,170,000
Debt Service Fund	63,012,238	2,993,650	2,544,000
Capital Projects Fund	2,548,245	-	-
Total expenditures	66,689,253	4,259,149	3,952,000
TRANSFERS OUT	108,294	153,300	401,000
Total expenditures and transfers out requiring appropriation	66,797,547	4,412,449	4,353,000
ENDING FUND BALANCES	$ 499,771	$ 518,679	$ 893,831
EMERGENCY RESERVE	$ 38,800	$ 41,700	$ 40,100
TOTAL RESERVE	$ 38,800	$ 41,700	$ 40,100

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
ASSESSED VALUATION			
Residential	$ 2,515,610	$ 4,915,120	$ 6,966,950
State assessed	300	300	500
Vacant land	7,177,300	6,199,990	4,979,430
Personal property	107,410	120,310	137,780
Other	170	170	160
Certified Assessed Value	$ 9,800,790	$ 11,235,890	$ 12,084,820
MILL LEVY			
General	10.739	10.946	11.143
Debt Service	61.213	62.392	63.520
Town Capital and Maintenance	5.369	5.473	5.571
Infrastructure Capital	5.369	5.473	5.571
Total mill levy	82.690	84.284	85.805
PROPERTY TAXES			
General	$ 105,251	$ 122,988	$ 134,661
Debt Service	599,936	701,030	767,628
Town Capital and Maintenance	52,620	61,494	67,325
Infrastructure Capital	52,620	61,494	67,325
Levied property taxes	810,427	947,006	1,036,939
Adjustments to actual/rounding	(8)	-	-
Budgeted property taxes	$ 810,419	$ 947,006	$ 1,036,939
BUDGETED PROPERTY TAXES			
General	**$ 157,874**	**$ 184,482**	**$ 201,986**
Debt Service	**652,545**	**762,524**	**834,953**
	$ 810,419	**$ 947,006**	**$ 1,036,939**

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 97,396	$ 288,510	$ 466,152
REVENUES			
Property taxes	105,249	122,988	134,661
Specific ownership taxes	7,883	9,374	10,100
Property taxes - Town capital and main	52,625	61,494	67,325
Specific ownership taxes - Town capital and main	3,942	4,688	5,049
Interest income	16,972	15,000	17,000
Transfer from Trails at Crowfoot MD No. 1	132,687	128,035	123,705
Transfer from Trails at Crowfoot MD No. 2	163,922	203,459	209,477
Reimbursed expenditures	17,294	-	-
Other revenue	3,942	-	-
Total revenues	504,516	545,038	567,317
Total funds available	601,912	833,548	1,033,469
EXPENDITURES			
General and Administrative			
Accounting	76,183	58,000	60,000
Auditing	9,500	30,000	30,000
County Treasurer's Fee	1,585	1,845	2,020
Dues and Membership	1,858	1,177	2,000
Insurance	2,540	6,892	10,000
Legal	43,812	40,000	50,000
Miscellaneous	1,360	2,000	2,000
Election	-	6,000	-
Engineering	11,703	2,000	2,500
Contingency	-	-	7,106
Operations and Maintenance			
County Treasurer's Fee - Town	792	922	1,010
Transfers to Town	55,775	65,260	71,364
Total expenditures	205,108	214,096	238,000
TRANSFERS OUT			
Transfers to other fund	108,294	153,300	401,000
Total expenditures and transfers out requiring appropriation	313,402	367,396	639,000
ENDING FUND BALANCES	$ 288,510	$ 466,152	$ 394,469
EMERGENCY RESERVE	$ 14,700	$ 16,400	$ 17,100
TOTAL RESERVE	$ 14,700	$ 16,400	$ 17,100

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SPECIAL REVENUE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 77,476	$ 82,572	$ 25,569
REVENUES			
Transfer from HOA	800,000	835,000	763,500
Interest income	3,110	6,000	3,000
Reimbursed expenditures	17,294	-	-
Other revenue	60	100	100
Total revenues	820,464	841,100	766,600
TRANSFERS IN			
Transfers from other funds	108,294	153,300	401,000
Total funds available	1,006,234	1,076,972	1,193,169
EXPENDITURES			
General and Administrative			
Insurance - Property	43,065	37,363	43,000
Management	100,130	100,000	90,000
Miscellaneous	8	500	1,500
Social committee	17,714	21,100	22,000
Landscape Maintenance	316,846	330,500	343,000
Operations and Maintenance	37,909	116,940	175,000
Pool Operations and Maintenance	105,826	115,000	155,500
Utilities	302,164	330,000	340,000
Total expenditures	923,662	1,051,403	1,170,000
Total expenditures and transfers out requiring appropriation	923,662	1,051,403	1,170,000
ENDING FUND BALANCES	$ 82,572	$ 25,569	$ 23,169
EMERGENCY RESERVE	$ 24,100	$ 25,300	$ 23,000
TOTAL RESERVE	$ 24,100	$ 25,300	$ 23,000

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURE DETAILS
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
EXPENDITURES			
Landscape Maintenance			
Landscape maintenance	251,262	278,000	160,000
Landscape projects	-	-	45,000
Tree & shrub removal and replacement	-	-	48,000
Winter watering & tree care	-	-	25,000
Trails & parks	-	2,500	5,000
Snow removal	65,584	50,000	60,000
Total Landscape Maintenance	316,846	330,500	343,000
Operations and Maintenance			
Irrigation repairs	-	20,000	40,000
Fence repair	-	2,500	5,000
Fence staining	-	55,000	75,000
Fire Inspection - repairs & materials	1,049	1,000	1,000
Common area lighting	-	1,000	2,000
Holiday decor	12,340	15,000	15,000
Monuments & signage	-	1,000	2,000
Pest control	15,212	20,000	25,000
Security	9,308	1,440	10,000
Total Operations and Maintenance	37,909	116,940	175,000
Pool Operations and Maintenance			
Contract	71,967	90,000	95,500
Chemicals & supplies	25,101	20,000	35,000
Furniture & fixtures	8,758	5,000	15,000
Repairs	-	-	10,000
Total Pool Operations and Maintenance	105,826	115,000	155,500
Utilities			
Electricity & gas	16,613	20,000	20,000
Trash & recycling	132,384	150,000	160,000
Water	153,167	160,000	160,000
Total Utilities	302,164	330,000	340,000
Total Maintenance Expenditures	762,745	892,440	1,013,500

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ 3,135,378	$ 128,689	$ 26,958
REVENUES			
Property taxes	599,920	701,030	767,628
Specific ownership taxes	44,936	53,438	57,572
Property taxes - Infrastructure capital	52,625	61,494	67,325
Specific ownership taxes - Infrastructure capital	3,942	4,688	5,049
Interest income	130,664	16,000	30,000
Transfer from Trails at Crowfoot MD No. 1	798,964	793,871	767,019
Transfer from Trails at Crowfoot MD No. 2	986,801	1,261,398	1,298,642
Bond issuance	57,385,000	-	-
Bond premium	2,697	-	-
Total revenues	60,005,549	2,891,919	2,993,235
Total funds available	63,140,927	3,020,608	3,020,193
EXPENDITURES			
General and administrative			
County Treasurer's fee	9,033	10,515	11,514
County Treasurer's fee - Infrastructure capital	792	922	1,010
Paying agent fees	10,000	10,000	10,000
Contingency	-	-	4,263
Debt Service			
Bond interest - Series 2024A	581,271	2,343,713	2,102,213
Bond principal - Series 2024A	-	230,000	415,000
Bond interest - Series 2024B	-	74,000	-
Bond principal - Series 2024B	-	324,500	-
Bond interest - Series 2019A	711,063	-	-
Bond interest - Series 2022C	894	-	-
Bond principal - Series 2022C	25,000	-	-
Bond refunding	59,975,448	-	-
Bond issue costs	1,698,737	-	-
Total expenditures	63,012,238	2,993,650	2,544,000
Total expenditures and transfers out requiring appropriation	63,012,238	2,993,650	2,544,000
ENDING FUND BALANCES	$ 128,689	$ 26,958	$ 476,193

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/26/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUES			
Developer advance	2,548,245	-	-
Total revenues	2,548,245	-	-
Total funds available	2,548,245	-	-
EXPENDITURES			
Capital Projects			
Public improvements	2,548,245	-	-
Total expenditures	2,548,245	-	-
Total expenditures and transfers out requiring appropriation	2,548,245	-	-
ENDING FUND BALANCES	$ -	$ -	$ -

See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Trails at Crowfoot Metropolitan District No. 3 (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County on May 23, 2016. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District Nos. 1-2 (together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. In June 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 3. The District’s service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado.

On November 3, 2015 and November 5, 2019, the District's voters authorized indebtedness for the District for various purposes in accordance with its Service Plan powers to construct public improvements. Also pursuant to the Service Plan, the combined debt that the Districts are permitted to issue shall not exceed $90,068,750. The District is authorized to impose ad valorem taxes of up to $10,000,000 annually to pay the operations and administrative costs of the District, without limitation as to rate.

The Service Plan limits (subject to adjustment) the District’s operation and maintenance mill levy to 10.000 mills (currently adjusted to 11.143 mills). Additionally, the Service Plan limits (subject to adjustment) the District’s debt service mill levy to 57.000 mills (currently adjusted to 63.520 mills). The Service Plan also limits the imposition of the debt service mill levy to 40 years after initial year of imposition of such mill levy.

On June 17, 2019, each of the Districts entered into intergovernmental agreements with the Town (the “Town IGAs”). The Town IGAs provides that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for certain regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and remit the proceeds to the Town for certain Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the District and for the maintenance of certain of the regional improvements. The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town no later than 30 days after receipt, to be deposited by the Town in a separate fund; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy (which includes the Bonds).

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statues C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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, sale 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 calculation of the taxes levied is displayed on the Property Tax Summary info of the Budget at the adopted total mill levy.

For property tax collection year 2026, SB22-238, HB24B-1001 set the assessment rates as follows:

Category	Rate		Category	Rate
Single-Family Residential	6.25%		Agricultural Land	27.00%
Multi-Family Residential	6.25%		Renewable Energy Land	27.00%
Commercial	27.00%		Vacant Land	27.00%
Industrial	27.00%		Personal Property	27.00%
Lodging	27.00%		State Assessed	27.00%
			Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.50% of the property taxes collected.

Intergovernmental Revenues

Pursuant to an Intergovernmental Agreement with Trails at Crowfoot Metropolitan Districts Nos. 1 and 2, the intergovernmental revenues represent transfers to the District to provide funding for overall administrative and operating costs, as well as debt service.

Interest Income

Interest earned on the District's available funds has been estimated based on historical earnings.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Operations and Maintenance Expenditures

Operations and maintenance expenditures are reflected in the Special Revenue Fund.

Debt and Leases

The District issued its Junior Subordinate Limited Tax General Obligation Bonds, Series 2022C(3) (the "2022C Bonds") on April 6, 2022, in the par amount of $19,110,000. The proceeds of the 2022C Bonds were used to: (i) finance additional public improvements related to the development; (ii) pay certain costs of issuance of the 2022C Bonds; and (iii) reimburse the cost of public improvements related to the development.

The 2022C Bonds bear interest at the rate of 4.000% and are payable annually on December 16, beginning December 16, 2022, from, and to the extent of, Junior Lien Pledged Revenue available, if any, pursuant to a mandatory redemption. The 2022C Bonds mature on December 16, 2051. The 2022C Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2022C Bonds compounds annually on each December 16. If any amount of principal or interest on the 2022C Bonds remains unpaid after the application of all Junior Lien Pledged Revenue available on the Junior Lien Bonds Termination Date of December 16, 2059, such unpaid amount will be deemed discharged.

The District issued its General Obligation Limited Tax Refunding Bonds, Series 2024A (the "Senior Bonds") and its Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the "Subordinate Bonds", and together with the Senior Bonds, the "2024 Bonds") on August 22, 2024, in the respective par amounts of $47,945,000 and $9,440,000. The proceeds of the 2024 Bonds were used to: (i) to advance refund all of the outstanding principal balance of the Limited Tax General Obligation Bonds, Series 2019 and a portion the outstanding principal balance of the 2022C Bonds; and (ii) pay the cost of issuance.

The Senior Bonds bear interest at rates ranging from 4.000% to 5.000% and are payable semiannually on June 1 and December 1, beginning on December 1, 2024. The Senior Bonds consist of three term bonds maturing December 1, 2039, December 1, 2044, and December 1, 2054. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2039. The Bonds mature on December 1, 2054.

To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or the Senior Bonds Termination Date of December 2, 2060 and shall continue to bear interest at the rate then borne by the Senior Bond. To the extent interest on any Senior Bond is not paid when due, such interest shall compound semiannually on each interest payment date (June 1 and December 1) at the rate borne by the Senior Bond. The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Senior Bonds.

Debt and Leases (Continued)

If any amount of principal or interest due on the Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available therefor on the Senior Bonds Termination Date, such unpaid amount will be deemed discharged.

The Subordinate Bonds were issued at the rate of 6.875% per annum, respectively, and are payable annually on December 15, beginning December 15, 2024, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2052. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15.

The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Subordinate Bonds. If any amount of principal or interest due on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available therefor on the Subordinate Bonds Termination Date of December 15, 2052, such unpaid amount shall be deemed discharged.

Reserves

Emergency Reserve

The District has provided an Emergency Reserve fund (equal to at least 3% of fiscal year spending for 2026 as defined under TABOR).

This information is an integral part of the accompanying budget.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE REQUIREMENTS TO MATURITY

Year Ending December 31,	$47,945,000 Limited Tax General Obligation Bonds Series 2024A Issue date August 22, 2024 Interest from 4.000%-5.000% Due June 1 and December 1 Principal Due Annually December 1		
	Principal	Interest	Total
2026	$ 415,000	$ 2,102,213	$ 2,517,213
2027	545,000	2,081,463	2,626,463
2028	620,000	2,054,213	2,674,213
2029	655,000	2,023,213	2,678,213
2030	740,000	1,990,463	2,730,463
2031	775,000	1,953,463	2,728,463
2032	870,000	1,914,713	2,784,713
2033	910,000	1,871,213	2,781,213
2034	1,015,000	1,825,713	2,840,713
2035	1,065,000	1,774,963	2,839,963
2036	1,175,000	1,721,713	2,896,713
2037	1,235,000	1,662,963	2,897,963
2038	1,350,000	1,601,213	2,951,213
2039	1,420,000	1,533,713	2,953,713
2040	1,550,000	1,462,713	3,012,713
2041	1,610,000	1,400,713	3,010,713
2042	1,735,000	1,336,313	3,071,313
2043	1,805,000	1,266,913	3,071,913
2044	1,940,000	1,194,713	3,134,713
2045	2,015,000	1,117,113	3,132,113
2046	2,165,000	1,031,475	3,196,475
2047	2,255,000	939,463	3,194,463
2048	2,415,000	843,625	3,258,625
2049	2,520,000	740,988	3,260,988
2050	2,690,000	633,888	3,323,888
2051	2,805,000	519,563	3,324,563
2052	2,990,000	400,350	3,390,350
2053	3,115,000	273,275	3,388,275
2054	3,315,000	140,888	3,455,888
	$ 47,715,000	$ 39,413,225	$ 87,128,225

See summary of significant assumptions.

EXHIBIT C
2025 Audits

TRAILS AT CROWFOOT
METROPOLITAN DISTRICT NO. 1
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
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YEAR ENDED DECEMBER 31, 2025

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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
Trails at Crowfoot Metropolitan District No. 1
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Trails at Crowfoot Metropolitan District No. 1 (the District) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025, and the respective changes in financial position and the budgetary comparison statement 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. Our responsibilities under those standards are further described in the Auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of assessed valuation, mill levy, and property taxes collected but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

The Adams Group, LLC

Greenwood Village, Colorado
June 5, 2026

BASIC FINANCIAL STATEMENTS

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Receivable from County Treasurer	$ 5,972
Property Tax Receivable	898,657
Total Assets	904,629
LIABILITIES	
Due to Town of Parker	387
Due to District No. 3	5,585
Total Liabilities	5,972
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	898,657
Total Deferred Inflows of Resources	898,657
NET POSITION	
Total Net Position	$ -

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 1,001,013	$ -	$ -	$ -	$ (1,001,013)
Total Governmental Activities	$ 1,001,013	$ -	$ -	$ -	(1,001,013)
GENERAL REVENUES					
Property Taxes					929,041
Specific Ownership Taxes					71,508
Interest Income					464
Total General Revenues					1,001,013
CHANGES IN NET POSITION					-
Net Position - Beginning of Year					-
NET POSITION - END OF YEAR					$ -

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Receivable from County Treasurer	$ 1,163	$ 4,809	$ 5,972
Property Tax Receivable	175,054	723,603	898,657
Total Assets	$ 176,217	$ 728,412	$ 904,629
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to Town of Parker	$ 387	$ -	$ 387
Due to District No. 3	776	4,809	5,585
Total Liabilities	1,163	4,809	5,972
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	175,054	723,603	898,657
Total Deferred Inflows of Resources	175,054	723,603	898,657
FUND BALANCES	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 176,217	$ 728,412	$ 904,629

NOTE: Amounts reported for governmental activities in the Statement of Net Position are the same as above.

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	$ 120,649	$ 687,744	$ 808,393
Specific Ownership Taxes	9,286	52,936	62,222
Interest Income	121	343	464
Property Taxes - Town Capital and Maintenance	60,324	-	60,324
Specific Ownership Taxes - Town Capital and Maintenance	4,643	-	4,643
Property Taxes - Infrastructure Capital	-	60,324	60,324
Specific Ownership Taxes - Infrastructure Capital	-	4,643	4,643
Total Revenues	195,023	805,990	1,001,013
EXPENDITURES			
County Treasurer's Fee	1,811	10,321	12,132
County Treasurer's Fee - Town Capital and Maintenance	905	-	905
County Treasurer's Fee - Infrastructure Capital	-	905	905
Transfers to District No. 3	128,245	794,764	923,009
Transfers to Town of Parker	64,062	-	64,062
Total Expenditures	195,023	805,990	1,001,013
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -

NOTE: Amounts reported for governmental activities in the Statement of Activities are the same as above.

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 120,649	$ 120,649	$ -
Specific Ownership Taxes	10,858	9,286	(1,572)
Interest Income	-	121	121
Other Revenue	8,740	-	(8,740)
Property Taxes - Town Capital and Maintenance	60,324	60,324	-
Specific Ownership Taxes - Town Capital and Maintenance	5,429	4,643	(786)
Total Revenues	206,000	195,023	(10,977)
EXPENDITURES			
County Treasurer's Fee	1,810	1,811	(1)
County Treasurer's Fee - Town Capital and Maintenance	905	905	-
Contingency	8,740	-	8,740
Transfers to District No. 3	129,697	128,245	1,452
Transfers to Town of Parker	64,848	64,062	786
Total Expenditures	206,000	195,023	10,977
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Trails at Crowfoot Metropolitan District No. 1 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, was organized as Hess Ranch Metropolitan District No. 1 by order of the District Court in Douglas County on April 11, 2016. In May 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 1. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District Nos. 2-3 (District No. 2 and District No. 3, and together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. The District's service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado. The District is located within the boundaries of the Town. On June 17, 2019, the Town approved an Amended and Restated Consolidated Service Plan for the Districts. On November 21, 2022, the District approved a Resolution Appending Service Plan.

The District was organized to provide a part or all of the public improvements for the use and benefit of all anticipated constituents and taxpayers of the District. The primary purpose of the District is to finance the construction of public improvements, including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental fund:

> The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
>
> The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Budgets

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

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports 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 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. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Capital Assets

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

Capital assets being constructed which are anticipated to be conveyed to other governmental entities or to be owned by the District are recorded as construction in progress and are not included in the calculation of the net investment in capital assets.

The District had no capital assets as of December 31, 2025.

Equity

Net Position

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

Fund Balance

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

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash Deposits (Continued)

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

As of December 31, 2025, the District had no cash deposits.

Investments

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

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers’ acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2025, the District had no investments.

NOTE 4 LONG-TERM OBLIGATIONS

As of December 31, 2025, the District had no long-term obligations.

Authorized Debt

On November 3, 2015 and November 5, 2019, the District's voters authorized indebtedness for various purposes in accordance with its Service Plan powers to construct certain public improvements. Also pursuant to the Service Plan, the combined debt that the Districts are permitted to issue shall not exceed $90,068,750. The District has not issued debt.

NOTE 5 AGREEMENTS

District Operating Agreement

On June 17, 2019, the Districts entered into an Amended and Restated District Operating Agreement (the Districts IGA). Pursuant to this agreement, the Districts have agreed that in order to provide the most economical and efficient services associated with certain portions of the public improvements, District No. 3 will act as the Operating District and perform certain functions on behalf of the Districts.

Pursuant to the Districts IGA, District No. 3, on behalf of the Districts, will own, operate and maintain a part of the public improvements, and will also perform all administrative services on behalf of the Districts, including serving as records custodian, coordinating board of directors' meetings, preparation of checks, coordination with an accounting firm for financial report preparation, insurance administration, election administration, budget preparation, responses to inquiries from property owners, and other services.

In exchange for these services, the Districts agree to fund the Capital Costs and the Service Costs on an annual basis. Capital Costs means the costs of planning, designing, constructing and acquiring the public improvements. Service Costs means all operation, maintenance, and administrative costs incurred by District No. 3 under the Districts IGA.

Agreement with Town

On June 17, 2019, each of the Districts entered into separate intergovernmental agreements with the Town (collectively, the Town IGAs). The Town IGAs provide that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and use the proceeds for Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the Districts and for the maintenance of certain of the regional improvements.

The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy.

NOTE 5 AGREEMENTS (CONTINUED)

Agreement with Town (Continued)

The Town IGAs also impose a debt limit on the Districts of $90,068,750, exclusive of refunding, which is consistent with the debt limit set forth in the Service Plans.

Capital Pledge Agreement

On July 1, 2019, the Districts and Trustee entered into a Capital Pledge Agreement. Pursuant to this agreement, the District is obligated to impose ad valorem property taxes in an amount equal to the Required Mill Levy (as defined in the Capital Pledge Agreement) and pay the proceeds thereof, along with other components of Pledged Revenue (as defined in the Capital Pledge Agreement) to the Trustee, or as otherwise directed by District No. 3, pledged for payment of District No. 3's debt service obligations.

NOTE 6 RELATED PARTIES

The Developer of the property which constitutes the District is HR 935, LLC. In 2025, two members of the Board of Directors were employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

NOTE 7 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

NOTE 8 TAX, SPENDING, AND DEBT LIMITATION

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)

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 transfers substantially all funds received to District No. 3. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 3.

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.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. Annual operating property tax revenue is limited to a 5.25% increase (or 10.50% over a two-year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 687,744	$ 687,744	$ -
Specific Ownership Taxes	61,897	52,936	(8,961)
Interest Income	-	343	343
Other Revenue	11,606	-	(11,606)
Property Taxes - Infrastructure Capital	60,324	60,324	-
Specific Ownership Taxes - Infrastructure Capital	5,429	4,643	(786)
Total Revenues	827,000	805,990	(21,010)
EXPENDITURES			
County Treasurer's Fee	10,316	10,321	(5)
County Treasurer's Fee - Infrastructure Capital	905	905	-
Transfers to District No. 3	804,173	794,764	9,409
Contingency	11,606	-	11,606
Total Expenditures	827,000	805,990	21,010
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

OTHER INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 1
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Assessed Valuation	Total Mills Levied: General Operations	Total Mills Levied: Contractual	Total Mills Levied: Debt Service	Total Property Taxes: Levied	Total Property Taxes: Collected	Percent Collected to Levied
2021	$ 3,429,310	10.069	10.068	57.398	$ 265,892	$ 265,892	100.00 %
2022	4,856,010	10.069	10.068	57.398	376,510	369,399	98.11 %
2023	5,362,320	10.249	10.248	58.419	423,173	423,173	100.00 %
2024	10,399,750	11.687	11.686	66.621	935,915	935,915	100.00 %
2025	10,393,590	11.608	11.608	66.170	929,041	929,041	100.00 %
Estimated for Year Ending December 31, 2026	$ 10,212,010	11.428	11.428	65.144	$ 898,657		

Note: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.
Information received from the Treasurer does not permit identification of specific year of levy.

Source: Douglas County Assessor and Treasurer.

TRAILS AT CROWFOOT
METROPOLITAN DISTRICT NO. 2
Douglas County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
Trails at Crowfoot Metropolitan District No. 2
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Trails at Crowfoot Metropolitan District No. 2 (the District) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025, and the respective changes in financial position and the budgetary comparison statement 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. Our responsibilities under those standards are further described in the Auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements.

Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of assessed valuation, mill levy, and property taxes collected but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

The Adams Group, LLC

Greenwood Village, Colorado
June 5, 2026

BASIC FINANCIAL STATEMENTS

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Receivable from County Treasurer	$ 9,488
Property Tax Receivable	1,521,304
Total Assets	1,530,792
LIABILITIES	
Due to Town of Parker	616
Due to District No. 3	8,872
Total Liabilities	9,488
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,521,304
Total Deferred Inflows of Resources	1,521,304
NET POSITION	
Total Net Position	$ -

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 1,590,136	$ -	$ -	$ -	$ (1,590,136)
Total Governmental Activities	$ 1,590,136	$ -	$ -	$ -	(1,590,136)
	GENERAL REVENUES				
	Property Taxes				1,475,944
	Specific Ownership Taxes				113,603
	Interest Income				589
	Total General Revenues				1,590,136
	CHANGES IN NET POSITION				-
	Net Position - Beginning of Year				-
	NET POSITION - END OF YEAR				$ -

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Receivable from County Treasurer	$ 1,848	$ 7,640	$ 9,488
Property Tax Receivable	296,359	1,224,945	1,521,304
Total Assets	$ 298,207	$ 1,232,585	$ 1,530,792
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to Town of Parker	$ 616	$ -	$ 616
Due to District No. 3	1,232	7,640	8,872
Total Liabilities	1,848	7,640	9,488
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	296,359	1,224,945	1,521,304
Total Deferred Inflows of Resources	296,359	1,224,945	1,521,304
FUND BALANCES	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 298,207	$ 1,232,585	$ 1,530,792

NOTE: Amounts reported for governmental activities in the Statement of Net Position are the same as above.

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	$ 191,674	$ 1,092,596	$ 1,284,270
Specific Ownership Taxes	14,753	84,098	98,851
Interest Income	153	436	589
Property Taxes - Town Capital and Maintenance	95,837	-	95,837
Specific Ownership Taxes - Town Capital and Maintenance	7,376	-	7,376
Property Taxes - Infrastructure Capital	-	95,837	95,837
Specific Ownership Taxes - Infrastructure Capital	-	7,376	7,376
Total Revenues	309,793	1,280,343	1,590,136
EXPENDITURES			
County Treasurer's Fee	2,876	16,396	19,272
County Treasurer's Fee - Infrastructure Capital	-	1,438	1,438
County Treasurer's Fee - Town Capital and Maintenance	1,438	-	1,438
Transfers to District No. 3	203,704	1,262,509	1,466,213
Transfers to Town of Parker	101,775	-	101,775
Total Expenditures	309,793	1,280,343	1,590,136
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -

NOTE: Amounts reported for governmental activities in the Statement of Activities are the same as above.

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 191,674	$ 191,674	$ -
Specific Ownership Taxes	17,251	14,753	(2,498)
Interest Income	-	153	153
Other Revenue	6,613	-	(6,613)
Property Taxes - Town Capital and Maintenance	95,837	95,837	-
Specific Ownership Taxes - Town Capital and Maintenance	8,625	7,376	(1,249)
Total Revenues	320,000	309,793	(10,207)
EXPENDITURES			
County Treasurer's Fee	2,875	2,876	(1)
County Treasurer's Fee - Town Capital and Maintenance	1,438	1,438	-
Transfers to District No. 3	206,050	203,704	2,346
Transfers to Town of Parker	103,024	101,775	1,249
Contingency	6,613	-	6,613
Total Expenditures	320,000	309,793	10,207
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Trails at Crowfoot Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, was organized as Hess Ranch Metropolitan District No. 2 by order of the District Court in Douglas County on April 11, 2016. In May 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 2. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District Nos. 1 and 3 (District No. 1 and District No. 3, and together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. The District's service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado. The District is located within the boundaries of the Town of Parker, Colorado. On June 17, 2019, the Town approved an Amended and Restated Consolidated Service Plan for the Districts. On November 21, 2022, the District approved a Resolution Appending Service Plan.

The District was organized to provide a part or all of the public improvements for the use and benefit of all anticipated constituents and taxpayers of the District. The primary purpose of the District is to finance the construction of public improvements, including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Budgets

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

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports 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 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. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Capital Assets

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

Capital assets being constructed which are anticipated to be conveyed to other governmental entities or to be owned by the District are recorded as construction in progress and are not included in the calculation of the net investment in capital assets.

The District had no capital assets as of December 31, 2025.

Equity

Net Position

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

Fund Balance

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

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash Deposits (Continued)

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

As of December 31, 2025, the District had no cash deposits.

Investments

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

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2025, the District had no investments.

NOTE 4 LONG-TERM OBLIGATIONS

The District currently has no long-term obligations.

Authorized Debt

On November 3, 2015 and November 5, 2019, the District's voters authorized indebtedness for various purposes in accordance with its Service Plan powers to construct certain public improvements. Also pursuant to the Service Plan, the combined debt that the Districts are permitted to issue shall not exceed $90,068,750. The District has not issued debt.

NOTE 5 AGREEMENTS

District Operating Agreement

On June 17, 2019, the Districts entered into an Amended and Restated District Operating Agreement (the Districts IGA). Pursuant to this agreement, the Districts have agreed that in order to provide the most economical and efficient services associated with certain portions of the public improvements, District No. 3 will act as the Operating District and perform certain functions on behalf of the Districts.

Pursuant to the Districts IGA, District No. 3, on behalf of the Districts, will own, operate and maintain a part of the public improvements, and will also perform all administrative services on behalf of the Districts, including serving as records custodian, coordinating board of directors' meetings, preparation of checks, coordination with an accounting firm for financial report preparation, insurance administration, election administration, budget preparation, responses to inquiries from property owners, and other services.

In exchange for these services, the Districts agree to fund the Capital Costs and the Service Costs on an annual basis. Capital Costs means the costs of planning, designing, constructing and acquiring the public improvements. Service Costs means all operation, maintenance, and administrative costs incurred by District No. 3 under the Districts IGA.

Agreement with Town

On June 17, 2019, each of the Districts entered into separate intergovernmental agreements with the Town (collectively, the Town IGAs). The Town IGAs provide that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and use the proceeds for Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the Districts and for the maintenance of certain of the regional improvements.

The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy.

NOTE 5 AGREEMENTS (CONTINUED)

Agreement with Town (Continued)

The Town IGAs also impose a debt limit on the Districts of $90,068,750, exclusive of refunding, which is consistent with the debt limit set forth in the Service Plans.

Capital Pledge Agreement

On July 1, 2019, the Districts and Trustee entered into a Capital Pledge Agreement. Pursuant to this agreement, the District is obligated to impose ad valorem property taxes in an amount equal to the Required Mill Levy (as defined in the Capital Pledge Agreement) and pay the proceeds thereof, along with other components of Pledged Revenue (as defined in the Capital Pledge Agreement) to the Trustee, or as otherwise directed by District No. 3, pledged for payment of District No. 3's debt service obligations.

NOTE 6 RELATED PARTIES

The Developer of the property which constitutes the District is HR 935, LLC. In 2025, all members of the Board of Directors were employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

NOTE 7 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

NOTE 8 TAX, SPENDING, AND DEBT LIMITATION

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)

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 transfers substantially all funds received to District No. 3. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 3.

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.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. Annual operating property tax revenue is limited to a 5.25% increase (or 10.50% over a two-year period), such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 1,092,596	$ 1,092,596	$ -
Specific Ownership Taxes	98,334	84,098	(14,236)
Interest Income	-	436	436
Other Revenue	9,608	-	(9,608)
Property Taxes - Infrastructure Capital	95,837	95,837	-
Specific Ownership Taxes - Infrastructure Capital	8,625	7,376	(1,249)
Total Revenues	1,305,000	1,280,343	(24,657)
EXPENDITURES			
County Treasurer's Fee	16,389	16,396	(7)
County Treasurer's Fee - Infrastructure Capital	1,438	1,438	-
Transfers to District No. 3	1,277,565	1,262,509	15,056
Contingency	9,608	-	9,608
Total Expenditures	1,305,000	1,280,343	24,657
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

OTHER INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

		Total Mills Levied			Total Property Taxes		Percent
Year Ended December 31,	Assessed Valuation	General Operations	Contractual	Debt Service	Levied	Collected	Collected to Levied
2021	$ 5,334,640	10.069	10.068	57.398	$ 413,622	$ 413,622	100.00 %
2022	6,082,510	10.069	10.068	57.398	471,607	471,608	100.00 %
2023	8,236,250	10.164	10.164	57.939	644,627	639,947	99.27 %
2024	13,304,840	11.289	11.288	64.347	1,156,510	1,155,919	99.95 %
2025	16,719,650	11.464	11.464	65.348	1,475,944	1,475,944	100.00 %
Estimated for Year Ending December 31, 2026	$ 17,282,440	11.432	11.432	65.162	$ 1,521,304		

Note: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Treasurer does not permit identification of specific year of levy.

Source: Douglas County Assessor and Treasurer.

TRAILS AT CROWFOOT
METROPOLITAN DISTRICT NO. 3
Douglas County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
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YEAR ENDED DECEMBER 31, 2025

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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors
Trails at Crowfoot Metropolitan District No. 3
Douglas County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Trails at Crowfoot Metropolitan District No. 3 (the District) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025, and the respective changes in financial position and the budgetary comparison statements for the General Fund and Special Revenue 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. Our responsibilities under those standards are further described in the Auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of debt service requirements to maturity and the schedule of assessed valuation, mill levy, and property taxes collected but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

The Adams Group, LLC

Greenwood Village, Colorado
July 23, 2026

BASIC FINANCIAL STATEMENTS

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 642,679
Cash and Investments - Restricted	306,706
Receivable from County Treasurer	6,088
Prepaid Insurance	44,818
Due from Other Districts	14,457
Property Tax Receivable	1,036,939
Capital Assets, Net	6,255,586
Total Assets	8,307,273
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding, Net	1,330,131
Total Deferred Outflows of Resources	1,330,131
LIABILITIES	
Accounts Payable	79,533
Due to Town of Parker	395
Accrued Interest Payable	175,184
Noncurrent Liabilities:	
Due Within One Year	415,000
Due in More Than One Year	63,021,511
Total Liabilities	63,691,623
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,036,939
Total Deferred Inflows of Resources	1,036,939
NET POSITION	
Net Investment in Capital Assets	(2,285,584)
Restricted for:	
Emergency Reserve	41,800
Unrestricted	(52,847,374)
Total Net Position	$ (55,091,158)

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 1,922,410	$ 835,000	$ 331,949	$ -	$ (755,461)
Interest on Long-Term Debt and Related Costs	3,168,370	-	-	2,057,273	(1,111,097)
Transfer of Public Improvements to Another Government	43,420,022	-	-	-	(43,420,022)
Total Governmental Activities	$ 48,510,802	$ 835,000	$ 331,949	$ 2,057,273	(45,286,580)
GENERAL REVENUES					
Property Taxes					947,006
Specific Ownership Taxes					72,890
Interest Income					63,834
Other Revenue					80
Total General Revenues and Transfers					1,083,810
CHANGES IN NET POSITION					(44,202,770)
Net Position - Beginning of Year					(10,888,388)
NET POSITION - END OF YEAR					$ (55,091,158)

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Special Revenue	Debt Service	Total Governmental Funds
ASSETS				
Cash and Investments	$ 467,303	$ 175,376	$ -	$ 642,679
Cash and Investments - Restricted	16,600	25,200	264,906	306,706
Receivable from County Treasurer	1,186	-	4,902	6,088
Due from Other Districts	2,008	-	12,449	14,457
Prepaid Insurance	18,365	26,453	-	44,818
Property Tax Receivable	201,986	-	834,953	1,036,939
Total Assets	$ 707,448	$ 227,029	$ 1,117,210	$ 2,051,687
LIABILITIES, DEFERRED INFLOWS OF LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 27,328	$ 50,205	$ 2,000	$ 79,533
Due to Town of Parker	395	-	-	395
Total Liabilities	27,723	50,205	2,000	79,928
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	201,986	-	834,953	1,036,939
Total Deferred Inflows of Resources	201,986	-	834,953	1,036,939
FUND BALANCES				
Nonspendable:				
Prepaid Items	18,365	26,453	-	44,818
Restricted for:				
Emergency Reserves	16,600	25,200	-	41,800
Debt Service	-	-	280,257	280,257
Committed:				
Operations	-	125,171	-	125,171
Assigned to:				
Subsequent Year's Expenditures	71,683	-	-	71,683
Unassigned	371,091	-	-	371,091
Total Fund Balances	477,739	176,824	280,257	934,820
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 707,448	$ 227,029	$ 1,117,210	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets, Net	6,255,586
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Cost of Refunding, Net	1,330,131
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(58,014,000)
Unamortized Bond Premium	(2,525)
Accrued Interest on Bonds	(793,371)
Developer Advances Payable	(3,405,597)
Accrued Interest on Developer Advances	(1,396,202)
Net Position of Governmental Activities	$ (55,091,158)

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Special Revenue	Debt Service	Total Governmental Funds
REVENUES				
Property Taxes	$ 122,988	$ -	$ 701,030	$ 824,018
Specific Ownership Taxes	9,466	-	53,958	63,424
Interest Income	20,685	6,414	36,735	63,834
Other Revenue	-	80	-	80
Transfer from Other Districts	331,949	-	2,057,273	2,389,222
Property Taxes - Town Capital and Maintenance	61,494	-	-	61,494
Specific Ownership Taxes - Town Capital and Maintenance	4,733	-	-	4,733
Property Taxes - Infrastructure Capital	-	-	61,494	61,494
Specific Ownership Taxes - Infrastructure Capital	-	-	4,733	4,733
Transfer from HOA	-	835,000	-	835,000
Total Revenues	551,315	841,494	2,915,223	4,308,032
EXPENDITURES				
General and Administrative	208,786	-	11,442	220,228
Operations and Maintenance	-	900,542	-	900,542
Debt Service:				
Bond Interest - Series 2024A	-	-	2,113,713	2,113,713
Bond Interest - Series 2024B	-	-	324,500	324,500
Bond Principal - Series 2024A	-	-	230,000	230,000
Bond Principal - Series 2024B	-	-	74,000	74,000
Paying Agent Fees	-	-	10,000	10,000
Total Expenditures	208,786	900,542	2,763,655	3,872,983
EXCESS OF REVENUES OVER EXPENDITURES	342,529	(59,048)	151,568	435,049
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(153,300)	153,300	-	-
Total Other Financing Sources (Uses)	(153,300)	153,300	-	-
NET CHANGE IN FUND BALANCES	189,229	94,252	151,568	435,049
Fund Balances - Beginning of Year	288,510	82,572	128,689	499,771
FUND BALANCES - END OF YEAR	$ 477,739	$ 176,824	$ 280,257	$ 934,820

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 435,049
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.	
Depreciation Expense	(813,082)
Transfer of Public Improvements to Other Governments	(43,420,022)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.	
Bond Principal Payments	304,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.	
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued Interest on Bonds - Change in Liability	(371,307)
Accrued Interest on Developer Advances - Change in Liability	(266,209)
Amortization of Bond Premium	135
Amortization of Cost of Refunding	(71,334)
Changes in Net Position of Governmental Activities	$ (44,202,770)

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Orignal and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 122,988	$ 122,988	$ -
Specific Ownership Taxes	11,069	9,466	(1,603)
Interest Income	12,000	20,685	8,685
Transfer from Other Districts	335,747	331,949	(3,798)
Property Taxes - Town Capital and Maintenance	61,494	61,494	-
Specific Ownership Taxes - Town Capital and Maintenance	5,534	4,733	(801)
Total Revenues	548,832	551,315	2,483
EXPENDITURES			
Accounting	60,000	61,177	(1,177)
Auditing	7,000	30,000	(23,000)
County Treasurer's Fee	1,845	1,845	-
County Treasurer's Fee - Town Capital and Maintenance	922	923	(1)
Dues and Membership	1,600	1,177	423
Election	20,000	5,327	14,673
Insurance	25,000	6,892	18,108
Legal	55,000	33,961	21,039
Miscellaneous	1,200	885	315
Transfers to Town of Parker	66,106	65,304	802
Engineering	10,000	1,295	8,705
Contingency	6,327	-	6,327
Total Expenditures	255,000	208,786	46,214
OTHER FINANCING SOURCES (USES)			
Transfers To Other Fund	(312,000)	(153,300)	158,700
Total Other Financing Sources (Uses)	(312,000)	(153,300)	158,700
NET CHANGE IN FUND BALANCE	(18,168)	189,229	207,397
Fund Balance - Beginning of Year	292,574	288,510	(4,064)
FUND BALANCE - END OF YEAR	$ 274,406	$ 477,739	$ 203,333

See accompanying Notes to Basic Financial Statements.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Transfer from HOA	$ 835,000	$ 835,000	$ -
Interest Income	3,000	6,414	3,414
Other Revenue	-	80	80
Total Revenues	838,000	841,494	3,494
EXPENDITURES			
Clubhouse/Cabana/Pool Deck	5,000	2,749	2,251
Common Area Lighting	2,000	-	2,000
Electricity & Gas	20,000	18,094	1,906
Fence Repair	5,000	-	5,000
Fence Staining	100,000	48,488	51,512
Fire Inspection/Repairs/Materials	1,000	-	1,000
Holiday Lighting	15,000	14,387	613
Insurance	46,500	37,653	8,847
Irrigation Repairs	40,000	29,701	10,299
Landscape Maintenance	278,000	210,847	67,153
Management	96,000	97,375	(1,375)
Miscellaneous	2,000	-	2,000
Monuments/Signage	2,000	-	2,000
Pest Control	11,400	13,779	(2,379)
Pool - Chemicals & Supplies	35,000	15,614	19,386
Pool - Contract	82,000	89,500	(7,500)
Security	10,000	1,440	8,560
Snow Removal	60,000	20,740	39,260
Social Committee	21,100	20,741	359
Trails/Parks	5,000	-	5,000
Trash & Recycling	150,000	143,107	6,893
Water	160,000	136,327	23,673
Total Expenditures	1,147,000	900,542	246,458
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(309,000)	(59,048)	249,952
OTHER FINANCING SOURCES (USES)			
Transfers From Other Funds	312,000	153,300	(158,700)
Total Other Financing Sources (Uses)	312,000	153,300	(158,700)
NET CHANGE IN FUND BALANCE	3,000	94,252	91,252
Fund Balance - Beginning of Year	22,576	82,572	59,996
FUND BALANCE - END OF YEAR	$ 25,576	$ 176,824	$ 151,248

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Trails at Crowfoot Metropolitan District No. 3 (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized as Hess Ranch Metropolitan District No. 3 by order of the District Court in Douglas County on April 11, 2016. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District 1-2 (the Pledge Districts, and together with the District, the Districts) and Hess Ranch Metropolitan District 4-8. In June 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 3. The District's service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District is located within the boundaries of the Town. On June 17, 2019, the Town approved an Amended and Restated Consolidated Service Plan for the Districts.

The District was established to provide a part or all of the public improvements for the use and benefit of all anticipated constituents and taxpayers of the District. The primary purpose of the District is to finance the construction of public improvements, including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

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

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

The statement of activities demonstrates the degree to which the direct 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 as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Fund accounts for revenues received from the District and expenses related to the operation and maintenance of public improvements and capital facilities.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Budgets

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 appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2025.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

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

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

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Parks and Recreation	20 Years
Detention Pond	20 Years
Community Pool	30 Years
Monuments	30 Years

Amortization

Original Issue Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Cost of Bond Refunding

In the government-wide financial, the deferred cost of bond refunding is being amortized using the interest method over the life of the new bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to assets, the statement of net position reports 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 and so will not be recognized as an outflow of resources (expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, cost of refunding, is deferred and recognized as an outflow of resources in the period that the amounts are incurred.

In addition to liabilities, the statement of net position reports 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 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. Accordingly, this item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

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

Fund Balance

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

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (Statement 102). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	642,679
Cash and Investments - Restricted		306,706
Total Cash and Investments	$	949,385

Cash and Investments as of December 31, 2025, consist of the following:

Deposits with Financial Institutions	$	943,884
Investments		5,501
Total Cash and Investments	$	949,385

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized.

The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

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

As of December 31, 2025, the District had a bank balance and a carrying balance of $943,884.

Investments

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

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States, certain U.S. government agency securities and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers’ acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
* Certain money market funds
. Guaranteed investment contracts
. Local government investment pools

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Invesco Treasury Fund	Weighted-Average Under 60 Days	$ 5,501
		$ 5,501

Invesco Treasury Fund

Funds held in trust by BOK Financial were invested in the Invesco Treasury Fund which invests primarily in short-term, high-credit-quality money market instruments that are direct obligations of the U.S. Treasury and repurchase agreements backed by Treasury obligations. The fund is designed for short- to medium- term cash investments, operating cash, cash sweeps, and the liquidity components of investment portfolios. The fund aims to preserve capital, maintain liquidity and produce a competitive yield. The Invesco Treasury Fund is rated AAAm by Standard & Poors and Aaa-mf by Moody’s.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2025, follows:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ 50,488,690	$ -	$ 50,488,690	$ -
Total Capital Assets, Not Being Depreciated	50,488,690	-	50,488,690	-
Capital Assets, Being Depreciated:				
Parks and Recreation/Landscaping	-	4,395,973	-	4,395,973
Detention Pond	-	50,475	-	50,475
Community Pool	-	1,874,033	-	1,874,033
Monuments	-	748,187	-	748,187
Total Capital Assets, Being Depreciated	-	7,068,668	-	7,068,668
Less Accumulated Depreciation for:				
Parks and Recreation/Landscaping	-	529,610	-	529,610
Detention Pond	-	2,734	-	2,734
Community Pool	-	197,815	-	197,815
Monuments	-	82,923	-	82,923
Total Accumulated Depreciation	-	813,082	-	813,082
Total Capital Assets, Being Depreciated, Net	-	6,255,586	-	6,255,586
Governmental Activities Capital Assets, Net	$ 50,488,690	$ 6,255,586	$ 50,488,690	$ 6,255,586

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
General Government	$ 813,082

Certain capital assets (e.g. street improvements) that were conveyed to, and accepted by, other local governments were removed from the District's books as of December 31, 2025.

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
General Obligation - Series 2022C	$ 933,000	$ -	$ -	$ 933,000	$ -
General Obligation - Series 2024A	47,945,000	-	230,000	47,715,000	415,000
General Obligation - Series 2024B	9,440,000	-	74,000	9,366,000	-
Accrued and Unpaid Interest On:					
General Obligation Bonds - Series 2024B	233,181	658,936	324,500	567,617	-
General Obligation Bonds - Series 2022C	12,740	37,830	-	50,570	-
Bond Premium - Series 2024A	2,660	-	135	2,525	-
Subtotal	58,566,581	696,766	628,635	58,634,712	415,000
Developer Advances:					
Operations	415,933	-	-	415,933	-
Capital	2,989,664	-	-	2,989,664	-
Accrued Interest On Developer Advances:					
Operations	160,766	27,036	-	187,802	-
Capital	969,227	239,173	-	1,208,400	-
Subtotal	4,535,590	266,209	-	4,801,799	-
Total Long-Term Obligations	$ 63,102,171	$ 962,975	$ 628,635	$ 63,436,511	$ 415,000

The details of the District's general obligation bonds outstanding are as follows:

Junior Subordinate Limited Tax General Obligation Bonds, Series 2022C(3) (the"2022C Junior Lien Bonds")
The District issued the 2022C Junior Lien Bonds on April 6, 2022, in the amount of $19,110,000.

Proceeds of the 2022C Junior Lien Bonds
Proceeds from the 2022C Junior Lien Bonds were used to reimburse the cost of public improvements related to the development and pay the costs of issuance of the 2022C Junior Lien Bonds.

Details of the 2022C Junior Lien Bonds
The 2022C Junior Lien Bonds bear interest at the rate of 4.000% and are payable annually on December 16, beginning December 16, 2022, from, and to the extent of, Junior Lien Pledged Revenue available, if any, pursuant to a mandatory redemption. The 2022C Junior Lien Bonds mature on December 16, 2051.

The 2022C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2022C Junior Lien Bonds compounds annually on each December 16. If any amount of principal or interest on the 2022C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue available on the Junior Lien Bonds Termination Date of December 16, 2059, such unpaid amount will be deemed discharged.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Junior Subordinate Limited Tax General Obligation Bonds, Series 2022C(3) (the"2022C Junior Lien Bonds") (Continued)

2022C Junior Lien Bonds Pledged Revenue

2022C Junior Lien Pledged Revenue means the District Junior Lien Pledged Revenue and any amount of the Pledge Districts Pledged Revenue available after all amounts have been applied pursuant to indentures, bond resolutions, loan agreements, and other security documents relating to Senior/Subordinate Obligations. District Junior Lien Pledged Revenue is the money derived by the District from the following sources, net of any costs of collection of the Town and/or County and any tax refunds or abatements authorized by or on behalf of the Town and/or County: (a) the District Junior Lien Required Mill Levy; (b) the amounts, if any, from the Infrastructure Capital Mill Levy remaining after payment of the Senior/Subordinate Obligations; (c) the portion of the Specific Ownership Tax revenues resulting from the District Junior Lien Required Mill Levy and the Specific Ownership Tax revenues, if any, resulting from the Infrastructure Capital Mill Levy remaining after payment of the Senior/Subordinate Obligations; (d) the amounts, if any, in the Senior Bonds Surplus Fund released to the District pursuant to the 2019A Senior Indenture; and (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Junior Lien Bond Fund.

Junior Lien Required Mill Levy

Pursuant to the 2022C Junior Lien Indenture, the District has covenanted to impose an ad valorem mill levy upon all taxable property of the District each year in an amount equal to: (i) 57.000 mills (subject to adjustment) less the Senior/Subordinate Required Mill Levy, or (ii) such lesser mill levy that will generate Junior Lien Property Tax Revenues which will pay the 2022C Junior Lien Bonds in full.

If the amount of the Senior/Subordinate Required Mill Levy equals or exceeds 57.000 mills (subject to adjustment) in any year, the Junior Lien Required Mill Levy for that year is to be zero.

The 2022C Junior Lien Bonds were partially paid on August 22, 2024 upon issuance of the 2024 Bonds (detailed and defined below).

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds)

The District issued the Senior Bonds and Subordinate Bonds on August 22, 2024, in the amounts of $47,945,000 and $9,440,000, respectively.

Proceeds of the Senior Bonds

The proceeds from the sale of the Senior Bonds were used to (i) pay the costs of refunding the Refunded Bonds (defined below); and (ii) pay other costs incurred in connection with the issuance of the Senior Bonds and the refunding of the Refunded Bonds (including the premium for the 2024A Senior Bond Insurance Policy and the 2024A Reserve Policy).

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds)

Details of the Senior Bonds

The Senior Bonds bear interest at rates ranging from 4.00% to 5.00%, payable semi-annually on June 1 and December 1, beginning on December 1, 2024. The Senior Bonds were issued as five term bonds that have annual mandatory sinking fund principal payments due annually on December 1, beginning on December 1, 2024. The Senior Bonds mature on December 1, 2054.

The Senior Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2060 (the Termination Date), regardless of the amount of principal and interest paid prior to the Termination Date.

Senior Pledged Revenue

The Senior Bonds constitute limited tax general obligations of the Issuing District payable solely from and to the extent of the Senior Pledged Revenue, defined in the Senior Indenture as the moneys derived by the District from the following sources: (i) the Senior Required Mill Levy; (ii) the Senior Infrastructure Capital Mill Levy; (iii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy and Senior Infrastructure Capital Mill Levy; (iv) the Pledge Districts Pledged Revenue; and (v) any other legally available moneys which the Issuing District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

Senior Required Mill Levy

The Senior Indenture generally defines “Senior Required Mill Levy” as an ad valorem mill levy imposed upon all taxable property of the Issuing District in an amount sufficient to fund the Senior Bond Fund for the relevant Bond Year and pay the Senior Bonds as they come due, and if necessary, an amount sufficient to replenish the Senior Reserve Fund to the amount of the Required Reserve, but not in excess of 57 mills (subject to adjustment as described herein) less the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will fund the Senior Bond Fund for the relevant Bond Year and pay the Senior Bonds as they come due and will replenish the Senior Reserve Fund to the amount of the Required Reserve.

Senior Infrastructure Capital Mill Levy

The Senior Indenture generally defines “Senior Infrastructure Capital Mill Levy” as an ad valorem mill levy imposed on all taxable property of the Issuing District each year, in an amount of 5 mills (subject to adjustment), the revenues of which shall be used for the planning, design, financing, acquisition, or construction of regional infrastructure by, or on behalf of, the Issuing District or the Town.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds) Continued)

The Senior Bonds will mature as follows:

Year Ending	Governmental Activities		
December 31,	Principal	Interest	Total
2026	$ 415,000	$ 2,102,213	$ 2,517,213
2027	545,000	2,081,463	2,626,463
2028	620,000	2,054,213	2,674,213
2029	655,000	2,023,213	2,678,213
2030	740,000	1,990,463	2,730,463
2031-2035	4,635,000	9,340,065	13,975,065
2036-2040	6,730,000	7,982,315	14,712,315
2041-2045	9,105,000	6,315,765	15,420,765
2046-2050	12,045,000	4,189,439	16,234,439
2051-2055	12,225,000	1,334,076	13,559,076
Total	$ 47,715,000	$ 39,413,225	$ 87,128,225

Senior Bonds Optional Redemption

The Senior Bonds are subject to redemption prior to maturity, at the option of the District, on July 1, 2034 at no premium.

Details of the Subordinate Bonds

The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Rather, principal on the Subordinate Bonds is payable annually on each December 15, commencing December 15, 2024, from, and to the extent of available Subordinate Pledged Revenue (defined below). The Subordinate Bonds mature on December 15, 2052.

The Subordinate Bonds bear interest at the rate of 6.875% per annum payable annually on each December 15, but only from and to the extent of available Subordinate Pledged Revenue, beginning on December 15, 2024. To the extent principal of any Subordinate Bonds is not paid when due, such principal shall remain outstanding until the earlier of its payment or December 16, 2060 (the Subordinate Termination Date). In the event interest on any Subordinate Bonds is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by the Subordinate Bonds.

All of the Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Termination Date, regardless of the amount of principal and interest paid prior to such date.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds) Continued)

Subordinate Bonds Optional Redemption

The Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2029, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
September 1, 2029, to August 31, 2030	3.00%
September 1, 2030, to August 31, 2031	2.00
September 1, 2031, to August 31, 2032	1.00
September 1, 2032, and thereafter	0.00

Subordinate Pledged Revenue

The Subordinate Indenture defines “Subordinate Pledged Revenue” as the moneys derived by the Issuing District from the following sources: (i) the Subordinate Required Mill Levy; (ii) the Subordinate Infrastructure Capital Mill Levy; (iii) the Subordinate Pledge Districts Pledged Revenue; (iv) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy and Subordinate Infrastructure Capital Mill Levy; and (v) any other legally available moneys which the Issuing District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

Subordinate Required Mill Levy

The 2024B Subordinate Indenture generally defines “Subordinate Required Mill Levy” as an ad valorem mill levy imposed upon all taxable property of the Issuing District each year in the amount of 57 mills (subject to adjustment) less the amount of the Senior Bond Mill Levy (defined herein and including the Senior Required Mill Levy) and the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the 2024B Subordinate Bonds in full.

Subordinate Infrastructure Capital Mill Levy

The Subordinate Indenture generally defines “Subordinate Infrastructure Capital Mill Levy” as any revenue from the Senior Infrastructure Capital Mill Levy remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of the Senior Bonds and any Senior Parity Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds) Continued)

Pledge Districts Pledged Revenue

The Pledge Agreement defines “Pledge Districts Pledged Revenue” as the money derived by the Pledge Districts from the following sources being pledged pursuant to the Pledge Agreement, net of any costs of collection and any tax refunds or abatements authorized by or on behalf of the Town and/or County (to the extent not previously deducted by definition): (i) the Pledge District Required Mill Levy; (ii) the Pledge District Infrastructure Capital Mill Levy; (iii) all Specific Ownership Tax revenues resulting from the Pledge District Required Mill Levy and the Pledge District Infrastructure Capital Mill Levy; and (iv) any other legally available moneys which the Pledge Districts determine, in their sole discretion, to credit to the Issuing District for credit to the Senior Bond Fund.

Pledge District Required Mill Levy

The Pledge Agreement defines “Pledge District Required Mill Levy” as an ad valorem mill levy imposed upon all taxable property of each of the Pledge Districts in an amount that when combined with amounts from the Pledge District Infrastructure Capital Mill Levy, the debt service mill levy imposed by the Issuing District pursuant to the Indentures and moneys on deposit in the Senior Bond Fund or Subordinate Bond Fund, as applicable, is sufficient to pay the principal of, premium, if any, and interest on the Bonds and any Senior Parity Bonds or Subordinate Bonds as they come due; and, if necessary, an amount sufficient to replenish the Senior Reserve Fund to the Required Reserve; and, if necessary, an amount sufficient to replenish the Senior Reserve Fund to the Required Reserve, but not in excess of 57.000 mills (subject to adjustment).

In the event the method of calculating assessed valuation is changed on or after January 1, 2019, the minimum and maximum mill levies provided in the Pledge Agreement shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Pledge District Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Notwithstanding anything in the Pledge Agreement to the contrary, in no event may the Pledge District Required Mill Levy be established at a mill levy which would constitute a material departure from the requirements of the Pledge Districts’ Service Plans, or cause the Pledge Districts to derive tax revenue in any year in excess of the maximum tax increases permitted by the Pledge Districts’ electoral authorization, and if the Pledge District Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the Pledge Districts’ electoral authorization, the Pledge District Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Limited Tax Refunding Bonds, Series 2024A (the Senior Bonds) and Subordinate General Obligation Limited Tax Refunding Bonds, Series 2024B (the Subordinate Bonds, and together with the Senior Bonds, the Bonds) Continued)

Refunded Bonds

On July 30, 2019, the District issued its: (i) Limited Tax General Obligation Bonds, Series 2019A, in the aggregate principal amount of $28,830,000 (the 2019A Bonds); and (ii) Subordinate Limited Tax General Obligation Bonds, Series 2019B(3), in the aggregate principal amount of $6,275,000 (the 2019B(3) Bonds, and together with the 2019A Bonds, the Series 2019 Bonds). On April 6, 2022, the District issued its Junior Subordinate Limited Tax General Obligation Bonds, Series 2022C(3), in the aggregate principal amount of $19,110,000.

As of the date of the issuance of the Bonds, the 2019A Bonds were outstanding in the principal amount of $28,830,000, the 2019B(3) Bonds were outstanding in the principal amount of $6,275,000, and the 2022C Junior Lien Bonds were outstanding in the principal amount of $19,110,000.

The Bonds were issued to refund all of the Series 2019 Bonds and $18,152,000 in principal amount outstanding of the 2022C Junior Lien Bonds (together, the Refunded Bonds). Following the issuance of the Bonds, the only outstanding indebtedness of the District consists of the Bonds and the remaining the 2022C Junior Lien Bonds.

Events of Default

Events of default occur if the District fails to impose the Required Mill Levies, or to apply the Pledged Revenues as required by the Indentures and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indentures.

Acceleration of the Bonds shall not be an available remedy for an Event of Default.

The Bonds do not have unused line of credit. No assets have been pledged as collateral on The Bonds.

Debt Authorization

Pursuant to the Consolidated Service Plan, the Districts are permitted to issue aggregate bond indebtedness of up to $90,068,750 (Service Plan Debt Issuance Limit). In no event are the Districts authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refundings of the debt authorized to be issued under the Consolidated Service Plan.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Debt Authorization (Cotinued)

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer, or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, on November 5, 2019, a majority of the qualified electors of the District authorized the issuance of indebtedness in accordance with State Law.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the District had net investment in capital assets of $(2,285,584).

The restricted component of net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2025, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	$ 41,800
Total Restricted Net Position	$ 41,800

The District has a deficit in unrestricted net position. The deficit at December 31, 2025, was primarily due to bonds issued for public improvements that were conveyed to other governments (i.e. capital assets have been removed from the District's books, whereas the bonds payable, and accrued interest, remain).

NOTE 7 AGREEMENTS

Funding and Reimbursement Agreement

On January 1, 2017, the District and the Developer entered into a Funding and Reimbursement Agreement (Operations and Maintenance) (the O&M Agreement). Pursuant to the O&M Agreement, the District and Developer acknowledge that the District does not currently possess sufficient funds to pay for its operations and maintenance cost, and the Developer has stated its willingness to loan funds to the District for this purpose, on the condition that the District agrees to repay such loans as set forth therein.

Pursuant to the O&M Agreement, the Developer agrees to loan the District an amount not to exceed $500,000 in a series of installments through December 31, 2021, and extended through December 31, 2023. With respect to such loan advances prior to the issuance of an O&M Reimbursement Obligation, the interest rate shall be 6.5% per annum, simple interest. The provision for repayment of amounts due thereunder is subject to annual appropriation by the District.

As of December 31, 2025, $415,933 was outstanding with accrued interest of $187,802.

Public Improvements Acquisition and Reimbursement Agreement

On January 1, 2017, the District and the Developer entered into an Infrastructure Acquisition and Reimbursement Agreement, which the District and the Developer amended and restated on July 11, 2019, and again on September 18, 2019 (as amended, the Infrastructure Agreement). Pursuant to this agreement, the Developer agrees to construct certain public improvements for the benefit of the District, and the District agrees to reimburse the Developer for such costs, with interest, at 8%, simple interest.

As of December 31, 2025, $2,989,664 was outstanding with accrued interest of $1,208,400 under the Infrastructure Agreement.

District Operating Agreement

On June 17, 2019, the Districts entered into an Amended and Restated District Operating Agreement (the Districts IGA). Pursuant to this agreement, the Districts have agreed that in order to provide the most economical and efficient services associated with certain portions of the public improvements, the District will act as the Operating District and perform certain functions on behalf of the Districts.

Pursuant to the Districts IGA, the District, on behalf of the Districts, will own, operate and maintain a part of the public improvements, and will also perform all administrative services on behalf of the Districts, including serving as records custodian, coordinating board of director meetings, preparation of checks, coordination with an accounting firm for financial report preparation, insurance administration, election administration, budget preparation, responses to inquiries from property owners, and other services.

In exchange for these services, the Pledge Districts agree to fund the Capital Costs and the Service Costs on an annual basis. Capital Costs means the costs of planning, designing, constructing, and acquiring the public improvements. Service Costs means all operation, maintenance, and administrative costs incurred by the District under the Districts IGA.

NOTE 7 AGREEMENTS (CONTINUED)

Agreement with Town

On June 17, 2019, each of the Districts entered into separate intergovernmental agreements with the Town (collectively, the Town IGAs). The Town IGAs provide that the Districts will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and use the proceeds for Town improvements, and (c) the Operations Mill Levy (up to 10 mills, subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the Districts and for the maintenance of certain of the regional improvements.

The Town IGAs require that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the Districts to the Town; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy (which includes the Bonds).

The Town IGAs also impose a debt limit on the Districts of $90,068,750, exclusive of refunding, which is consistent with the debt limit set forth in the Service Plans.

Agreement with HOA

On September 18, 2019, the District entered into a Regional Infrastructure Maintenance and Cost Sharing Agreement (HOA Agreement) with Trails at Crowfoot Master Owner's Association, Inc. (the Association). Under the HOA Agreement, the District agrees to maintain the Regional Infrastructure defined therein. Prior to September 1 of each year, the District and the Association will meet to review the operation and maintenance needs of the Regional Infrastructure. Thereafter, on or before October 1 of each year, the District shall deliver to the Association its proposed budget related to the operation and maintenance of the Regional Infrastructure for the upcoming year. In the event the budgeted District operations and maintenance revenue is less than the estimated expenses, the Association shall be obligated to remit the amount of such budget shortfall to the District in 12 equal installments.

NOTE 8 RELATED PARTIES

The Developer of the property which constitutes the District is HR 935, LLC. Some members of the Board of Directors are employees, owners or otherwise associated with the Developer, and may have conflicts of interest in dealing with the District.

NOTE 9 RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S., the District may be exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

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

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

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

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.

On November 3, 2015, the District's voters approved an annual ad valorem taxes of $5,000,000, further increased to $10,000,000 on November 5, 2019, for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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.

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado. Annual operating revenue is limited to a 5.25% increase, such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues. The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 701,030	$ 701,030	$ 701,030	$ -
Specific Ownership Taxes	63,093	53,958	53,958	-
Tansfer from Other Districts	2,081,738	2,057,273	2,057,273	-
Property Taxes - Infrastructure Capital	61,494	61,494	61,494	-
Specific Ownership Taxes - Infrastructure Capital	5,534	4,733	4,733	-
Interest Income	64,000	37,000	36,735	(265)
Total Revenues	2,976,889	2,915,488	2,915,223	(265)
EXPENDITURES				
County Treasurer's Fee	10,515	10,519	10,519	-
Infrastructure Capital County Treasurer's Fee	922	923	923	-
Paying Agent Fees	10,000	10,000	10,000	-
Bond Interest - Series 2024A	2,113,713	2,113,713	2,113,713	-
Bond Interest - Series 2024B	-	324,500	324,500	-
Bond Principal - Series 2024A	230,000	230,000	230,000	-
Bond Principal - Series 2024B	-	74,000	74,000	-
Contingency	4,850	6,345	-	6,345
Total Expenditures	2,370,000	2,770,000	2,763,655	6,345
NET CHANGE IN FUND BALANCE	606,889	145,488	151,568	6,080
Fund Balance - Beginning of Year	1,275,355	128,689	128,689	-
FUND BALANCE - END OF YEAR	$ 1,882,244	$ 274,177	$ 280,257	$ 6,080

OTHER INFORMATION

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

Bonds/Loans and Interest Maturing in the Year Ending December 31,	$47,945,000 Limited Tax General Obligation Refunding Bonds Series 2024A Issue date August 22, 2024 Interest from 4.00%-5.00% Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2026	$ 415,000	$ 2,102,213	$ 2,517,213
2027	545,000	2,081,463	2,626,463
2028	620,000	2,054,213	2,674,213
2029	655,000	2,023,213	2,678,213
2030	740,000	1,990,463	2,730,463
2031	775,000	1,953,463	2,728,463
2032	870,000	1,914,713	2,784,713
2033	910,000	1,871,213	2,781,213
2034	1,015,000	1,825,713	2,840,713
2035	1,065,000	1,774,963	2,839,963
2036	1,175,000	1,721,713	2,896,713
2037	1,235,000	1,662,963	2,897,963
2038	1,350,000	1,601,213	2,951,213
2039	1,420,000	1,533,713	2,953,713
2040	1,550,000	1,462,713	3,012,713
2041	1,610,000	1,400,713	3,010,713
2042	1,735,000	1,336,313	3,071,313
2043	1,805,000	1,266,913	3,071,913
2044	1,940,000	1,194,713	3,134,713
2045	2,015,000	1,117,113	3,132,113
2046	2,165,000	1,031,475	3,196,475
2047	2,255,000	939,463	3,194,463
2048	2,415,000	843,625	3,258,625
2049	2,520,000	740,988	3,260,988
2050	2,690,000	633,888	3,323,888
2051	2,805,000	519,563	3,324,563
2052	2,990,000	400,350	3,390,350
2053	3,115,000	273,275	3,388,275
2054	3,315,000	140,888	3,455,888
Total	$ 47,715,000	$ 39,413,225	$ 87,128,225

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 3
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied			Total Property Taxes		Percent Collected to Levied
		General	Contract	Debt Service	Levied	Collected	
2021	$ 587,520	10.069	10.068	57.398	$ 45,553	$ 45,554	100.00 %
2022	4,289,750	10.069	10.068	57.398	332,606	292,542	87.95 %
2023	6,009,080	10.062	10.062	57.353	465,565	468,162	100.56 %
2024	9,800,790	10.739	10.738	61.213	810,427	810,419	100.00 %
2025	11,235,890	10.946	10.946	62.392	947,006	947,006	100.00 %
Estimated for Year Ending December 31, 2026	$ 12,084,820	11.143	11.142	63.520	$ 1,036,939		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes assessed in prior years, as well as reductions for property tax refunds or abatements. Information received from the County Treasurer does not permit identification of specific year of assessment.

EXHIBIT D
Section 32-1-809, C.R.S. Notices

Trails at Crowfoot Metropolitan District No. 1, Town of Parker, Douglas County, Colorado
Disclosure Notice Pursuant to §32-1-809, C.R.S.

Address and telephone number of the principal business officer:
c/o WBA, PC
Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
303-858-1800

Name and business telephone number of the manager or other principal contact person for the District/board member contact information:
Megan J. Murphy, Esq.
WBA, PC
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Phone: 303-858-1800 Email: mmurphy@wbapc.com

Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 4, 2027. Board members with an * will be on the ballot at the next regular election:
Sarah Hunsche, President – Term expires 2027*
Zachary Burgeson, Secretary – Term expires 2027*
Sandra Cintron, Treasurer – Term expires 2029
Christopher Elliott, Assistant Secretary – Term expires 2029
Vacant – Term expires 2029*

Regular meeting schedule and the place where notice of board meetings is posted pursuant to §24-6-402(2)(c), C.R.S.:
Regular meetings are scheduled for the fourth Thursday of the month at 4:00 p.m., via teleconference. An Annual meeting is scheduled for February 26, 2026 at 5:00 p.m., via teleconference.

Notices of board meetings are posted at https://trailsatcrowfootmetrodistrict.com/ or when online posting in unavailable, at the park entrance off of Shasta Daisy Street, just south of Wild Lupine Street.

Current mill levy (2025), for collection in 2026:
88.000 mills (total)

Total ad valorem tax revenue received during 2025:
$808,393 (unaudited)

Date of the next regular Special District election of Board members: May 4, 2027

Procedure and timing to submit a self-nomination form for election to the Board pursuant to §1-13.5-303, C.R.S. :
Pursuant to §1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67th) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in §38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67th) day before the election.

Address of any website on which the Special District's election results will be posted:
https://cdola.colorado.gov/local-government and https://trailsatcrowfootmetrodistrict.com/

Information on the procedure to apply for permanent absentee voter status as described in §1-13.5-1003, C.R.S.: A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.

Trails at Crowfoot Metropolitan District No. 2, Town of Parker, Douglas County, Colorado
Disclosure Notice Pursuant to §32-1-809, C.R.S.

Address and telephone number of the principal business officer:
c/o WBA, PC
Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
303-858-1800

Name and business telephone number of the manager or other principal contact person for the District/board member contact information:
Megan J. Murphy, Esq.
WBA, PC
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Phone: 303-858-1800 Email: mmurphy@wbapc.com

Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 4, 2027. Board members with an * will be on the ballot at the next regular election:
Sarah Hunsche, President – Term expires 2027*
Corey Elliott, Secretary – Term expires 2027*
Christopher Elliott, Assistant Secretary – Term expires 2029
Vacant – Term expires 2029*
Vacant – Term expires 2029*

Regular meeting schedule and the place where notice of board meetings is posted pursuant to §24-6-402(2)(c), C.R.S.:
Regular meetings are scheduled for the fourth Thursday of the month at 4:00 p.m., via teleconference. An Annual meeting is scheduled for February 26, 2026 at 5:00 p.m., via teleconference.

Notices of board meetings are posted at https://trailsatcrowfootmetrodistrict.com/ or when online posting in unavailable, at the park located on Shasta Daisy Street at the intersection of Shasta Daisy Lane.

Current mill levy (2025), for collection in 2026:
88.026 mills (total)

Total ad valorem tax revenue received during 2025:
$1,284,270 (unaudited)

Date of the next regular Special District election of Board members: May 4, 2027

Procedure and timing to submit a self-nomination form for election to the Board pursuant to §1-13.5-303, C.R.S. :
Pursuant to §1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67th) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in §38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67th) day before the election.

Address of any website on which the Special District's election results will be posted:
https://cdola.colorado.gov/local-government and https://trailsatcrowfootmetrodistrict.com/

Information on the procedure to apply for permanent absentee voter status as described in §1-13.5-1003, C.R.S.: A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.

Trails at Crowfoot Metropolitan District No. 3, Town of Parker, Douglas County, Colorado
Disclosure Notice Pursuant to §32-1-809, C.R.S.

Address and telephone number of the principal business officer:
c/o WBA, PC
Attorneys at Law
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
303-858-1800

Name and business telephone number of the manager or other principal contact person for the District/board member contact information:
Megan J. Murphy, Esq.
WBA, PC
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Phone: 303-858-1800 Email: mmurphy@wbapc.com

Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 4, 2027. Board members with an * will be on the ballot at the next regular election:
Sarah Hunsche, President – Term expires 2027*
Corey Elliott, Secretary – Term expires 2027*
Christopher Elliott, Treasurer – Term expires 2029
Matthew Cavanaugh, Assistant Secretary – Term expires 2029
Vacant – Term expires 2029*

Regular meeting schedule and the place where notice of board meetings is posted pursuant to §24-6-402(2)(c), C.R.S.: Regular meetings are scheduled for the fourth Thursday of the month at 4:00 p.m., via teleconference. An Annual meeting is scheduled for February 26, 2026 at 5:00 p.m., via teleconference.

Notices of board meetings are posted at https://trailsatcrowfootmetrodistrict.com/ or when online posting in unavailable, at the community pool (14090 Apline Phlox Street).

Current mill levy (2025), for collection in 2026:
85.805 mills (total)

Total ad valorem tax revenue received during 2025:
$824,018 (unaudited)

Date of the next regular Special District election of Board members: May 4, 2027

Procedure and timing to submit a self-nomination form for election to the Board pursuant to §1-13.5-303, C.R.S. : Pursuant to §1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67th) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in §38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67th) day before the election.

Address of any website on which the Special District's election results will be posted:
https://cdola.colorado.gov/local-government and https://trailsatcrowfootmetrodistrict.com/

Information on the procedure to apply for permanent absentee voter status as described in §1-13.5-1003, C.R.S.: A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.