

## **YELLOWSTONE RIDGE METROPOLITAN DISTRICT NOS. 1-4**

### **2025 ANNUAL REPORT**

Pursuant to §32-1-207(3)(c) and the Service Plan for Yellowstone Ridge Metropolitan District Nos. 1-4 (collectively the “**Districts**”), the Districts are required to provide an annual report to the Weld County with regard to the following matters:

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

#### **§32-1-207(3) Statutory Requirements**

**1. Boundary changes made.**

The Districts did not make or propose any boundary changes in 2025.

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

The Districts adopted an Intergovernmental Agreement with the Town of Johnstown on January 14, 2025.

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

The Districts have not adopted rules and regulations to date.

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

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

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

No facilities or improvements were constructed by the District in 2025.

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

No facilities or improvements were constructed that were conveyed or dedicated to the County in 2025.

**7. The final assessed valuation of the Districts as of December 31<sup>st</sup> of the reporting year.**

The 2025 final assessed valuations are as follows:

District No. 1: \$10.00

District No. 2: \$10.00  
District No. 3: \$10.00  
District No. 4: \$377,600

**8. Copes of the current year's budgets.**

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

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

The 2025 Audit Exemption Applications are attached hereto as **Exhibit B**.

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

There was no notice of any uncured events of default by the Districts, which continued beyond a ninety (90) day period, under any debt instrument of which we are aware.

**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.**

There was no inability of the Districts to pay their obligations as they came due, in accordance with the terms of any such obligations, which continued beyond a ninety (90) day period.

**Service Plan Requirements**

**A. General.**

The Districts shall be responsible for submitting an annual report to the Town no later than August 1st of each year following the year in which the Order and Decree creating the Districts has been issued (the "report year"). The Town reserves the right, pursuant to Section 32-1-207(3)(c), C.R.S., to request annual reports from the Districts beyond five years after the District's organization.

**B. Reporting of Significant Events.**

The annual report required by this Section VII shall include information as to any of the following events that occurred during the report year:

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

During the reporting period, no physical development or construction activities occurred within the Project. The Districts continued to exist and operate in accordance with the

approved Service Plan while the Developer continued efforts to advance the Project.

The Developer is actively marketing the residential portion of the Project, which consists of approximately 383 planned residential lots, and is seeking a qualified homebuilder to acquire and develop the property. In addition to the residential component, the approved development includes a commercial site that is planned to support future commercial uses within the Project.

The Districts will continue to monitor the progress of the Project and, as development advances, will undertake the activities necessary to finance, construct, acquire, operate, and maintain eligible public improvements in accordance with the Service Plan.

**2. Boundary changes made or proposed.**

See response to Question 1, above.

**3. Intergovernmental agreements executed.**

See response to Question 2, above.

**4. A summary of any litigation involving the Districts.**

See response to Question 4, above.

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

During the year immediately following the reporting period, the Districts anticipate continuing to support the implementation of the Service Plan as development opportunities arise. The primary focus will be to continue marketing the Project and working to secure a qualified homebuilder for the approximately 383 planned residential lots.

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

The Districts did not enter into any contracts for construction in 2025.

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

No public improvements have been constructed to date, and no public improvement construction is currently scheduled. The timing of public improvement construction remains dependent upon the selection of a qualified homebuilder and the commencement of development activities within the Project. Over the next five years, the Districts anticipate that public improvement construction will occur in phases as development proceeds and market conditions warrant.

**8. Notice of any uncured defaults.**

To our actual knowledge, the Districts have no notice of uncured defaults.

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

The Districts have not and does not currently plan to construct any Public Improvements.

**10. If requested by the Town, copies of minutes of all meetings of the Districts' Boards.**

The Town has not requested copies of minutes of all meetings of the Boards.

**11. The name, business address, and telephone number of each member of the Boards, their respective chief administrative officers, and general counsel, and the date, place, and time of the regular meetings of the Boards.**

President of the Board JD Padilla  
550 W Eisenhower Blvd  
Loveland, CO 80537  
(970) 669-3611

Secretary  
Nicodemus Padilla  
550 W Eisenhower Blvd  
Loveland, CO 80537  
(970) 669-3611

General Counsel  
Robert G. Rogers, Esq.  
WBA, PC  
2154 East Commons Avenue, Suite 2000  
Centennial, CO 80122  
303-858-1800

District Management  
Kevin Mitts  
550 W Eisenhower Blvd  
Loveland, CO 80537  
(970) 669-3611

The Boards determined to hold regular meetings on July 9, 2026 at 10:00 a.m. and October 8, 2026, at 1:00 p.m., by telephone, electronic or other means not including physical

presence.

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

Please see the attached Certification of Compliance as **Exhibit C**.

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

Please see the attached copies of the Agreements with the Developer as **Exhibit D**.

**14. Copies of any Cost Verification Reports provided to the Districts in the report year.**

No cost verification reports have been provided to the District.

**15. Access information to obtain a copy of rules and regulations adopted by the Boards.**

See response to Question 3, above.

**C. Summary of Financial Information.**

The annual report shall include a summary of the following information for the report year:

**1. Assessed value of Taxable Property within the Districts' boundaries.**

The 2025 final assessed valuations are as follows:

District No. 1: \$10.00

District No. 2: \$10.00

District No. 3: \$10.00

District No. 4: \$377,600

**2. Total acreage of property within the Districts' boundaries.**

The initial District boundaries includes approximately 106 acres.

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

Please see the attached copies of the 2025 Audit Exemption Applications with the Colorado State Auditor and are attached as **Exhibit B**.

**4. Annual budget of the Districts.**

Please see the attached copies of the 2026 Annual Budgets as **Exhibit A**.

- 5. Resolutions regarding issuance of Debt or other financial obligations, including relevant financing documents, credit agreements, and official statements, if not already provided to the Town. Outstanding Debt (stated separately for each class of Debt).**

The Districts have not issued any debt to date.

- 6. Schedule of Debt service for outstanding debt (stated separately for each class of Debt).**

The Districts have not issued any debt to date.

- 7. The Districts' Public Improvements expenditures, categorized by improvement type.**

The Districts have not and does not currently plan to construct any Public Improvements.

- 8. The Districts' inability to pay any financial obligations as they come due, if applicable.**

Not Applicable.

- 9. The amount and terms of any new Debt issued.**

The Districts have not issued any debt to date.

- 10. Any Developer Debt.**

Developer Debt as of 12/31/25 is \$55,171 with interest of \$1,822.

**EXHIBIT A**  
2026 Budgets



## Management Budget Report

### BOARD OF DIRECTORS YELLOWSTONE RIDGE METROPOLITAN DISTRICT 1

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2026, including the comparative information of the forecasted estimate for the year ending December 31, 2025 and the actual historic information for the year 2024.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in blue ink that reads "Jennifer Ondracek". The signature is fluid and cursive.

Pinnacle Consulting Group, Inc.  
January 30, 2026

#### Offices Located in Loveland and Denver

Main office located at 550 W. Eisenhower Blvd., Loveland, CO 80537  
(970)669-3611 (303)333-4380  
[www.PCGI.com](http://www.PCGI.com)

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**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 1**  
**2026 ADOPTED BUDGET**  
**GENERAL FUND**

|                                           | 2024<br>Budget | 2025<br>Adopted<br>Budget | 2025<br>Projected<br>Actual | 2026<br>Adopted<br>Budget |
|-------------------------------------------|----------------|---------------------------|-----------------------------|---------------------------|
| <b>Revenues</b>                           |                |                           |                             |                           |
| Property Tax Revenue                      | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Specific Ownership Tax                    | -              | -                         | -                           | -                         |
| Operating Advances                        | -              | 108,768                   | 79,409                      | 93,860                    |
| <b>Total Revenues</b>                     | <b>\$ -</b>    | <b>\$ 108,768</b>         | <b>\$ 79,409</b>            | <b>\$ 93,860</b>          |
| <b>Expenditures</b>                       |                |                           |                             |                           |
| Administration:                           |                |                           |                             |                           |
| Accounting                                | -              | 18,600                    | 15,600                      | 19,530                    |
| District Administration                   | -              | 18,600                    | 15,600                      | 19,530                    |
| Insurance                                 | -              | 5,000                     | 1,841                       | 2,100                     |
| Legal/ Elections                          | -              | 60,000                    | 40,000                      | 50,000                    |
| Office, Dues and Other                    | -              | 1,700                     | 1,700                       | 1,200                     |
| Website                                   | -              | 1,700                     | 1,500                       | 1,500                     |
| <b>Total Operating Expenditures</b>       | <b>\$ -</b>    | <b>\$ 105,600</b>         | <b>\$ 76,241</b>            | <b>\$ 93,860</b>          |
| <b>Revenues Over/(Under) Expenditures</b> | <b>\$ -</b>    | <b>\$ 3,168</b>           | <b>\$ 3,168</b>             | <b>\$ -</b>               |
| <b>Beginning Fund Balance</b>             | <b>-</b>       | <b>-</b>                  | <b>-</b>                    | <b>\$ 3,168</b>           |
| <b>Ending Fund Balance</b>                | <b>\$ -</b>    | <b>\$ 3,168</b>           | <b>\$ 3,168</b>             | <b>\$ 3,168</b>           |

**COMPONENTS OF ENDING FUND BALANCE:**

|                                     |             |                 |                 |                 |
|-------------------------------------|-------------|-----------------|-----------------|-----------------|
| Emergency Reserve (3% of Revenues)  | \$ -        | \$ 3,168        | \$ 3,168        | \$ 3,168        |
| Operating Reserve (25% of Expenses) | -           | -               | -               | -               |
| Unrestricted                        | -           | -               | -               | -               |
| <b>TOTAL ENDING FUND BALANCE</b>    | <b>\$ -</b> | <b>\$ 3,168</b> | <b>\$ 3,168</b> | <b>\$ 3,168</b> |

**Mill Levy**

|                        |              |              |              |               |
|------------------------|--------------|--------------|--------------|---------------|
| Operating              | 0.000        | 0.000        | 0.000        | 10.000        |
| Debt Service           | 0.000        | 0.000        | 0.000        | 0.000         |
| <b>Total Mill Levy</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>10.000</b> |

**Assessed Value**

|  |      |      |      |          |
|--|------|------|------|----------|
|  | \$ - | \$ - | \$ - | \$ 10.00 |
|--|------|------|------|----------|

**Property Tax Revenue**

|                                   |             |             |             |             |
|-----------------------------------|-------------|-------------|-------------|-------------|
| Operating                         | -           | -           | -           | -           |
| Debt Service                      | -           | -           | -           | -           |
| <b>Total Property Tax Revenue</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Services Provided**

Yellowstone Ridge Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2025. Along with its companion Districts No. 2, 3, & 4 (“Financing Districts”), this District was organized to provide financing for the design, acquisition, construction and installation of street and roadway improvements; street landscaping, signage, monuments, and lighting; safety protection; park and recreation improvements; and sanitation and storm drainage; and to provide the operation and maintenance of these improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**Revenues**

**Operating Advances**

The District’s primary source of revenue in 2026 is operating advances.

**Expenses**

**General and Administrative**

General and administrative expenditures include the estimated costs of services necessary to maintain the District's administrative sustainability such as accounting/finance, district management/administration, audit, legal, insurance, and membership dues.

**Debt and Leases**

The District has no outstanding debt or leases.

**Reserves**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.



## Management Budget Report

### BOARD OF DIRECTORS YELLOWSTONE RIDGE METROPOLITAN DISTRICT 2

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2026, including the comparative information of the forecasted estimate for the year ending December 31, 2025 and the actual historic information for the year 2024.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in blue ink that reads "Jennifer Ondracek".

Pinnacle Consulting Group, Inc.  
January 30, 2026

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**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 2**  
**2026 ADOPTED BUDGET**  
**GENERAL FUND**

|                                           | 2024<br>Budget | 2025<br>Adopted<br>Budget | 2025<br>Projected<br>Actual | 2026<br>Adopted<br>Budget |
|-------------------------------------------|----------------|---------------------------|-----------------------------|---------------------------|
| <b>Revenues</b>                           |                |                           |                             |                           |
| Operating Advances                        | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Property Tax Revenue                      | -              | -                         | -                           | -                         |
| Specific Ownership                        | -              | -                         | -                           | -                         |
| Interest Income                           | -              | -                         | -                           | -                         |
| Miscellaneous Income                      | -              | -                         | -                           | -                         |
| <b>Total Revenues</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Expenditures</b>                       |                |                           |                             |                           |
| Administration:                           |                |                           |                             |                           |
| Accounting                                | -              | -                         | -                           | -                         |
| District Administration                   | -              | -                         | -                           | -                         |
| Insurance                                 | -              | -                         | -                           | -                         |
| Legal                                     | -              | -                         | -                           | -                         |
| Office, Dues and Other                    | -              | -                         | -                           | -                         |
| Website                                   | -              | -                         | -                           | -                         |
| <b>Total Operating Expenditures</b>       | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Revenues Over/(Under) Expenditures</b> | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Beginning Fund Balance</b>             | <b>-</b>       | <b>-</b>                  | <b>-</b>                    | <b>-</b>                  |
| <b>Ending Fund Balance</b>                | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>COMPONENTS OF ENDING FUND BALANCE:</b> |                |                           |                             |                           |
| Emergency Reserve (3% of Revenues)        | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Operating Reserve (25% of Expenses)       | -              | -                         | -                           | -                         |
| Unrestricted                              | -              | -                         | -                           | -                         |
| <b>TOTAL ENDING FUND BALANCE</b>          | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Mill Levy</b>                          |                |                           |                             |                           |
| Operating                                 | 0.000          | 0.000                     | 0.000                       | 10.000                    |
| Debt Service                              | 0.000          | 0.000                     | 0.000                       | 0.000                     |
| <b>Total Mill Levy</b>                    | <b>0.000</b>   | <b>0.000</b>              | <b>0.000</b>                | <b>10.000</b>             |
| <b>Assessed Value</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 10.00</b>           |
| <b>Property Tax Revenue</b>               |                |                           |                             |                           |
| Operating                                 | -              | -                         | -                           | -                         |
| Debt Service                              | -              | -                         | -                           | -                         |
| <b>Total Property Tax Revenue</b>         | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |

Modified Accrual Budgetary Basis

YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 2  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Services Provided**

Yellowstone Ridge Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2025. The District was organized to provide financing for the design, acquisition, construction and installation of street and roadway improvements; street landscaping, signage, monuments, and lighting; safety protection; park and recreation improvements; and sanitation and storm drainage; and to provide the operation and maintenance of these improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**Revenues**

The District has no revenue budgeted for 2026.

**Expenses**

The District has no expenses budgeted for 2026

**Debt and Leases**

The District has no outstanding debt or leases for 2026.

**Reserves**

The District has no required reserves for 2026.



## Management Budget Report

### BOARD OF DIRECTORS YELLOWSTONE RIDGE METROPOLITAN DISTRICT 3

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2026, including the comparative information of the forecasted estimate for the year ending December 31, 2025 and the actual historic information for the year 2024.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in blue ink that reads "Jennifer Ondracek".

Pinnacle Consulting Group, Inc.  
January 30, 2026

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**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 3**  
**2026 ADOPTED BUDGET**  
**GENERAL FUND**

|                                           | 2024<br>Budget | 2025<br>Adopted<br>Budget | 2025<br>Projected<br>Actual | 2026<br>Adopted<br>Budget |
|-------------------------------------------|----------------|---------------------------|-----------------------------|---------------------------|
| <b>Revenues</b>                           |                |                           |                             |                           |
| Operating Advances                        | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Property Tax Revenue                      | -              | -                         | -                           | -                         |
| Specific Ownership                        | -              | -                         | -                           | -                         |
| Interest Income                           | -              | -                         | -                           | -                         |
| Miscellaneous Income                      | -              | -                         | -                           | -                         |
| <b>Total Revenues</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Expenditures</b>                       |                |                           |                             |                           |
| Administration:                           |                |                           |                             |                           |
| Accounting                                | -              | -                         | -                           | -                         |
| District Administration                   | -              | -                         | -                           | -                         |
| Insurance                                 | -              | -                         | -                           | -                         |
| Legal                                     | -              | -                         | -                           | -                         |
| Office, Dues and Other                    | -              | -                         | -                           | -                         |
| Website                                   | -              | -                         | -                           | -                         |
| <b>Total Operating Expenditures</b>       | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Revenues Over/(Under) Expenditures</b> | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Beginning Fund Balance</b>             | <b>-</b>       | <b>-</b>                  | <b>-</b>                    | <b>-</b>                  |
| <b>Ending Fund Balance</b>                | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>COMPONENTS OF ENDING FUND BALANCE:</b> |                |                           |                             |                           |
| Emergency Reserve (3% of Revenues)        | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Operating Reserve (25% of Expenses)       | -              | -                         | -                           | -                         |
| Unrestricted                              | -              | -                         | -                           | -                         |
| <b>TOTAL ENDING FUND BALANCE</b>          | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |
| <b>Mill Levy</b>                          |                |                           |                             |                           |
| Operating                                 | 0.000          | 0.000                     | 0.000                       | 10.000                    |
| Debt Service                              | 0.000          | 0.000                     | 0.000                       | 0.000                     |
| <b>Total Mill Levy</b>                    | <b>0.000</b>   | <b>0.000</b>              | <b>0.000</b>                | <b>10.000</b>             |
| <b>Assessed Value</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 10.00</b>           |
| <b>Property Tax Revenue</b>               |                |                           |                             |                           |
| Operating                                 | -              | -                         | -                           | -                         |
| Debt Service                              | -              | -                         | -                           | -                         |
| <b>Total Property Tax Revenue</b>         | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               |

Modified Accrual Budgetary Basis

YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 3  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Services Provided**

Yellowstone Ridge Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2025. The District was organized to provide financing for the design, acquisition, construction and installation of street and roadway improvements; street landscaping, signage, monuments, and lighting; safety protection; park and recreation improvements; and sanitation and storm drainage; and to provide the operation and maintenance of these improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**Revenues**

The District has no revenue budgeted for 2026.

**Expenses**

The District has no expenses budgeted for 2026.

**Debt and Leases**

The District has no outstanding debt or leases for 2026.

**Reserves**

The District has no required reserves for 2026.



## Management Budget Report

### BOARD OF DIRECTORS YELLOWSTONE RIDGE METROPOLITAN DISTRICT 4

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2026, including the comparative information of the forecasted estimate for the year ending December 31, 2025 and the actual historic information for the year 2024.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in blue ink that reads "Jennifer Ondracek". The signature is fluid and cursive, with the first name "Jennifer" and last name "Ondracek" clearly distinguishable.

Pinnacle Consulting Group, Inc.  
January 30, 2026

#### Offices Located in Loveland and Denver

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**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 4**  
**STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS**  
**GENERAL FUND**

|                                           | 2024<br>Budget | 2025<br>Adopted<br>Budget | 2025<br>Projected<br>Actual | 2026<br>Adopted<br>Budget |
|-------------------------------------------|----------------|---------------------------|-----------------------------|---------------------------|
| <b>Revenues</b>                           |                |                           |                             |                           |
| Operating Advances                        | \$ -           | \$ -                      | \$ -                        | \$ -                      |
| Property Tax Revenue                      | -              | -                         | -                           | 3,776                     |
| Specific Ownership                        | -              | -                         | -                           | -                         |
| Interest Income                           | -              | -                         | -                           | -                         |
| Miscellaneous Income                      | -              | -                         | -                           | -                         |
| <b>Total Revenues</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 3,776</b>           |
| <b>Expenditures</b>                       |                |                           |                             |                           |
| Administration:                           |                |                           |                             |                           |
| Accounting                                | -              | -                         | -                           | -                         |
| District Administration                   | -              | -                         | -                           | -                         |
| Insurance                                 | -              | -                         | -                           | -                         |
| Legal                                     | -              | -                         | -                           | -                         |
| Office, Dues and Other                    | -              | -                         | -                           | -                         |
| Website                                   | -              | -                         | -                           | -                         |
| Treasurer's Fees                          |                |                           |                             | 76                        |
| <b>Total Operating Expenditures</b>       | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 76</b>              |
| <b>Revenues Over/(Under) Expenditures</b> | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 3,700</b>           |
| <b>Beginning Fund Balance</b>             | <b>-</b>       | <b>-</b>                  | <b>-</b>                    | <b>-</b>                  |
| <b>Ending Fund Balance</b>                | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 3,700</b>           |
| <b>COMPONENTS OF ENDING FUND BALANCE:</b> |                |                           |                             |                           |
| Emergency Reserve (3% of Revenues)        | \$ -           | \$ -                      | \$ -                        | \$ 113                    |
| Operating Reserve (25% of Expenses)       | -              | -                         | -                           | 19                        |
| Unrestricted                              | -              | -                         | -                           | 3,568                     |
| <b>TOTAL ENDING FUND BALANCE</b>          | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 3,700</b>           |
| <b>Mill Levy</b>                          |                |                           |                             |                           |
| Operating                                 | 0.000          | 0.000                     | 0.000                       | 10.000                    |
| Debt Service                              | 0.000          | 0.000                     | 0.000                       | 0.000                     |
| <b>Total Mill Levy</b>                    | <b>0.000</b>   | <b>0.000</b>              | <b>0.000</b>                | <b>10.000</b>             |
| <b>Assessed Value</b>                     | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 377,600</b>         |
| <b>Property Tax Revenue</b>               |                |                           |                             |                           |
| Operating                                 | -              | -                         | -                           | \$ 3,776                  |
| Debt Service                              | -              | -                         | -                           | -                         |
| <b>Total Property Tax Revenue</b>         | <b>\$ -</b>    | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ 3,776</b>           |

Modified Accrual Budgetary Basis

YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 4  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Services Provided**

Yellowstone Ridge Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2025. The District was organized to provide financing for the design, acquisition, construction and installation of street and roadway improvements; street landscaping, signage, monuments, and lighting; safety protection; park and recreation improvements; and sanitation and storm drainage; and to provide the operation and maintenance of these improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**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 as of January 1 of each year. The levy is set by December 15 by certification to the County commissioners office. 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.

**Expenses**

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 2% of property taxes.

**Debt and Leases**

The District has no outstanding debt or leases for 2026.

**Reserves**

The District has no required reserves for 2026.

**EXHIBIT B**  
2025 Audit Exemption Application

# Application for Exemption From Audit Short Form

## Instructions

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

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

### Exemptions from audit are **NOT** automatic

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

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

### Read **ALL** instructions before completing and submitting this form

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

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

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

### Important!

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

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

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

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

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

Prior year forms are obsolete and will not be accepted.

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

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

## Checklist

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

-- or --

☐ If yes, have you included a resolution?

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

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

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

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

## Filing Methods

### Web Portal (recommended)

[apps.leg.co.gov/osa/lq](https://apps.leg.co.gov/osa/lq)

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

### Mail

#### Office of the State Auditor

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

Questions? Email: [osa.lg@coleg.gov](mailto:osa.lg@coleg.gov) Phone: 303-869-3000

## Contact Information

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

|                    |                                               |
|--------------------|-----------------------------------------------|
| Name of government | Yellowstone Ridge Metropolitan District No. 1 |
| Street address     | 550 W Eisenhower Blvd                         |
| City, State, Zip   | Loveland, CO 80537                            |
| Contact person     | Jennifer Ondracek                             |
| Phone              | 970-669-3611                                  |
| Email              | jennifero@pcgi.com                            |

## Certification of Preparer

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

|                                                                                     |                                           |
|-------------------------------------------------------------------------------------|-------------------------------------------|
| Name                                                                                | Jennifer Ondracek                         |
| Title                                                                               | District Accountant                       |
| Firm name (if applicable)                                                           | Pinnacle Consulting Group, Inc.           |
| Address                                                                             | 550 W Eisenhower Blvd, Loveland, CO 80537 |
| Phone                                                                               | 970-669-3611                              |
| Preparer signature                                                                  | Date prepared                             |
|  | 03/13/2026                                |

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

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

## Part 1: Revenues

### Part 1A: Revenues Table

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

| Line | Description                                                                                               | Total (round to nearest dollar) |
|------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| 1-1  | Taxes: Property (report mills levied in line 9-12)                                                        |                                 |
| 1-2  | Specific ownership                                                                                        |                                 |
| 1-3  | Sales and use                                                                                             |                                 |
|      | Other (specify in line 1-4):                                                                              |                                 |
| 1-4  | Interest and Other Income                                                                                 | \$ 7                            |
| 1-5  | Licenses and permits                                                                                      |                                 |
| 1-6  | Intergovernmental: Grants                                                                                 |                                 |
| 1-7  | Conservation Trust Funds (Lottery)                                                                        |                                 |
| 1-8  | Highway Users Tax Funds (HUTF)                                                                            |                                 |
|      | Other (specify in line 1-9):                                                                              |                                 |
| 1-9  |                                                                                                           |                                 |
| 1-10 | Charges for services                                                                                      |                                 |
| 1-11 | Fines and forfeits                                                                                        |                                 |
| 1-12 | Special assessments                                                                                       |                                 |
| 1-13 | Investment income                                                                                         |                                 |
| 1-14 | Charges for utility services                                                                              |                                 |
| 1-15 | Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                  |                                 |
| 1-16 | Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                 |                                 |
| 1-17 | Developer Advances received<br>(should agree to Part 3, Debt Schedule Table, column 'issued during year') | \$ 55,157                       |
| 1-18 | Proceeds from sale of capital assets                                                                      |                                 |
| 1-19 | Fire and police pension                                                                                   |                                 |
| 1-20 | Donations                                                                                                 |                                 |
|      | Other (specify in lines 1-21 through 1-24)                                                                |                                 |
| 1-21 |                                                                                                           |                                 |
| 1-22 |                                                                                                           |                                 |
| 1-23 |                                                                                                           |                                 |
| 1-24 |                                                                                                           |                                 |
| 1-25 | <b>TOTAL REVENUES</b><br>(add lines 1-1 through 1-24)                                                     | \$ 55,164                       |

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

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

**Part 1B: Comments or Additional Information**

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

## Part 2: Expenditures/Expenses

### Part 2A: Expenditures/Expenses Table

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

| Line | Description                                                                                                              | Total (round to nearest dollar) |
|------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 2-1  | Administrative                                                                                                           | \$ 17,045                       |
| 2-2  | Salaries                                                                                                                 |                                 |
| 2-3  | Payroll taxes                                                                                                            |                                 |
| 2-4  | Contract services                                                                                                        |                                 |
| 2-5  | Employee benefits                                                                                                        |                                 |
| 2-6  | Insurance                                                                                                                | \$ 2,743                        |
| 2-7  | Accounting and legal fees                                                                                                | \$ 32,490                       |
| 2-8  | Repair and maintenance                                                                                                   |                                 |
| 2-9  | Supplies                                                                                                                 |                                 |
| 2-10 | Utilities and telephone                                                                                                  |                                 |
| 2-11 | Fire/Police                                                                                                              |                                 |
| 2-12 | Streets and highways                                                                                                     |                                 |
| 2-13 | Public health                                                                                                            |                                 |
| 2-14 | Capital outlay                                                                                                           |                                 |
| 2-15 | Utility operations                                                                                                       |                                 |
| 2-16 | Culture and recreation                                                                                                   |                                 |
| 2-17 | Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')                               |                                 |
| 2-18 | Debt service interest                                                                                                    |                                 |
| 2-19 | Repayment of Developer Advances Principal<br>(should agree to Part 3, Debt Schedule Table, column 'Retired during year') |                                 |
| 2-20 | Repayment of Developer Advances Interest                                                                                 |                                 |
| 2-21 | Contribution to pension plan                                                                                             |                                 |
| 2-22 | Contribution to Fire & Police Pension Association                                                                        |                                 |
| 2-23 | Other (specify in lines 2-24 through 2-27)                                                                               |                                 |
| 2-24 |                                                                                                                          |                                 |
| 2-25 |                                                                                                                          |                                 |
| 2-26 |                                                                                                                          |                                 |
| 2-27 |                                                                                                                          |                                 |
| 2-28 | <b>TOTAL EXPENDITURES/EXPENSES</b><br>(Add lines 2-1 through 2-27)                                                       | \$ 52,278                       |

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

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

**Part 2B: Comments or Additional Information**

---

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

### Part 3: Debt Outstanding, Issued, and Retired

|            |                                                                                                    |                                      |                                                               |
|------------|----------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------|
| <b>3-1</b> | Does the entity have outstanding debt?                                                             | <input checked="" type="radio"/> Yes | <input type="radio"/> No                                      |
| <b>3-2</b> | If no, skip to line 3-13.<br>If yes, please attach a copy of the entity's debt repayment schedule. |                                      |                                                               |
| <b>3-3</b> | Is the debt repayment schedule attached?                                                           | <input type="radio"/> N/A            | <input type="radio"/> Yes <input checked="" type="radio"/> No |
|            | If no, MUST explain below.                                                                         |                                      |                                                               |
|            | Outstanding debt is paid as funds become available.                                                |                                      |                                                               |
| <b>3-4</b> | Is the entity current in its debt service payments?                                                | <input checked="" type="radio"/> Yes | <input type="radio"/> No                                      |
|            | If no, MUST explain below.                                                                         |                                      |                                                               |
| <b>3-5</b> | If no, also indicate if the government is in default with its bond agreements.                     | <input type="radio"/> Yes            | <input type="radio"/> No                                      |

#### Debt Schedule Table

Please complete the following debt schedule, if applicable.

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

| Line | Debt Type                                     | Outstanding at End of Prior Year* | Issued During Year | Retired During Year | Outstanding at Year-End |
|------|-----------------------------------------------|-----------------------------------|--------------------|---------------------|-------------------------|
| 3-6  | General Obligation Bonds                      |                                   |                    |                     | \$ 0                    |
| 3-7  | Revenue Bonds                                 |                                   |                    |                     | \$ 0                    |
| 3-8  | Notes/Loans                                   |                                   |                    |                     | \$ 0                    |
| 3-9  | Lease & SBITA**<br>Liabilities (GASB 87 & 96) |                                   |                    |                     | \$ 0                    |
| 3-10 | Developer Advances                            | \$ 0                              | \$ 55,158          |                     | \$ 55,158               |
|      | Other (specify in line 3-11)                  |                                   |                    |                     |                         |
| 3-11 |                                               |                                   |                    |                     | \$ 0                    |
| 3-12 | <b>TOTAL</b><br>(Add lines 3-6 through 3-11)  | \$ 0                              | \$ 55,158          | \$ 0                | \$ 55,158               |

\*Must agree to prior year-end balance

\*\*Subscription-Based Information Technology Arrangements

Comments (optional)

|             |                                                                                               |                                      |                                     |
|-------------|-----------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| <b>3-13</b> | Does the entity have any authorized but unissued debt as of its fiscal year-end?              | <input checked="" type="radio"/> Yes | <input type="radio"/> No            |
| <b>3-14</b> | If yes, how much?                                                                             | \$ 12,000,000                        |                                     |
| <b>3-15</b> | Date the debt was authorized                                                                  | 10/07/2024                           |                                     |
| <b>3-16</b> | Is the authorized but unissued debt further limited by the entity's most recent Service Plan? | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-17</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-18</b> | Date of the most recent Service Plan                                                          | 10/07/2024                           |                                     |
| <b>3-19</b> | Does the entity intend to issue debt within the next calendar year?                           | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-20</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-21</b> | Does the entity have debt that has been refinanced that it is still responsible for?          | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-22</b> | If yes, what is the amount outstanding?                                                       |                                      |                                     |
| <b>3-23</b> | Does the entity have any lease agreements?                                                    | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-24</b> | If yes, what is being leased?                                                                 |                                      |                                     |
|             |                                                                                               |                                      |                                     |
| <b>3-25</b> | What is the original date of the lease?                                                       |                                      |                                     |
| <b>3-26</b> | Number of years of lease?                                                                     |                                      |                                     |
| <b>3-27</b> | Is the lease subject to annual appropriation?                                                 | <input type="radio"/> Yes            | <input type="radio"/> No            |
| <b>3-28</b> | What are the annual lease payments?                                                           |                                      |                                     |

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

## Part 4: Cash and Investments

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

| Line | Description                                                                                                               | Amount   |
|------|---------------------------------------------------------------------------------------------------------------------------|----------|
| 4-1  | Year-end Total of all Checking and Savings Accounts                                                                       | \$ 1,239 |
| 4-2  | Certificates of deposit                                                                                                   |          |
| 4-3  | <b>TOTAL CASH DEPOSITS</b><br>(Add lines 4-1 and 4-2)                                                                     | \$ 1,239 |
|      | <b>Investments</b> (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.) |          |
| 4-4  |                                                                                                                           |          |
| 4-5  |                                                                                                                           |          |
| 4-6  |                                                                                                                           |          |
| 4-7  |                                                                                                                           |          |
| 4-8  |                                                                                                                           |          |
| 4-9  | <b>Total Investments</b><br>(Add lines 4-4 through 4-8)                                                                   | \$ 0     |
| 4-10 | <b>TOTAL CASH AND INVESTMENTS</b><br>(Add lines 4-3 and 4-9)                                                              | \$ 1,239 |

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

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

## Part 5: Capital and Right-to-Use Assets

|            |                                                                                                             |                           |                                     |
|------------|-------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------|
| <b>5-1</b> | Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)                    | <input type="radio"/> Yes | <input checked="" type="radio"/> No |
| <b>5-2</b> | Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? | <input type="radio"/> Yes | <input type="radio"/> No            |
| <b>5-3</b> | If no, MUST explain below.                                                                                  |                           |                                     |
|            |                                                                                                             |                           |                                     |

### Capital and Right-to-Use Assets Table

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

\*Must agree to prior year-end balance

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

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

## Part 6: Pension Information

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

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

## Part 7: Budget Information

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

### Appropriation Amount by Fund Table

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

| Line | Governmental/Proprietary Fund Name | Total      |
|------|------------------------------------|------------|
| 7-5  | General Fund                       | \$ 105,600 |
| 7-6  |                                    |            |
| 7-7  |                                    |            |
| 7-8  |                                    |            |
| 7-9  |                                    |            |

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



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

|     |                                                                                                              |                                             |                          |
|-----|--------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|
| 8-1 | Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))? | <input checked="checked" type="radio"/> Yes | <input type="radio"/> No |
| 8-2 | If no, MUST explain below.                                                                                   |                                             |                          |
|     |                                                                                                              |                                             |                          |

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

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

|  |
|--|
|  |
|--|

## Part 9: General Information

|      |                                                                                                                                                                                                                        |                                      |                                                    |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------|
| 9-1  | Is this application for a newly formed governmental entity?                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-2  | If yes, what was the date of formation                                                                                                                                                                                 |                                      |                                                    |
| 9-3  | Has the entity changed its name in the past or current year?                                                                                                                                                           | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-4  | If yes, please list the NEW name below.                                                                                                                                                                                |                                      |                                                    |
|      | Yellowstone Ridge Metropolitan District NOS. 1-4                                                                                                                                                                       |                                      |                                                    |
| 9-5  | If yes, please list the PRIOR name below.                                                                                                                                                                              |                                      |                                                    |
|      | Mallard Ridge Metropolitan District NOS. 1-4                                                                                                                                                                           |                                      |                                                    |
| 9-6  | Is the entity a metropolitan district?                                                                                                                                                                                 | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-7  | Please indicate what services the entity provides below.                                                                                                                                                               |                                      |                                                    |
|      | Streets, Water, Sewer, Storm Drainage, Open Space public improvements, facilities and services.                                                                                                                        |                                      |                                                    |
| 9-8  | Does the entity have an agreement with another government to provide services?                                                                                                                                         | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-9  | If yes, list the name of the other governmental entity and the services provided below.                                                                                                                                |                                      |                                                    |
|      | All services for District 2, 3 and 4 are provided by Yellowstone Ridge Metropolitan District No. 1.                                                                                                                    |                                      |                                                    |
| 9-10 | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.) | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-11 | If yes, what was the date filed                                                                                                                                                                                        |                                      |                                                    |
| 9-12 | Does the entity have a certified mill levy?                                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
|      | If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14.<br>(Do not report \$ amounts.)                                                                                     |                                      |                                                    |
| 9-13 | Bond redemption mills                                                                                                                                                                                                  | 0.000                                |                                                    |
| 9-14 | General/other mills                                                                                                                                                                                                    | 0.000                                |                                                    |
| 9-15 | <b>TOTAL MILLS</b><br>(Add lines 9-13 through 9-14)                                                                                                                                                                    | 0.000                                |                                                    |
| 9-16 | If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?                | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes <input type="radio"/> No |
| 9-17 | If no, please explain below.                                                                                                                                                                                           |                                      |                                                    |

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

|  |
|--|
|  |
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## Part 10: Governing Body Approval

10-1

If you plan to submit this form electronically, have you read the Electronic Signature Policy?

☒ Yes

☐ No

### Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

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

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

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

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

## Governing Body Signatures

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

|                                                                                                                                                          |                                                                                                                                            |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Board Member 1</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | JD Padilla                                                                                                                                 |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <br><small>JD Padilla (Mar 30, 2026 11:46:03 EDT)</small> | 03/30/2026 |
| <b>Board Member 2</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | Nicodernus Padilla                                                                                                                         |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <i>Nico Padilla</i>                                                                                                                        | 03/27/2026 |
| <b>Board Member 3</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 4</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 5</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 6</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 7</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |

# Application for Exemption From Audit Short Form

## Instructions

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

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

### Exemptions from audit are **NOT** automatic

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

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

### Read **ALL** instructions before completing and submitting this form

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

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

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

### Important!

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

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

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

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

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

Prior year forms are obsolete and will not be accepted.

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

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

## Checklist

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

-- or --

☐ If yes, have you included a resolution?

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

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

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

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

## Filing Methods

### Web Portal (recommended)

[apps.leg.co.gov/osa/lq](https://apps.leg.co.gov/osa/lq)

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

### Mail

#### Office of the State Auditor

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

Questions? Email: [osa.lg@coleg.gov](mailto:osa.lg@coleg.gov) Phone: 303-869-3000

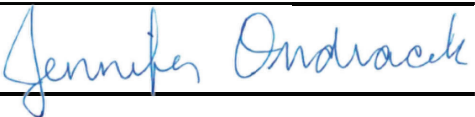
## Contact Information

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

|                    |                                               |
|--------------------|-----------------------------------------------|
| Name of government | Yellowstone Ridge Metropolitan District No. 2 |
| Street address     | 550 W Eisenhower Blvd                         |
| City, State, Zip   | Loveland, CO 80537                            |
| Contact person     | Jennifer Ondracek                             |
| Phone              | 970-669-3611                                  |
| Email              | JenniferO@pcgi.com                            |

## Certification of Preparer

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

|                                                                                     |                                           |
|-------------------------------------------------------------------------------------|-------------------------------------------|
| Name                                                                                | Jennifer Ondracek                         |
| Title                                                                               | District Accountant                       |
| Firm name (if applicable)                                                           | Pinnacle Consulting Group, Inc.           |
| Address                                                                             | 550 W Eisenhower Blvd, Loveland, CO 80537 |
| Phone                                                                               | 970-669-3611                              |
| Preparer signature                                                                  | Date prepared                             |
|  | 03/13/2026                                |

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

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

## Part 1: Revenues

### Part 1A: Revenues Table

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

| Line | Description                                                                                               | Total (round to nearest dollar) |
|------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| 1-1  | Taxes: Property (report mills levied in line 9-12)                                                        | \$ 0                            |
| 1-2  | Specific ownership                                                                                        | \$ 0                            |
| 1-3  | Sales and use                                                                                             |                                 |
|      | Other (specify in line 1-4):                                                                              |                                 |
| 1-4  |                                                                                                           |                                 |
| 1-5  | Licenses and permits                                                                                      |                                 |
| 1-6  | Intergovernmental: Grants                                                                                 |                                 |
| 1-7  | Conservation Trust Funds (Lottery)                                                                        |                                 |
| 1-8  | Highway Users Tax Funds (HUTF)                                                                            |                                 |
|      | Other (specify in line 1-9):                                                                              |                                 |
| 1-9  |                                                                                                           |                                 |
| 1-10 | Charges for services                                                                                      |                                 |
| 1-11 | Fines and forfeits                                                                                        |                                 |
| 1-12 | Special assessments                                                                                       |                                 |
| 1-13 | Investment income                                                                                         |                                 |
| 1-14 | Charges for utility services                                                                              |                                 |
| 1-15 | Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                  |                                 |
| 1-16 | Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                 |                                 |
| 1-17 | Developer Advances received<br>(should agree to Part 3, Debt Schedule Table, column 'issued during year') |                                 |
| 1-18 | Proceeds from sale of capital assets                                                                      |                                 |
| 1-19 | Fire and police pension                                                                                   |                                 |
| 1-20 | Donations                                                                                                 |                                 |
|      | Other (specify in lines 1-21 through 1-24)                                                                |                                 |
| 1-21 |                                                                                                           |                                 |
| 1-22 |                                                                                                           |                                 |
| 1-23 |                                                                                                           |                                 |
| 1-24 |                                                                                                           |                                 |
| 1-25 | <b>TOTAL REVENUES</b><br>(add lines 1-1 through 1-24)                                                     | \$ 0                            |

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

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

**Part 1B: Comments or Additional Information**

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

## Part 2: Expenditures/Expenses

### Part 2A: Expenditures/Expenses Table

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

| Line | Description                                                                                                              | Total (round to nearest dollar) |
|------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 2-1  | Administrative                                                                                                           | \$ 0                            |
| 2-2  | Salaries                                                                                                                 | \$ 0                            |
| 2-3  | Payroll taxes                                                                                                            |                                 |
| 2-4  | Contract services                                                                                                        |                                 |
| 2-5  | Employee benefits                                                                                                        |                                 |
| 2-6  | Insurance                                                                                                                |                                 |
| 2-7  | Accounting and legal fees                                                                                                |                                 |
| 2-8  | Repair and maintenance                                                                                                   |                                 |
| 2-9  | Supplies                                                                                                                 |                                 |
| 2-10 | Utilities and telephone                                                                                                  |                                 |
| 2-11 | Fire/Police                                                                                                              |                                 |
| 2-12 | Streets and highways                                                                                                     |                                 |
| 2-13 | Public health                                                                                                            |                                 |
| 2-14 | Capital outlay                                                                                                           |                                 |
| 2-15 | Utility operations                                                                                                       |                                 |
| 2-16 | Culture and recreation                                                                                                   |                                 |
| 2-17 | Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')                               |                                 |
| 2-18 | Debt service interest                                                                                                    |                                 |
| 2-19 | Repayment of Developer Advances Principal<br>(should agree to Part 3, Debt Schedule Table, column 'Retired during year') |                                 |
| 2-20 | Repayment of Developer Advances Interest                                                                                 |                                 |
| 2-21 | Contribution to pension plan                                                                                             |                                 |
| 2-22 | Contribution to Fire & Police Pension Association                                                                        |                                 |
| 2-23 | Other (specify in lines 2-24 through 2-27)                                                                               |                                 |
| 2-24 |                                                                                                                          |                                 |
| 2-25 |                                                                                                                          |                                 |
| 2-26 |                                                                                                                          |                                 |
| 2-27 |                                                                                                                          |                                 |
| 2-28 | <b>TOTAL EXPENDITURES/EXPENSES</b><br>(Add lines 2-1 through 2-27)                                                       | \$ 0                            |

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

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

## Part 2B: Comments or Additional Information

---

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

### Part 3: Debt Outstanding, Issued, and Retired

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

#### Debt Schedule Table

Please complete the following debt schedule, if applicable.

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

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

\*Must agree to prior year-end balance

\*\*Subscription-Based Information Technology Arrangements

Comments (optional)

|             |                                                                                               |                                      |                                     |
|-------------|-----------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| <b>3-13</b> | Does the entity have any authorized but unissued debt as of its fiscal year-end?              | <input checked="" type="radio"/> Yes | <input type="radio"/> No            |
| <b>3-14</b> | If yes, how much?                                                                             | \$ 12,000,000                        |                                     |
| <b>3-15</b> | Date the debt was authorized                                                                  | 10/07/2024                           |                                     |
| <b>3-16</b> | Is the authorized but unissued debt further limited by the entity's most recent Service Plan? | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-17</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-18</b> | Date of the most recent Service Plan                                                          | 10/07/2024                           |                                     |
| <b>3-19</b> | Does the entity intend to issue debt within the next calendar year?                           | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-20</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-21</b> | Does the entity have debt that has been refinanced that it is still responsible for?          | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-22</b> | If yes, what is the amount outstanding?                                                       |                                      |                                     |
| <b>3-23</b> | Does the entity have any lease agreements?                                                    | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-24</b> | If yes, what is being leased?                                                                 |                                      |                                     |
| <b>3-25</b> | What is the original date of the lease?                                                       |                                      |                                     |
| <b>3-26</b> | Number of years of lease?                                                                     |                                      |                                     |
| <b>3-27</b> | Is the lease subject to annual appropriation?                                                 | <input type="radio"/> Yes            | <input type="radio"/> No            |
| <b>3-28</b> | What are the annual lease payments?                                                           |                                      |                                     |

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

## Part 4: Cash and Investments

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

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

|      |                                                                                                                                   |                                      |                           |                          |
|------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------|--------------------------|
| 4-11 | Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?                                        | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes | <input type="radio"/> No |
| 4-12 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input type="radio"/> Yes            | <input type="radio"/> No  |                          |
| 4-13 | If no, MUST explain below.                                                                                                        |                                      |                           |                          |
|      | n/a                                                                                                                               |                                      |                           |                          |

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

## Part 5: Capital and Right-to-Use Assets

|            |                                                                                                             |                           |                                     |
|------------|-------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------|
| <b>5-1</b> | Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)                    | <input type="radio"/> Yes | <input checked="" type="radio"/> No |
| <b>5-2</b> | Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? | <input type="radio"/> Yes | <input type="radio"/> No            |
| <b>5-3</b> | If no, MUST explain below.                                                                                  |                           |                                     |
|            |                                                                                                             |                           |                                     |

### Capital and Right-to-Use Assets Table

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

\*Must agree to prior year-end balance

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

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

## Part 6: Pension Information

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

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

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## Part 7: Budget Information

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

### Appropriation Amount by Fund Table

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

| Line | Governmental/Proprietary Fund Name | Total |
|------|------------------------------------|-------|
| 7-5  | General Fund                       | \$ 0  |
| 7-6  |                                    |       |
| 7-7  |                                    |       |
| 7-8  |                                    |       |
| 7-9  |                                    |       |

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



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

|     |                                                                                                              |                                             |                          |
|-----|--------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|
| 8-1 | Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))? | <input checked="checked" type="radio"/> Yes | <input type="radio"/> No |
| 8-2 | If no, MUST explain below.                                                                                   |                                             |                          |
|     |                                                                                                              |                                             |                          |

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

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

|  |
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## Part 9: General Information

|      |                                                                                                                                                                                                                        |                                      |                                                    |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------|
| 9-1  | Is this application for a newly formed governmental entity?                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-2  | If yes, what was the date of formation                                                                                                                                                                                 |                                      |                                                    |
| 9-3  | Has the entity changed its name in the past or current year?                                                                                                                                                           | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-4  | If yes, please list the NEW name below.                                                                                                                                                                                |                                      |                                                    |
|      | Yellowstone Ridge Metropolitan District NOS. 1-4                                                                                                                                                                       |                                      |                                                    |
| 9-5  | If yes, please list the PRIOR name below.                                                                                                                                                                              |                                      |                                                    |
|      | Mallard Ridge Metropolitan District NOS. 1-4                                                                                                                                                                           |                                      |                                                    |
| 9-6  | Is the entity a metropolitan district?                                                                                                                                                                                 | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-7  | Please indicate what services the entity provides below.                                                                                                                                                               |                                      |                                                    |
|      | Streets, Water, Sewer, Storm Drainage, Open Space public improvements, facilities and services.                                                                                                                        |                                      |                                                    |
| 9-8  | Does the entity have an agreement with another government to provide services?                                                                                                                                         | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-9  | If yes, list the name of the other governmental entity and the services provided below.                                                                                                                                |                                      |                                                    |
|      | All services provided by Yellowstone Ridge Metropolitan District No. 1                                                                                                                                                 |                                      |                                                    |
| 9-10 | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.) | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-11 | If yes, what was the date filed                                                                                                                                                                                        |                                      |                                                    |
| 9-12 | Does the entity have a certified mill levy?                                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
|      | If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14.<br>(Do not report \$ amounts.)                                                                                     |                                      |                                                    |
| 9-13 | Bond redemption mills                                                                                                                                                                                                  | 0.000                                |                                                    |
| 9-14 | General/other mills                                                                                                                                                                                                    | 0.000                                |                                                    |
| 9-15 | <b>TOTAL MILLS</b><br>(Add lines 9-13 through 9-14)                                                                                                                                                                    | 0.000                                |                                                    |
| 9-16 | If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?                | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes <input type="radio"/> No |
| 9-17 | If no, please explain below.                                                                                                                                                                                           |                                      |                                                    |

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

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## Part 10: Governing Body Approval

10-1

If you plan to submit this form electronically, have you read the Electronic Signature Policy?

☒ Yes

☐ No

### Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

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

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

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

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

## Governing Body Signatures

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

|                                                                                                                                                          |                                                                                                                                            |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Board Member 1</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | JD Padilla                                                                                                                                 |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <br><small>JD Padilla (Mar 30, 2026 11:46:03 EDT)</small> | 03/30/2026 |
| <b>Board Member 2</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | Nicodernus Padilla                                                                                                                         |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <i>Nico Padilla</i>                                                                                                                        | 03/27/2026 |
| <b>Board Member 3</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 4</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 5</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 6</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 7</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |

## RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE **(name of government)** STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed \$1,000,000 may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

**[Choose 1 or 2 below, whichever is applicable]**

(1) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$200,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

**OR**

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$1,000,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), and independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended \_\_\_\_\_, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended \_\_\_\_\_, 20XX.

ADOPTED THIS \_\_\_\_ day of \_\_\_\_\_, A.D. 20XX.

Mayor/President/Chairman, etc.

ATTEST:

Town Clerk, Secretary, etc.

Type or Print Names of  
Members of Governing Body

Date Term Expires

Signature

[illegible]

# Application for Exemption From Audit Short Form

## Instructions

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

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

### Exemptions from audit are **NOT** automatic

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

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

### Read **ALL** instructions before completing and submitting this form

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

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

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

### Important!

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

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

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

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

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

Prior year forms are obsolete and will not be accepted.

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

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

## Checklist

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

-- or --

☐ If yes, have you included a resolution?

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

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

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

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

## Filing Methods

### Web Portal (recommended)

[apps.leg.co.gov/osa/lq](https://apps.leg.co.gov/osa/lq)

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

### Mail

#### Office of the State Auditor

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

Questions? Email: [osa.lg@coleg.gov](mailto:osa.lg@coleg.gov) Phone: 303-869-3000

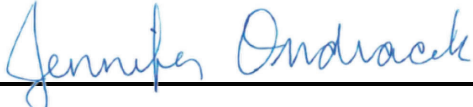
## Contact Information

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

|                    |                                               |
|--------------------|-----------------------------------------------|
| Name of government | Yellowstone Ridge Metropolitan District No. 3 |
| Street address     | 550 W Eisenhower Blvd                         |
| City, State, Zip   | Loveland, CO 80537                            |
| Contact person     | Jennifer Ondracek                             |
| Phone              | 970-669-3611                                  |
| Email              | jennifero@pcgi.com                            |

## Certification of Preparer

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

|                                                                                     |                                           |
|-------------------------------------------------------------------------------------|-------------------------------------------|
| Name                                                                                | Jennifer Ondracek                         |
| Title                                                                               | District Accountant                       |
| Firm name (if applicable)                                                           | Pinnacle Consulting Group, Inc.           |
| Address                                                                             | 550 W Eisenhower Blvd, Loveland, CO 80537 |
| Phone                                                                               | 970-669-3611                              |
| Preparer signature                                                                  | Date prepared                             |
|  | 03/13/2026                                |

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

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

## Part 1: Revenues

### Part 1A: Revenues Table

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

| Line | Description                                                                                               | Total (round to nearest dollar) |
|------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| 1-1  | Taxes: Property (report mills levied in line 9-12)                                                        | \$ 0                            |
| 1-2  | Specific ownership                                                                                        | \$ 0                            |
| 1-3  | Sales and use                                                                                             |                                 |
|      | Other (specify in line 1-4):                                                                              |                                 |
| 1-4  |                                                                                                           |                                 |
| 1-5  | Licenses and permits                                                                                      |                                 |
| 1-6  | Intergovernmental: Grants                                                                                 |                                 |
| 1-7  | Conservation Trust Funds (Lottery)                                                                        |                                 |
| 1-8  | Highway Users Tax Funds (HUTF)                                                                            |                                 |
|      | Other (specify in line 1-9):                                                                              |                                 |
| 1-9  |                                                                                                           |                                 |
| 1-10 | Charges for services                                                                                      |                                 |
| 1-11 | Fines and forfeits                                                                                        |                                 |
| 1-12 | Special assessments                                                                                       |                                 |
| 1-13 | Investment income                                                                                         |                                 |
| 1-14 | Charges for utility services                                                                              |                                 |
| 1-15 | Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                  |                                 |
| 1-16 | Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                 |                                 |
| 1-17 | Developer Advances received<br>(should agree to Part 3, Debt Schedule Table, column 'issued during year') |                                 |
| 1-18 | Proceeds from sale of capital assets                                                                      |                                 |
| 1-19 | Fire and police pension                                                                                   |                                 |
| 1-20 | Donations                                                                                                 |                                 |
|      | Other (specify in lines 1-21 through 1-24)                                                                |                                 |
| 1-21 |                                                                                                           |                                 |
| 1-22 |                                                                                                           |                                 |
| 1-23 |                                                                                                           |                                 |
| 1-24 |                                                                                                           |                                 |
| 1-25 | <b>TOTAL REVENUES</b><br>(add lines 1-1 through 1-24)                                                     | \$ 0                            |

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

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

**Part 1B: Comments or Additional Information**

---

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

## Part 2: Expenditures/Expenses

### Part 2A: Expenditures/Expenses Table

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

| Line | Description                                                                                                              | Total (round to nearest dollar) |
|------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 2-1  | Administrative                                                                                                           | \$ 0                            |
| 2-2  | Salaries                                                                                                                 |                                 |
| 2-3  | Payroll taxes                                                                                                            |                                 |
| 2-4  | Contract services                                                                                                        |                                 |
| 2-5  | Employee benefits                                                                                                        |                                 |
| 2-6  | Insurance                                                                                                                |                                 |
| 2-7  | Accounting and legal fees                                                                                                |                                 |
| 2-8  | Repair and maintenance                                                                                                   |                                 |
| 2-9  | Supplies                                                                                                                 |                                 |
| 2-10 | Utilities and telephone                                                                                                  |                                 |
| 2-11 | Fire/Police                                                                                                              |                                 |
| 2-12 | Streets and highways                                                                                                     |                                 |
| 2-13 | Public health                                                                                                            |                                 |
| 2-14 | Capital outlay                                                                                                           |                                 |
| 2-15 | Utility operations                                                                                                       |                                 |
| 2-16 | Culture and recreation                                                                                                   |                                 |
| 2-17 | Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')                               |                                 |
| 2-18 | Debt service interest                                                                                                    |                                 |
| 2-19 | Repayment of Developer Advances Principal<br>(should agree to Part 3, Debt Schedule Table, column 'Retired during year') |                                 |
| 2-20 | Repayment of Developer Advances Interest                                                                                 |                                 |
| 2-21 | Contribution to pension plan                                                                                             |                                 |
| 2-22 | Contribution to Fire & Police Pension Association                                                                        |                                 |
| 2-23 | Other (specify in lines 2-24 through 2-27)                                                                               |                                 |
| 2-24 |                                                                                                                          |                                 |
| 2-25 |                                                                                                                          |                                 |
| 2-26 |                                                                                                                          |                                 |
| 2-27 |                                                                                                                          |                                 |
| 2-28 | <b>TOTAL EXPENDITURES/EXPENSES</b><br>(Add lines 2-1 through 2-27)                                                       | \$ 0                            |

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

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

## Part 2B: Comments or Additional Information

---

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

### Part 3: Debt Outstanding, Issued, and Retired

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

#### Debt Schedule Table

Please complete the following debt schedule, if applicable.

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

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

\*Must agree to prior year-end balance

\*\*Subscription-Based Information Technology Arrangements

Comments (optional)

|             |                                                                                               |                                      |                                     |
|-------------|-----------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| <b>3-13</b> | Does the entity have any authorized but unissued debt as of its fiscal year-end?              | <input checked="" type="radio"/> Yes | <input type="radio"/> No            |
| <b>3-14</b> | If yes, how much?                                                                             | \$ 12,000,000                        |                                     |
| <b>3-15</b> | Date the debt was authorized                                                                  | 10/07/2024                           |                                     |
| <b>3-16</b> | Is the authorized but unissued debt further limited by the entity's most recent Service Plan? | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-17</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-18</b> | Date of the most recent Service Plan                                                          | 10/07/2024                           |                                     |
| <b>3-19</b> | Does the entity intend to issue debt within the next calendar year?                           | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-20</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-21</b> | Does the entity have debt that has been refinanced that it is still responsible for?          | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-22</b> | If yes, what is the amount outstanding?                                                       |                                      |                                     |
| <b>3-23</b> | Does the entity have any lease agreements?                                                    | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-24</b> | If yes, what is being leased?                                                                 |                                      |                                     |
|             |                                                                                               |                                      |                                     |
| <b>3-25</b> | What is the original date of the lease?                                                       |                                      |                                     |
| <b>3-26</b> | Number of years of lease?                                                                     |                                      |                                     |
| <b>3-27</b> | Is the lease subject to annual appropriation?                                                 | <input type="radio"/> Yes            | <input type="radio"/> No            |
| <b>3-28</b> | What are the annual lease payments?                                                           |                                      |                                     |

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

## Part 4: Cash and Investments

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

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

|      |                                                                                                                                   |                                      |                           |                          |
|------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------|--------------------------|
| 4-11 | Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?                                        | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes | <input type="radio"/> No |
| 4-12 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input type="radio"/> Yes            | <input type="radio"/> No  |                          |
| 4-13 | If no, MUST explain below.                                                                                                        |                                      |                           |                          |
|      | n/a                                                                                                                               |                                      |                           |                          |

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

## Part 5: Capital and Right-to-Use Assets

|            |                                                                                                             |                           |                                     |
|------------|-------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------|
| <b>5-1</b> | Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)                    | <input type="radio"/> Yes | <input checked="" type="radio"/> No |
| <b>5-2</b> | Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? | <input type="radio"/> Yes | <input type="radio"/> No            |
| <b>5-3</b> | If no, MUST explain below.                                                                                  |                           |                                     |
|            |                                                                                                             |                           |                                     |

### Capital and Right-to-Use Assets Table

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

\*Must agree to prior year-end balance

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

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

## Part 6: Pension Information

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

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

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## Part 7: Budget Information

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

### Appropriation Amount by Fund Table

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

| Line | Governmental/Proprietary Fund Name | Total |
|------|------------------------------------|-------|
| 7-5  | General Fund                       | \$ 0  |
| 7-6  |                                    |       |
| 7-7  |                                    |       |
| 7-8  |                                    |       |
| 7-9  |                                    |       |

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



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

|            |                                                                                                              |                                             |                          |
|------------|--------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|
| <b>8-1</b> | Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))? | <input checked="checked" type="radio"/> Yes | <input type="radio"/> No |
| <b>8-2</b> | If no, MUST explain below.                                                                                   |                                             |                          |
|            |                                                                                                              |                                             |                          |

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

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

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## Part 9: General Information

|      |                                                                                                                                                                                                                        |                                      |                                                    |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------|
| 9-1  | Is this application for a newly formed governmental entity?                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-2  | If yes, what was the date of formation                                                                                                                                                                                 |                                      |                                                    |
| 9-3  | Has the entity changed its name in the past or current year?                                                                                                                                                           | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-4  | If yes, please list the NEW name below.                                                                                                                                                                                |                                      |                                                    |
|      | Yellowstone Ridge Metropolitan District NOS. 1-4                                                                                                                                                                       |                                      |                                                    |
| 9-5  | If yes, please list the PRIOR name below.                                                                                                                                                                              |                                      |                                                    |
|      | Mallard Ridge Metropolitan District NOS. 1-4                                                                                                                                                                           |                                      |                                                    |
| 9-6  | Is the entity a metropolitan district?                                                                                                                                                                                 | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-7  | Please indicate what services the entity provides below.                                                                                                                                                               |                                      |                                                    |
|      | Streets, Water, Sewer, Storm Drainage, Open Space public improvements, facilities and services.                                                                                                                        |                                      |                                                    |
| 9-8  | Does the entity have an agreement with another government to provide services?                                                                                                                                         | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-9  | If yes, list the name of the other governmental entity and the services provided below.                                                                                                                                |                                      |                                                    |
|      | All services provided by Yellowstone Ridge Metropolitan District No. 1                                                                                                                                                 |                                      |                                                    |
| 9-10 | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.) | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-11 | If yes, what was the date filed                                                                                                                                                                                        |                                      |                                                    |
| 9-12 | Does the entity have a certified mill levy?                                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
|      | If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14.<br>(Do not report \$ amounts.)                                                                                     |                                      |                                                    |
| 9-13 | Bond redemption mills                                                                                                                                                                                                  | 0.000                                |                                                    |
| 9-14 | General/other mills                                                                                                                                                                                                    | 0.000                                |                                                    |
| 9-15 | <b>TOTAL MILLS</b><br>(Add lines 9-13 through 9-14)                                                                                                                                                                    | 0.000                                |                                                    |
| 9-16 | If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?                | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes <input type="radio"/> No |
| 9-17 | If no, please explain below.                                                                                                                                                                                           |                                      |                                                    |

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

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## Part 10: Governing Body Approval

|             |                                                                                                |                                             |                          |
|-------------|------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|
| <b>10-1</b> | If you plan to submit this form electronically, have you read the Electronic Signature Policy? | <input checked="checked" type="radio"/> Yes | <input type="radio"/> No |
|-------------|------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|

### Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

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

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

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

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

## Governing Body Signatures

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

|                                                                                                                                                          |                                                                                                                                            |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Board Member 1</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | JD Padilla                                                                                                                                 |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <br><small>JD Padilla (Mar 30, 2026 11:46:03 EDT)</small> | 03/30/2026 |
| <b>Board Member 2</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | Nicodernus Padilla                                                                                                                         |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <i>Nico Padilla</i>                                                                                                                        | 03/27/2026 |
| <b>Board Member 3</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 4</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 5</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 6</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 7</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |

## RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE **(name of government)** STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed \$1,000,000 may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

**[Choose 1 or 2 below, whichever is applicable]**

(1) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$200,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

**OR**

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$1,000,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), and independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended \_\_\_\_\_, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended \_\_\_\_\_, 20XX.

ADOPTED THIS \_\_\_\_ day of \_\_\_\_\_, A.D. 20XX.



# Application for Exemption From Audit Short Form

## Instructions

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

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

### Exemptions from audit are **NOT** automatic

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

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

### Read **ALL** instructions before completing and submitting this form

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

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

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

### Important!

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

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

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

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

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

Prior year forms are obsolete and will not be accepted.

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

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

## Checklist

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

-- or --

☐ If yes, have you included a resolution?

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

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

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

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

## Filing Methods

### Web Portal (recommended)

[apps.leg.co.gov/osa/lq](https://apps.leg.co.gov/osa/lq)

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

### Mail

#### Office of the State Auditor

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

Questions? Email: [osa.lg@coleg.gov](mailto:osa.lg@coleg.gov) Phone: 303-869-3000

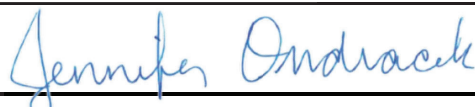
## Contact Information

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

|                    |                                              |
|--------------------|----------------------------------------------|
| Name of government | Yellowstone Ridge Metropolitan District No.4 |
| Street address     | 550 W Eisenhower Blvd                        |
| City, State, Zip   | Loveland, CO 80537                           |
| Contact person     | Jennifer Ondacek                             |
| Phone              | 970-669-3611                                 |
| Email              | JenniferO@pcgi.com                           |

## Certification of Preparer

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

|                                                                                     |                                           |
|-------------------------------------------------------------------------------------|-------------------------------------------|
| Name                                                                                | Jennifer Ondracek                         |
| Title                                                                               | District Accountant                       |
| Firm name (if applicable)                                                           | Pinnacle Consulting Group, Inc.           |
| Address                                                                             | 550 W Eisenhower Blvd, Loveland, CO 80537 |
| Phone                                                                               | 970-669-3611                              |
| Preparer signature                                                                  | Date prepared                             |
|  | 03/13/2026                                |

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

☒ Governmental (modified accrual basis)

☐ Proprietary (cash or budgetary basis)

## Part 1: Revenues

### Part 1A: Revenues Table

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

| Line | Description                                                                                               | Total (round to nearest dollar) |
|------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| 1-1  | Taxes: Property (report mills levied in line 9-12)                                                        | \$ 0                            |
| 1-2  | Specific ownership                                                                                        | \$ 0                            |
| 1-3  | Sales and use                                                                                             |                                 |
|      | Other (specify in line 1-4):                                                                              |                                 |
| 1-4  |                                                                                                           |                                 |
| 1-5  | Licenses and permits                                                                                      |                                 |
| 1-6  | Intergovernmental: Grants                                                                                 |                                 |
| 1-7  | Conservation Trust Funds (Lottery)                                                                        |                                 |
| 1-8  | Highway Users Tax Funds (HUTF)                                                                            |                                 |
|      | Other (specify in line 1-9):                                                                              |                                 |
| 1-9  |                                                                                                           |                                 |
| 1-10 | Charges for services                                                                                      |                                 |
| 1-11 | Fines and forfeits                                                                                        |                                 |
| 1-12 | Special assessments                                                                                       |                                 |
| 1-13 | Investment income                                                                                         |                                 |
| 1-14 | Charges for utility services                                                                              |                                 |
| 1-15 | Debt proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                  |                                 |
| 1-16 | Lease proceeds (should agree to Part 3, Debt Schedule Table, column 'issued during year')                 |                                 |
| 1-17 | Developer Advances received<br>(should agree to Part 3, Debt Schedule Table, column 'issued during year') |                                 |
| 1-18 | Proceeds from sale of capital assets                                                                      |                                 |
| 1-19 | Fire and police pension                                                                                   |                                 |
| 1-20 | Donations                                                                                                 |                                 |
|      | Other (specify in lines 1-21 through 1-24)                                                                |                                 |
| 1-21 |                                                                                                           |                                 |
| 1-22 |                                                                                                           |                                 |
| 1-23 |                                                                                                           |                                 |
| 1-24 |                                                                                                           |                                 |
| 1-25 | <b>TOTAL REVENUES</b><br>(add lines 1-1 through 1-24)                                                     | \$ 0                            |

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

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

**Part 1B: Comments or Additional Information**

---

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

## Part 2: Expenditures/Expenses

### Part 2A: Expenditures/Expenses Table

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

| Line | Description                                                                                                              | Total (round to nearest dollar) |
|------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 2-1  | Administrative                                                                                                           | \$ 0                            |
| 2-2  | Salaries                                                                                                                 |                                 |
| 2-3  | Payroll taxes                                                                                                            |                                 |
| 2-4  | Contract services                                                                                                        |                                 |
| 2-5  | Employee benefits                                                                                                        |                                 |
| 2-6  | Insurance                                                                                                                |                                 |
| 2-7  | Accounting and legal fees                                                                                                |                                 |
| 2-8  | Repair and maintenance                                                                                                   |                                 |
| 2-9  | Supplies                                                                                                                 |                                 |
| 2-10 | Utilities and telephone                                                                                                  |                                 |
| 2-11 | Fire/Police                                                                                                              |                                 |
| 2-12 | Streets and highways                                                                                                     |                                 |
| 2-13 | Public health                                                                                                            |                                 |
| 2-14 | Capital outlay                                                                                                           |                                 |
| 2-15 | Utility operations                                                                                                       |                                 |
| 2-16 | Culture and recreation                                                                                                   |                                 |
| 2-17 | Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')                               |                                 |
| 2-18 | Debt service interest                                                                                                    |                                 |
| 2-19 | Repayment of Developer Advances Principal<br>(should agree to Part 3, Debt Schedule Table, column 'Retired during year') |                                 |
| 2-20 | Repayment of Developer Advances Interest                                                                                 |                                 |
| 2-21 | Contribution to pension plan                                                                                             |                                 |
| 2-22 | Contribution to Fire & Police Pension Association                                                                        |                                 |
| 2-23 | Other (specify in lines 2-24 through 2-27)                                                                               |                                 |
| 2-24 |                                                                                                                          |                                 |
| 2-25 |                                                                                                                          |                                 |
| 2-26 |                                                                                                                          |                                 |
| 2-27 |                                                                                                                          |                                 |
| 2-28 | <b>TOTAL EXPENDITURES/EXPENSES</b><br>(Add lines 2-1 through 2-27)                                                       | \$ 0                            |

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

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

**Part 2B: Comments or Additional Information**

---

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

### Part 3: Debt Outstanding, Issued, and Retired

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

#### Debt Schedule Table

Please complete the following debt schedule, if applicable.

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

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

\*Must agree to prior year-end balance

\*\*Subscription-Based Information Technology Arrangements

Comments (optional)

|             |                                                                                               |                                      |                                     |
|-------------|-----------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| <b>3-13</b> | Does the entity have any authorized but unissued debt as of its fiscal year-end?              | <input checked="" type="radio"/> Yes | <input type="radio"/> No            |
| <b>3-14</b> | If yes, how much?                                                                             | \$ 12,000,000                        |                                     |
| <b>3-15</b> | Date the debt was authorized                                                                  | 10/07/2024                           |                                     |
| <b>3-16</b> | Is the authorized but unissued debt further limited by the entity's most recent Service Plan? | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-17</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-18</b> | Date of the most recent Service Plan                                                          | 10/07/2024                           |                                     |
| <b>3-19</b> | Does the entity intend to issue debt within the next calendar year?                           | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-20</b> | If yes, how much?                                                                             |                                      |                                     |
| <b>3-21</b> | Does the entity have debt that has been refinanced that it is still responsible for?          | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-22</b> | If yes, what is the amount outstanding?                                                       |                                      |                                     |
| <b>3-23</b> | Does the entity have any lease agreements?                                                    | <input type="radio"/> Yes            | <input checked="" type="radio"/> No |
| <b>3-24</b> | If yes, what is being leased?                                                                 |                                      |                                     |
|             |                                                                                               |                                      |                                     |
| <b>3-25</b> | What is the original date of the lease?                                                       |                                      |                                     |
| <b>3-26</b> | Number of years of lease?                                                                     |                                      |                                     |
| <b>3-27</b> | Is the lease subject to annual appropriation?                                                 | <input type="radio"/> Yes            | <input type="radio"/> No            |
| <b>3-28</b> | What are the annual lease payments?                                                           |                                      |                                     |

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

## Part 4: Cash and Investments

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

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

|      |                                                                                                                                   |                                      |                           |                          |
|------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------|--------------------------|
| 4-11 | Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?                                        | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes | <input type="radio"/> No |
| 4-12 | Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? | <input type="radio"/> Yes            | <input type="radio"/> No  |                          |
| 4-13 | If no, MUST explain below.                                                                                                        |                                      |                           |                          |
|      | n/a                                                                                                                               |                                      |                           |                          |

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

## Part 5: Capital and Right-to-Use Assets

|            |                                                                                                             |                           |                                     |
|------------|-------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------|
| <b>5-1</b> | Does the entity have capitalized assets? (If "no" is selected, skip the rest of Part 5.)                    | <input type="radio"/> Yes | <input checked="" type="radio"/> No |
| <b>5-2</b> | Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? | <input type="radio"/> Yes | <input type="radio"/> No            |
| <b>5-3</b> | If no, MUST explain below.                                                                                  |                           |                                     |
|            |                                                                                                             |                           |                                     |

### Capital and Right-to-Use Assets Table

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

\*Must agree to prior year-end balance

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

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



## Part 7: Budget Information

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

### Appropriation Amount by Fund Table

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

| Line | Governmental/Proprietary Fund Name | Total |
|------|------------------------------------|-------|
| 7-5  | General Fund                       | \$ 0  |
| 7-6  |                                    |       |
| 7-7  |                                    |       |
| 7-8  |                                    |       |
| 7-9  |                                    |       |

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

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

|     |                                                                                                              |                                             |                          |
|-----|--------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------|
| 8-1 | Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))? | <input checked="checked" type="radio"/> Yes | <input type="radio"/> No |
| 8-2 | If no, MUST explain below.                                                                                   |                                             |                          |
|     |                                                                                                              |                                             |                          |

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

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

|  |
|--|
|  |
|--|

## Part 9: General Information

|      |                                                                                                                                                                                                                        |                                      |                                                    |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------|
| 9-1  | Is this application for a newly formed governmental entity?                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-2  | If yes, what was the date of formation                                                                                                                                                                                 |                                      |                                                    |
| 9-3  | Has the entity changed its name in the past or current year?                                                                                                                                                           | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-4  | If yes, please list the NEW name below.                                                                                                                                                                                |                                      |                                                    |
|      | Yellowstone Ridge Metropolitan District NOS. 1-4                                                                                                                                                                       |                                      |                                                    |
| 9-5  | If yes, please list the PRIOR name below.                                                                                                                                                                              |                                      |                                                    |
|      | Mallard Ridge Metropolitan District NOS. 1-4                                                                                                                                                                           |                                      |                                                    |
| 9-6  | Is the entity a metropolitan district?                                                                                                                                                                                 | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-7  | Please indicate what services the entity provides below.                                                                                                                                                               |                                      |                                                    |
|      | Streets, Water, Sewer, Storm Drainage, Open Space public improvements, facilities and services.                                                                                                                        |                                      |                                                    |
| 9-8  | Does the entity have an agreement with another government to provide services?                                                                                                                                         | <input checked="" type="radio"/> Yes | <input type="radio"/> No                           |
| 9-9  | If yes, list the name of the other governmental entity and the services provided below.                                                                                                                                |                                      |                                                    |
|      | All services provided by Yellowstone Ridge Metropolitan District No. 1                                                                                                                                                 |                                      |                                                    |
| 9-10 | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.) | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
| 9-11 | If yes, what was the date filed                                                                                                                                                                                        |                                      |                                                    |
| 9-12 | Does the entity have a certified mill levy?                                                                                                                                                                            | <input type="radio"/> Yes            | <input checked="" type="radio"/> No                |
|      | If yes, please provide the following mills levied for the year reported in lines 9-13 through 9-14.<br>(Do not report \$ amounts.)                                                                                     |                                      |                                                    |
| 9-13 | Bond redemption mills                                                                                                                                                                                                  | 0.000                                |                                                    |
| 9-14 | General/other mills                                                                                                                                                                                                    | 0.000                                |                                                    |
| 9-15 | <b>TOTAL MILLS</b><br>(Add lines 9-13 through 9-14)                                                                                                                                                                    | 0.000                                |                                                    |
| 9-16 | If the entity is a Title 32 Special District formed after 7/1/2000, has the entity filed its preceding year annual report with the State Auditor as required under SB 21-262 (Section 32-1-207 C.R.S.)?                | <input checked="" type="radio"/> N/A | <input type="radio"/> Yes <input type="radio"/> No |
| 9-17 | If no, please explain below.                                                                                                                                                                                           |                                      |                                                    |

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

|  |
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|  |
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## Part 10: Governing Body Approval

10-1

If you plan to submit this form electronically, have you read the Electronic Signature Policy?

☒ Yes

☐ No

### Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

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

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

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

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

## Governing Body Signatures

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

|                                                                                                                                                          |                                                                                                                                            |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Board Member 1</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | JD Padilla                                                                                                                                 |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <br><small>JD Padilla (Mar 30, 2026 11:46:03 EDT)</small> | 03/30/2026 |
| <b>Board Member 2</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      | Nicodernus Padilla                                                                                                                         |            |
| My term expires on                                                                                                                                       | May 2027                                                                                                                                   |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          | <i>Nico Padilla</i>                                                                                                                        | 03/27/2026 |
| <b>Board Member 3</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 4</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 5</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 6</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |
| <b>Board Member 7</b>                                                                                                                                    |                                                                                                                                            |            |
| Board member's name                                                                                                                                      |                                                                                                                                            |            |
| My term expires on                                                                                                                                       |                                                                                                                                            |            |
| I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit. | Signature                                                                                                                                  | Date       |
|                                                                                                                                                          |                                                                                                                                            |            |

## RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE **(name of government)** STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed \$1,000,000 may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

**[Choose 1 or 2 below, whichever is applicable]**

(1) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$200,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

**OR**

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$1,000,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), and independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended \_\_\_\_\_, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended \_\_\_\_\_, 20XX.

ADOPTED THIS \_\_\_\_ day of \_\_\_\_\_, A.D. 20XX.



**EXHIBIT C**  
Certification of Compliance

## **CERTIFICATION OF COMPLIANCE**

By signature below, the undersigned, Secretary of the Boards of Directors of Yellowstone Ridge Metropolitan District Nos. 1-4 (collectively, the “Districts”), certifies that, to the best of their actual knowledge, the Districts are in compliance with all applicable provisions of the Service Plan. This Certification is provided in connection with the Districts’ Annual Report for the 2025 calendar year, as required under the Service Plan.

---

Nicodemus Padilla, Secretary

**EXHIBIT D**  
Agreements with the Developer

## FUNDING AND REIMBURSEMENT AGREEMENT (Operations and Maintenance)

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This **FUNDING AND REIMBURSEMENT AGREEMENT** (the “**Agreement**”) is made and entered into as of January 14, 2025, by and between YELLOWSTONE RIDGE METROPOLITAN DISTRICT NOS. 1-4, quasi-municipal corporations and political subdivisions of the State of Colorado (each individually referred to herein as a “**District**,” and collectively, the “**Districts**”), and 6037 Johnstown, LLC, a Colorado limited liability company (“**6037 Johnstown**”). The Districts and 6037 Johnstown are collectively referred to herein as the “**Parties**.”

### RECITALS

WHEREAS, the Districts are quasi-municipal corporations and political subdivisions of the State of Colorado, organized in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without their boundaries (collectively, the “**Public Infrastructure**”), as authorized and in accordance with the Service Plan for the Districts (the “**Service Plan**”); and

WHEREAS, the Districts have incurred and will incur costs in furtherance of the Districts’ permitted purposes, including, but not limited to, costs in the nature of general administrative (such as legal, engineering, architectural, surveying, management, accounting, auditing, and insurance), operating, and maintenance costs, and other costs necessary to continued good standing under applicable law (the “**Costs**”); and

WHEREAS, the Districts do not presently have financial resources to provide funding for payment of Costs that are projected to be incurred prior to the anticipated availability of funds; and

WHEREAS, 6037 Johnstown is willing to advance funds to the Districts, from time to time, on the condition that the Districts agree to repay such advances, in accordance with the terms set forth in this Agreement; and

WHEREAS, the Districts are willing to execute one or more reimbursement notes, bonds, or other instruments (“**Reimbursement Obligations**”), which may be multiple fiscal year obligations that are not subject to annual appropriation, in an aggregate principal amount not to exceed the Maximum Loan Amount (as defined below) and accrued interest, to be issued to or at the direction of 6037 Johnstown upon its request, subject to the terms and conditions of this Agreement, to further evidence the Districts’ obligation to repay the funds advanced hereunder; and

WHEREAS, the Districts anticipate repaying moneys advanced by 6037 Johnstown hereunder, including as evidenced by any requested Reimbursement Obligations, with funds available from ad valorem taxes, fees, or other legally available revenues of the Districts determined to be available therefor; and

WHEREAS, the Districts and 6037 Johnstown desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between them relating to amounts to be advanced by 6037 Johnstown to the Districts in order for the Districts to be able to pay the Costs, and the repayment by the Districts of such amounts; and

WHEREAS, the Boards of Directors of the Districts (referred to herein collectively as the “**Boards**”) have determined that the best interests of the Districts and their property owners and taxpayers will be served by entering into this Agreement in order to allow the Districts to meet their obligations to pay for Costs; and

WHEREAS, the Parties have authorized their officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Districts and 6037 Johnstown agree as follows:

### COVENANTS AND AGREEMENTS

1. Advance Amount and Term. 6037 Johnstown agrees to advance to the Districts one or more sums of money not to exceed the aggregate of \$150,000 per annum (the “**Annual Loan Cap**”) for two years, up to \$200,000 (as the same may be subsequently increased as set forth below, or by agreement of the Parties and execution of a supplement or addendum to this Agreement) (the “**Maximum Loan Amount**”). These funds shall be advanced to the Districts in one or a series of installments and shall be available to the Districts through December 31, 2027 (the “**Loan Obligation Termination Date**”). Thereafter, the Loan Obligation Termination Date will automatically extend for additional one (1) year terms unless 6037 Johnstown provides written notice to the Districts of termination at least thirty (30) days prior to December 31<sup>st</sup> of each year. Upon each automatic one (1) year extension of the Loan Obligation Termination Date, 6037 Johnstown agrees to advance the Districts one or more sums of money up to the Annual Loan Cap, and the Maximum Loan Amount shall be automatically increased upon each one (1) year extension by the Annual Loan Cap.

2. Prior Costs Incurred. The Parties agree and acknowledge that 6037 Johnstown has incurred or been assigned Costs on behalf of the Districts prior to the execution of this Agreement in anticipation that the same would be reimbursed as provided in this Agreement (the “**Prior Costs**”). A summary of the Prior Costs is attached hereto as **Exhibit A** and incorporated herein. Interest on the Prior Costs shall begin accruing as of the date of this Agreement. Reimbursement for Prior Costs shall be made in accordance with, and subject to the terms and conditions of, this Agreement governing the reimbursement for Costs, except that any Prior Costs reimbursed in accordance with this Agreement shall not be included in the calculation of the Maximum Loan Amount under Section 1 of this Agreement.

3. Use of Funds. The Districts agree that they shall apply all funds advanced by 6037 Johnstown under this Agreement solely to Costs of the Districts as set forth from time to time in the annual adopted budget for the Districts, and pursuant to any contracts entered into with third parties to perform functions for the Districts under such adopted budget. It is understood that the

Districts have budgeted or will budget as revenue from year to year the entire aggregate amount which may be borrowed hereunder to enable the Districts to appropriate revenues to pay the Costs included within the Districts' annual budget. 6037 Johnstown shall be entitled to a quarterly accounting of the expenditures made by the Districts, upon request, and otherwise may request specific information concerning such expenditures at reasonable times and upon reasonable notice to the Districts.

4. Manner for Requesting Advances.

a. The Districts shall from time to time determine the amount of revenue required to fund budgeted expenditures by the Districts, but such determination shall be made not more often than monthly. Each determination shall be made based upon the expenditures contained in the adopted budget for the Districts, the rate of expenditures estimated for the next succeeding month, and such other factors as the Districts may consider relevant to the projection of future financial needs. Not less than fifteen (15) days before the beginning of each month, the Districts shall notify 6037 Johnstown of the requested advance for the next month, and, subject to the Annual Loan Cap, 6037 Johnstown shall deposit such advance with the Districts on or before the beginning of that month. The Parties may vary from this schedule upon mutual agreement.

b. Upon receipt of advances hereunder, the Districts shall keep a record of such advances made. Failure to record such advances shall not affect inclusion of such amounts as reimbursable pursuant to this Agreement; provided that such advances are substantiated by the Districts' accountant. 6037 Johnstown may provide any relevant documentation evidencing such unrecorded advance to assist in the Districts' final determination.

5. Obligations Irrevocable. The obligations of 6037 Johnstown created by this Agreement are absolute, irrevocable, unconditional, and are not subject to setoff or counterclaim. 6037 Johnstown shall not take any action which would delay or impair the Districts' ability to receive the funds contemplated herein with sufficient time to properly pay approved invoices and/or notices of payment due.

6. Interest Prior to Issuance of Reimbursement Obligations. With respect Advances made under this Agreement prior to the earlier of payment in full thereof, or the issuance of any Reimbursement Obligation reflecting such Advances, interest shall accrue on such amounts, as simple interest with no compounding at the rate of the MMD Interest Rate. Repayments of such advances will apply first to accrued and unpaid interest and second to principal. Upon issuance of a Reimbursement Obligation, unless otherwise consented to by 6037 Johnstown, any interest then accrued on any previously advanced amount shall be added to the amount of the loan advance and reflected as principal of the Reimbursement Obligation, and shall thereafter accrue interest as provided in such Reimbursement Obligation.

7. Terms of Repayment; Source of Revenues.

a. Any funds advanced under this Agreement shall be repaid in accordance with the terms of this Agreement. The Districts intend to repay any advances made under this Agreement to the extent that funds are available from ad valorem taxes, fees, or other legally available revenues of the Districts, net of any debt service obligations or annual operations and

maintenance costs of the Districts. Any mill levy certified by the Districts for the purpose of repaying advances made hereunder shall be subject to any restrictions provided in the Districts' Service Plan, outstanding debt instruments, electoral authorization, or any applicable laws. Any payments made by the Districts shall be credited first, to any interest then due and payable under this Agreement, and second, to the outstanding principal balance of amounts advanced to the Districts.

b. The provision for repayment of advances, as set forth in Section 7(a) hereof, shall be at all times subject to annual appropriation by the Districts. To the extent required by Article X, Section 20 of the Colorado Constitution, the Districts' failure to appropriate funds in any given fiscal year will not be deemed or construed to constitute a default by the Districts under this Section 7(b). The Districts' failure to appropriate funds in any given fiscal year will not be deemed or construed to effect a discharge of the Districts' obligation to pay in any subsequent fiscal year, and interest will continue to accrue on any unpaid principal as provided in Section 6 above.

c. At such time as the Districts issue Reimbursement Obligations to evidence an obligation to repay advances made under this Agreement, the repayment terms of such Reimbursement Obligations shall control and supersede any otherwise applicable provision of this Agreement, except for the Maximum Reimbursement Obligation Repayment Term (as defined below). Such Reimbursement Obligations may be issued as multi-fiscal-year financial obligations, not subject to annual appropriation.

#### 8. Issuance of Reimbursement Obligations.

a. Subject to any limitations or restrictions contained in any loan or bond documents or other multi-fiscal-year instruments, and the conditions of this Section 8 and Section 9 hereof, upon request of 6037 Johnstown, the Districts hereby agree to issue to or at the direction of 6037 Johnstown one or more Reimbursement Obligations to evidence any repayment obligation of the Districts then existing with respect to advances made, and interest accrued, under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, ad valorem property tax revenues of the Districts, and shall be secured by the Districts' pledge to apply such revenues as required thereunder, unless otherwise consented to by 6037 Johnstown. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth in the Maximum Reimbursement Obligation Repayment Term defined herein, and bear interest at a market rate to be determined at the time of issuance of such Reimbursement Obligations, subject to compliance with the provisions of Section 32-1-1101(7), C.R.S.

b. The term for repayment of any Reimbursement Obligations issued under this Agreement shall not extend beyond twenty (20) years from the date of this Agreement (the "**Maximum Reimbursement Obligation Repayment Term**").

c. The issuance of any Reimbursement Obligations shall be subject to the availability of an exemption from the registration requirements of §11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be

necessary to claim such exemption, in accordance with §11-59-110, C.R.S., and any regulations promulgated thereunder.

d. In connection with the issuance of any such Reimbursement Obligations, the Districts shall make such filings as it may deem necessary to comply with the provisions of §32-1-1604, C.R.S., as amended.

e. The terms of this Agreement may be used to construe the intent of the Parties in connection with issuance of any Reimbursement Obligations, and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Reimbursement Obligations, the terms of such Reimbursement Obligations shall prevail.

f. If, for any reason, any Reimbursement Obligations are determined to be invalid or unenforceable, the Districts shall issue new Reimbursement Obligations that are legally enforceable, subject to the provisions of this Section 8.

g. In the event that it is determined that payments of all or any portion of interest on any Reimbursement Obligations may be excluded from gross income of the holder thereof for federal income tax purposes upon compliance with certain procedural requirements and restrictions that are not inconsistent with the intended uses of funds contemplated herein and are not overly burdensome to the Districts, the Districts agree, upon request of 6037 Johnstown, to take all action reasonably necessary to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

9. No Debt. It is hereby agreed and acknowledged that this Agreement evidences the Districts' good faith intent to repay 6037 Johnstown for advances made in accordance with the terms of this Agreement. However, this Agreement shall not constitute a debt or indebtedness by the Districts within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple-fiscal-year financial obligation. Further, the provision for repayment of advances made, as set forth in Section 7 hereof, and the agreement to issue Reimbursement Obligations as set forth in Section 8 hereof, shall be at all times subject to annual appropriation by the Districts, in its absolute discretion. 6037 Johnstown expressly understands and agrees that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Districts' Boards and shall not constitute a mandatory charge, requirement, or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, 6037 Johnstown agrees and consents to all of the limitations with respect to the payment of the principal and interest due under this Agreement, and as may be limited by the Districts' Service Plan.

10. Termination.

a. 6037 Johnstown's obligations to advance funds to the Districts in accordance with this Agreement shall terminate on December 31, 2027 (subject to the extension terms above), except to the extent advance requests have been made to 6037 Johnstown that are

pending by this termination date, in which case said pending request(s) will be honored notwithstanding the passage of the termination date.

b. The Districts' obligations under this Agreement shall terminate at the earlier of the repayment in full of the Maximum Loan Amount (or such lesser amount advanced hereunder if it is determined by the Districts that no further advances shall be required hereunder) and accrued interest or twenty (20) years from the execution date hereof. After twenty (20) years from the execution of this Agreement, the Parties hereby agree and acknowledge that any obligation created by this Agreement which remains due and outstanding under this Agreement, including accrued interest, is forgiven in its entirety, generally and unconditionally released, waived, acquitted, and forever discharged, and shall be deemed a contribution to the Districts by 6037 Johnstown, and there shall be no further obligation of the Districts to pay or reimburse 6037 Johnstown with respect to such amounts. For the avoidance of any doubt, Reimbursement Obligations are not considered "due and outstanding" under this Agreement, but are payable in accordance with their terms.

c. Notwithstanding any provision in this Agreement to the contrary, the Districts' obligation to reimburse 6037 Johnstown for any and all funds advanced or otherwise payable to 6037 Johnstown under and pursuant to this Agreement (whether 6037 Johnstown has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) 6037 Johnstown's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by 6037 Johnstown dissolving 6037 Johnstown as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership, or similar process or actions with regard to 6037 Johnstown (whether voluntary or involuntary). The termination of the Districts' reimbursement obligation as set forth in this section shall be absolute and binding upon 6037 Johnstown, its successors, and assigns. 6037 Johnstown, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the Districts relating to or arising out of the Districts' reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

11. Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or otherwise determined for the performance of any required act under this Agreement falls on a Saturday, Sunday, or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

12. Notices and Place for Payments. All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent by: (a) first class, registered or certified mail, postage prepaid, return receipt requested; (b) nationally recognized overnight carrier, addressed to the address of the intended recipient set forth below or such other address as either party may designate by notice pursuant to this Section 12; or (c) sent by confirmed facsimile transmission, PDF, or email. Notices shall be deemed given either one (1) business day after delivery BY the overnight carrier, three (3) days after being mailed as provided in clause (a) above, or upon confirmed delivery as provided in clause (c) above.

Districts: Yellowstone Ridge Metropolitan District Nos. 1-4

c/o Pinnacle Consulting Group, Inc.  
550 W. Eisenhower Blvd.  
Loveland, Colorado 80537  
Attention: Sarah Bromley  
(970) 669-3611 (phone)  
[sarahbromley@pcgi.com](mailto:sarahbromley@pcgi.com)

With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Attention: Robert G. Rogers, Esq.  
(303) 858-1800 (phone)  
(303) 858-1801 (fax)  
[rrogers@wbapc.com](mailto:rrogers@wbapc.com)

6037 Johnstown: 6037 Johnstown, LLC  
351 Linden St., Unit 160  
Fort Collins, Colorado 80524  
Attention: JD Padilla  
(970) 407-7808 (phone)  
[jd@postmoderndevelopment.com](mailto:jd@postmoderndevelopment.com)

13. Amendments. This Agreement may only be amended or modified by a writing executed by the Parties.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

15. Applicable Laws. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the Districts are located.

16. Assignment. In no event shall either party assign, transfer, or convey all or any portion of its rights or obligations under this Agreement. Any purported assignment, transfer, or conveyance is void.

17. Authority. By execution hereof, the Parties represent and warrant that their respective representatives signing hereunder have full power and authority to execute this Agreement and to bind the respective party to the terms hereof.

18. Entire Agreement. This Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date of full execution hereof.

19. Legal Existence. The Districts will maintain their legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of the Districts without materially adversely affecting 6037 Johnstown's privileges and rights under this Agreement.

20. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Districts, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the Districts and, in particular, governmental immunity afforded or available to the Districts, pursuant to the Colorado Governmental Immunity Act, §§24-10-101, *et seq.*, C.R.S.

21. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

22. Parties Interested Herein/No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any other third parties. It is the express intention of the Parties that any person other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

23. Electronic Storage and Execution. The Parties agree that the transactions described in this Agreement may be conducted, and related documents may be signed and stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law. Any electronic signature affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

24. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto,

and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

***[Signature Page Follows]***

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICTS:**

**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NO. 1-4**, quasi-municipal corporations and political subdivisions of the State of Colorado

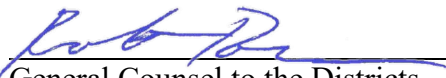
By:   
JD Padilla (Jan 21, 2025 09:54 EST)  
Officer of the Districts

Attest:

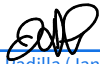
By: Nico Padilla  
Nico Padilla (Jan 17, 2025 14:14 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
General Counsel to the Districts

**6037 JOHNSTOWN, LLC**, a Colorado limited liability company

  
JD Padilla (Jan 21, 2025 09:54 EST)

JD Padilla  
Printed Name  
President  
Title

*[Signature page to Funding and Reimbursement Agreement]*

**EXHIBIT A**  
**PRIOR COSTS**

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**INFRASTRUCTURE ACQUISITION**

**AND**

**REIMBURSEMENT AGREEMENT**

***BETWEEN***

**YELLOWSTONE RIDGE METROPOLITAN DISTRICT NOS. 1-4**

***AND***

**6037 JOHNSTOWN, LLC**

**DATED JANUARY 14, 2025**

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## EXHIBITS

EXHIBIT A – Application for Acceptance of District Eligible Costs  
Dedicated Public Infrastructure

EXHIBIT B – Application for Acceptance of District Eligible Costs  
District Public Infrastructure

EXHIBIT C – Application for Acceptance of District Eligible Costs  
Capital Services Costs

## INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT

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This INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made and entered into as of the 14th day of January, 2025, by and between YELLOWSTONE RIDGE METROPOLITAN DISTRICT NOS. 1-4, quasi-municipal corporations and political subdivisions of the State of Colorado (each individually referred to herein as a “**District**,” and collectively, the “**Districts**”), and 6037 Johnstown, LLC, a Colorado limited liability company (“**6037 Johnstown**”).

### RECITALS

A. The Districts were organized to provide Public Infrastructure for the Project as authorized in the Special District Act and the Service Plan for the Districts.

B. In accordance with the Special District Act and the Service Plan, the Districts have the power to manage, control, and supervise the affairs of the Districts, including the acquisition, financing, construction, and installation of Public Infrastructure.

C. 6037 Johnstown has incurred or may in the future incur District Eligible Costs, which may consist of Eligible Public Infrastructure Costs, Eligible Capital Service Costs, or both.

D. The Parties desire to establish the terms and conditions for the reimbursement of District Eligible Costs that become Certified District Eligible Costs, and to provide for the conveyance of Public Infrastructure consisting of District Public Infrastructure to the Districts.

E. The Districts do not intend to direct the design or construction of any Public Infrastructure by way of this Agreement.

F. The Parties do not intend hereby to enter into a public works contract as defined in § 24-91-103.5(1)(b), C.R.S.

G. The Parties do not intend hereby to enter into a contract for work or materials in accordance with § 32-1-1001(1)(d)(I), C.R.S.

H. Pursuant to § 32-1-1001(1)(d)(I), C.R.S., the Districts are permitted to enter into contracts and agreements affecting the affairs of the Districts, and the Boards have determined that the best interests of the Districts, property owners within the Districts, and the public, are served by entering into this Agreement, and this Agreement is in furtherance of the purposes for which the Districts were established.

I. The Parties have authorized their respective officers or representatives to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, the Parties agree as follows:

## COVENANTS AND AGREEMENTS

### ARTICLE 1

#### PURPOSE OF AGREEMENT

1.1 **Purpose of Agreement.** This Agreement establishes the terms and conditions for the reimbursement of Certified District Eligible Costs by the Districts, and the terms and conditions for the acquisition of District Public Infrastructure.

### ARTICLE 2

#### DEFINITIONS

2.1 **Definitions.** In this Agreement, unless a different meaning clearly appears from the context, capitalized terms mean:

**Accountant's Cost Certification:** A written certification issued by the District Accountant following review of an Engineer's Cost Certification, invoices, and other material presented to substantiate Eligible Public Infrastructure Costs, in form and substance reasonably acceptable to the Districts, declaring the total amount of Eligible Public Infrastructure Costs proposed for reimbursement.

**Accountant's Services Cost Certification:** A written certification issued by the District Accountant following review of invoices, and other material presented to substantiate the Eligible Capital Services Costs, in form and substance reasonably acceptable to the Districts, declaring the total amount of Eligible Capital Services Costs proposed for reimbursement.

**Agreement:** This Infrastructure Acquisition and Reimbursement Agreement between the Parties dated January 14, 2025.

**Application for Acceptance of District Eligible Costs/Application:** An application by 6037 Johnstown for reimbursement of Eligible Public Infrastructure Costs or Eligible Capital Services Costs, in the form attached to this Agreement as Exhibits A, B, and C.

**Application Review Procedures:** Those requirements set forth in Article III hereof by which an Application for Acceptance of District Eligible Costs is evaluated for sufficiency as a condition to adoption of a District Acceptance Resolution.

**Boards:** The duly elected and/or appointed Boards of Directors of the Districts.

**Bonds:** Bonds, notes, or other multiple fiscal year financial obligations issued by the Districts with respect to which proceeds are available for the payment of Certified District Eligible Costs.

**Certified District Eligible Costs:** District Eligible Costs that have been accepted by the Districts through adoption of a District Acceptance Resolution.

**Component Unit(s):** portions of Public Infrastructure that are substantially complete and fit for their intended purposes, whether or not yet placed in service.

**Construction Drawings:** Drawings prepared by a licensed and registered engineer and approved by the applicable governmental entity, by which Public Infrastructure has been built.

**Dedicated Public Infrastructure:** Public Infrastructure that is to be dedicated to another governmental entity for public use.

**Design Engineer's Certification:** A certification in form and substance reasonably acceptable to the Districts from an engineer or other appropriate design professional, licensed in Colorado and approved by the Districts, stating that 1) the Public Infrastructure, or applicable Component Unit thereof, has been inspected for compliance with approved designs, plans and construction standards, and, if applicable, Construction Drawings; 2) that the Public Infrastructure, or applicable Component Unit thereof, has been substantially constructed in accordance with the approved designs, plans and construction standards, and, if applicable, Construction Drawings; and 3) the Public Infrastructure is fit for its intended purpose.

**District Acceptance Resolution:** A resolution adopted by the Boards of the Districts following satisfactory completion of the Application Review Procedures.

**District Accountant:** An accountant licensed to practice in the State of Colorado that has been engaged by the Districts.

**District Eligible Costs:** Collectively, the Eligible Public Infrastructure Costs and the Eligible Capital Services Costs.

**District Engineer:** An engineer licensed to practice in the State of Colorado that has been engaged by the Districts.

**District Public Infrastructure:** Public Infrastructure that is intended to be owned and operated by the Districts.

**District Inspection Report:** A report issued by the District Engineer following an Inspection in connection with District Public Infrastructure, addressing those matters set forth Section 3.3 hereof.

**Districts:** Yellowstone Ridge Metropolitan District Nos. 1-4.

**Eligible Public Infrastructure Costs:** Costs related to the acquisition, financing, planning, design, construction, and installation of Public Infrastructure that may be lawfully

funded by the Districts under the Special District Act and the Service Plan, and which may represent Dedicated Public Infrastructure and/or District Public Infrastructure.

**Eligible Capital Services Costs:** Costs of certain services and/or work directly related to the ability of the Districts to provide and/or the provision of Public Infrastructure, including but not limited to: district organizational costs, engineering, architectural, surveying, construction planning, and related legal, accounting, and other professional services.

**Engineer's Cost Certification:** A written report certifying that, in the opinion of the District Engineer, the cost of the Public Infrastructure is reasonable considering the type of Public Infrastructure being reviewed.

**Inspection:** With respect to District Public Infrastructure, an inspection conducted by the District Engineer and 6037 Johnstown to ascertain the completion of such Public Infrastructure and/or whether corrective work is required prior to acceptance by the Districts.

**Maximum Repayment Term:** Shall mean, with respect to any and all costs accepted by an Acceptance Resolution and not otherwise the subject of a Reimbursement Obligation, twenty (20) years from the date of each such Acceptance Resolution, or such lesser period as may be established in the Service Plan.

**MMD AAA Index:** The Municipal Market Data "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv at [www.tm3.com](http://www.tm3.com), or successor index if replaced.

**MMD Interest Rate:** The interest rate based on the MMD AAA Index plus 400 basis points.

**Notices:** Shall mean those forms of notice authorized by Section 7.5 hereof.

**Party or Parties:** Party refers to the Districts or 6037 Johnstown, individually; Parties refers to the Districts and 6037 Johnstown, collectively.

**Project:** The proposed development described generally in the Service Plan, for which the Districts are authorized to furnish Public Infrastructure.

**Public Infrastructure:** The improvements and associated services authorized under the Service Plan and the Special District Act, whether to be dedicated to another governmental entity or to be acquired by the Districts, and which may include Dedicated Public Infrastructure, District Public Infrastructure and/or Component Units.

**Reimbursement Obligation/s:** One or more notes, bonds, or other multiple fiscal year financial obligations issued at the request of 6037 Johnstown in the amount of Certified District Eligible Costs as approved from time to time.

**Service Plan:** The Service Plan for the Districts as approved by the Town of Johnstown on October 9, 2024.

**Special District Act:** Part 1 of Article of Title 32, Colorado Revised Statutes, as amended from time to time.

**Third-Party Accounting Firm:** An accounting firm mutually selected by the Parties to perform certain functions as set forth in Sections 3.2.b and 3.3 hereof.

**Third-Party Engineering Firm:** An engineering firm mutually selected by the Parties to perform certain functions as set forth in Section 3.2.a hereof.

### ARTICLE 3

#### APPLICATION FOR ACCEPTANCE/REVIEW PROCEDURES

3.1. **Application for Acceptance of District Eligible Costs.** 6037 Johnstown will initiate a request for the Districts' acceptance of District Eligible Costs by submitting the following, as applicable:

a. For Dedicated Public Infrastructure, a completed "Application for Acceptance of District Eligible Costs - Dedicated Public Infrastructure" attached hereto as **Exhibit A** and incorporated herein by this reference.

b. For District Public Infrastructure, a completed "Application for Acceptance of District Eligible Costs - District Public Infrastructure" attached hereto as **Exhibit B** and incorporated herein by this reference.

c. For Eligible Capital Services Costs, a completed "Application for Acceptance of District Eligible Costs - Capital Services Costs" attached hereto as **Exhibit C** and incorporated herein by this reference.

d. Notwithstanding the provisions of Section 3.1.a., no Application for Acceptance of District Eligible Costs – Dedicated Public Infrastructure may be submitted to the extent such Application includes costs for Dedicated Public Infrastructure that has not received conditional acceptance from the applicable governmental entity, unless a) the Districts have Bond proceeds available to fund the full amount to be requested, and b) the Districts agree to accept such Application. In such event, the provisions of Section 3.3 regarding the conduct of an inspection and issuance of an Inspection Report shall apply.

3.2. **Common Application Review Procedures - Eligible Public Infrastructure Costs.** Following receipt of a complete Application for Acceptance of District Eligible Costs as provided in Section 3.1 (a) or (b) above, the Districts shall promptly direct the following to occur:

a. The Districts shall direct the District Engineer to review the Application for Acceptance of District Eligible Costs to substantiate the District Eligible Costs associated with the Public Infrastructure proposed for reimbursement for the purpose of issuing an Engineer's Cost Certification. Such Engineer's Cost Certification shall be issued promptly

upon completion of the Engineer's review. 6037 Johnstown may dispute the conclusions set forth in the Engineer's Cost Certification, and the Parties shall attempt to resolve any such disputes in good faith, within 30 days of issuance thereof. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Engineer's Cost Certification, the Parties shall submit the dispute to a Third-Party Engineering Firm, whose findings shall be binding on the Parties. The fees and expenses of the Third-Party Engineering Firm shall be split equally between the Parties, unless otherwise agreed.

b. Upon receipt of the Engineer's Cost Certification, the Districts shall direct the District Accountant to review the Engineer's Cost Certification and Application for Acceptance of District Eligible Costs and issue an Accountant's Cost Certification. 6037 Johnstown may dispute the conclusions set forth in the Accountant's Cost Certification, and the Parties shall attempt to resolve any such dispute in good faith. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Accountant's Cost Certification, the Parties shall submit the dispute to a Third-Party Accounting Firm, whose findings shall be binding on the Parties. The fees and expenses of the Third-Party Accounting Firm shall be split equally between the Parties.

3.3. **Additional Application Review Procedures - District Public Infrastructure.** In addition to the requirements set forth in Section 3.2, upon receipt of an Application for Acceptance of District Eligible Costs – District Public Infrastructure, the Districts shall promptly direct the following to occur:

a. The District Engineer, or other appropriate consultant engaged by the Districts according to the nature of the work being inspected, and 6037 Johnstown, or its representative, shall jointly conduct an Inspection of the Public Infrastructure within 30 days of the submission of a complete Application for Acceptance of District Eligible Costs – District Public Infrastructure;

b. Within 14 days after the Inspection, the District Engineer shall issue a District Inspection Report that addresses the following:

i. whether the Public Infrastructure has been constructed in substantial accordance with the Construction Drawings;

ii. whether the Public Infrastructure is fit for its intended purpose; and

iii. whether any corrective work is necessary before declaring satisfaction of subsections (i) and (ii) hereof, in which case the District Inspection Report will include a punch list of such items.

c. If the District Inspection Report identifies any necessary corrective work, 6037 Johnstown shall be responsible for correcting such work listed on the punch list to the reasonable satisfaction of the Districts. The Parties shall mutually agree on a date by which such corrective work must be completed, failing which the Application shall be deemed terminated. In such event, 6037 Johnstown may submit a new Application to initiate the acceptance process anew. Within 30 days after the corrective work has been completed, the Engineer and 6037 Johnstown shall jointly inspect the Public Infrastructure

that was found to be defective, and upon a determination by the Districts that the corrective work is satisfactory, the District Engineer shall issue a new District Inspection Report for such Public Infrastructure.

d. The Districts and 6037 Johnstown agree and acknowledge that, in the event that the District Engineer determines that the District Public Infrastructure, was completed in a manner that makes direct inspection of such District Public Infrastructure by the District Engineer (and issuance of the District Inspection Report) impossible or infeasible, then 6037 Johnstown shall be required to obtain a Design Engineer's Certification to be issued to the Districts as a condition to acceptance.

3.4. **Application Review Procedures - Eligible Capital Services Costs.** Upon receipt of an Application for Acceptance of District Eligible Costs – Capital Services Costs using the form attached hereto as Exhibit C, the Districts shall promptly direct the District Accountant to review the invoices and other material presented to substantiate the District Eligible Costs and to issue an Accountant's Services Cost Certification. 6037 Johnstown shall have a reasonable opportunity to dispute the conclusions set forth in the Accountant's Services Cost Certification, and the Parties shall attempt to resolve any such dispute in good faith. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Accountant's Services Cost Certification, the Parties shall submit the dispute to a Third-Party Accounting Firm, whose findings shall be binding on the Parties. In such event, the fees and expenses of the Third-Party Accounting Firm shall be split equally between the Parties.

3.5 **Documentary Requirements in Exhibit Schedules.** 6037 Johnstown acknowledges that the Exhibits contain additional documentary requirements that must be met, unless modified or waived by the Districts, as a condition to the adoption of any District Acceptance Resolution and agrees to satisfy same.

## ARTICLE 4

### DISTRICT ACCEPTANCE

4.1. **District Acceptance Resolution.** The Parties agree that no reimbursement shall be required under this Agreement unless and until the Districts have adopted a District Acceptance Resolution. Upon completion of the applicable Application Review Procedures described in Article III hereof, the Districts shall accept the District Eligible Costs and (if applicable) acquisition of the District Public Infrastructure within a reasonable time thereafter, not to exceed 60 days. Such acceptance shall be evidenced by the Districts adopting a District Acceptance Resolution and thereupon the District Eligible Costs so accepted shall become Certified District Eligible Costs. The District Acceptance Resolution shall declare the satisfaction of the requirements of this Agreement, subject to any waivers or modifications of specific requirements

as the Districts may, in their sole discretion, approve. The District Acceptance Resolution shall also address the means by which reimbursement is to occur, as contemplated in Section 5.1 hereof.

4.2 **Reimbursement Subject to Availability of Funds.** The obligation of the Districts to reimburse 6037 Johnstown following adoption of an Acceptance Resolution shall be subject to availability of funds, and as otherwise provided in Section 5.1 hereof.

## ARTICLE 5

### PAYMENT OF CERTIFIED DISTRICT ELIGIBLE COSTS

5.1. **Payment of Certified District Eligible Costs.** In connection with the adoption of a District Acceptance Resolution and satisfaction of any conditions to reimbursement as may be set forth therein, the Districts shall tender to 6037 Johnstown, or any other entity as directed by 6037 Johnstown, the amount of the Certified District Eligible Costs from the sources identified below in the following order of priority (unless otherwise agreed to by 6037 Johnstown):

a. First, from the proceeds of Bonds (whether available at the time of adoption of a District Acceptance Resolution or at any time thereafter), in which case, within three (3) business days of adoption of a District Acceptance Resolution, the Districts shall make a requisition in the amount of the Certified District Eligible Costs from any project fund held by the bond trustee (or such lesser amount as may then be available in the project fund), which requisition shall direct that the bond trustee make payment of the applicable amount directly to 6037 Johnstown. To the extent Bond proceeds are not available within three (3) business days of adoption of a District Acceptance Resolution, but subsequently become available upon a future Bond issuance, payment of Certified District Eligible Costs shall be made at closing, with such funds being issued directly to 6037 Johnstown.

b. Second, from such funds as the Districts determine, in their sole and absolute discretion, to be available; and/or

c. Third, through the issuance of one or more Reimbursement Obligations.

5.2 **Limitation on Payment Source for Dedicated Improvements Not Conditionally Accepted.** Notwithstanding the foregoing, and subject to the provisions of 3.1.d hereof, reimbursement for Dedicated Public Infrastructure in advance of conditional acceptance by the applicable governmental entity shall be limited to proceeds from the issuance of Bonds available at the time of adoption of an Acceptance Resolution with respect to such Public Infrastructure.

5.3. **Interest Prior to Issuance of Reimbursement Obligations.** With respect to Certified District Eligible Costs recognized prior to the issuance of any Reimbursement Obligation, simple interest with no compounding shall accrue on unpaid Certified District Eligible Costs at the MMD Interest Rate.

Such interest shall accrue from the date of adoption of such District Acceptance Resolution to the earlier of the date Reimbursement Obligation is issued to evidence the Certified District Eligible Costs, or the date of repayment in full of the applicable Certified District Eligible Costs.

5.4. **Issuance of Reimbursement Obligations.** Subject to any limitations or restrictions contained in any loan or bond documents or other multi-fiscal-year instruments, the Service Plan, the Districts' electoral authorization, and the conditions of this Section 5.4, upon request of 6037 Johnstown, the Districts hereby agree to issue to or at the direction of 6037 Johnstown one or more Reimbursement Obligations to evidence any repayment obligation of the Districts then existing with respect to Certified District Eligible Costs, and interest accrued, under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, *ad valorem* property tax revenues of the Districts, and shall be secured by the Districts' pledge to apply such revenues as required thereunder, unless otherwise consented to by 6037 Johnstown. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth herein, and bear interest at a market rate, to be determined at the time of issuance of such Reimbursement Obligations, subject to compliance with the provisions of Section 32-1-1101(7), C.R.S.

a. The issuance of any Reimbursement Obligations shall be subject to the availability of an exemption (if required) from the registration requirements of § 11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be necessary to claim such exemption, in accordance with § 11-59-110, C.R.S., and any regulations promulgated thereunder.

b. In connection with the issuance of any such Reimbursement Obligation, the Districts shall make such filings as it may be deemed necessary to comply with the provisions of § 32-1-1604, C.R.S., as amended.

c. To the extent such Reimbursement Obligations may be issued as tax-exempt obligations, and upon the request of 6037 Johnstown, such obligations shall be issued with a tax-exempt opinion of nationally recognized bond counsel.

d. The Districts shall bear the costs of issuance of the Reimbursement Obligations.

e. The terms of this Agreement may be used to construe the intent of the Parties in connection with issuance of any Reimbursement Obligations and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Reimbursement Obligations, the terms of such Reimbursement Obligations shall prevail.

## **ARTICLE 6**

### **TERMINATION**

6.1. **Termination of Obligation to Reimburse.**

a. Notwithstanding any provision in this Agreement to the contrary, this Agreement and the Districts' obligation to reimburse 6037 Johnstown for any and all Certified District Eligible Costs not converted to Reimbursement Obligations shall terminate automatically and be of no further force or effect upon the occurrence of: (i) 6037 Johnstown's voluntary dissolution, liquidation and winding up; (ii) administrative dissolution (or other legal process not initiated by 6037 Johnstown, dissolving 6037 Johnstown as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (iii) the initiation of bankruptcy, receivership or similar process or actions with regard to 6037 Johnstown (whether voluntary or involuntary). The termination of this Agreement and the Districts' reimbursement obligations set forth herein shall be absolute and binding upon 6037 Johnstown and its successors and assigns. 6037 Johnstown, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the Districts relating to or arising out of the Districts' reimbursement obligations under this Agreement, in the event that any of the occurrences described in this Section 6.1.a. occur.

b. Furthermore, this Agreement and the Districts' obligations under this Agreement to reimburse 6037 Johnstown shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or at the expiration of the Maximum Repayment Term. The Parties hereby agree and acknowledge that, upon the termination date set forth in the preceding sentence, any obligation of the Districts to reimburse 6037 Johnstown for amounts due and outstanding under this Agreement, including accrued interest, shall be forgiven in its entirety, generally and unconditionally released, waived, acquitted and forever discharged, and shall be deemed a contribution to the Districts by 6037 Johnstown and there shall be no further obligation of the Districts to pay or reimburse 6037 Johnstown with respect to such amounts. This limitation shall not apply to Reimbursement Obligations, which shall mature in accordance with their terms.

## ARTICLE 7

### MISCELLANEOUS

7.1. **Annual Appropriation/No Multiple Fiscal Year Financial Obligation.** The obligation to pay Certified District Eligible Costs due to 6037 Johnstown pursuant to this Agreement (except to the extent converted into Reimbursement Obligations) shall not constitute a debt or indebtedness of the Districts within the meaning of the Colorado Constitution, and the payment of such amounts shall be subject to annual appropriation by the Districts. The Districts shall consider such appropriations in good faith considering the benefits provided hereunder, at the time of adoption of its annual budget. 6037 Johnstown expressly understands and agrees that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Districts' Boards and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, 6037 Johnstown agrees and consents to all of the limitations with respect of the payment of amounts due under this Agreement.

7.2. **Default/Remedies.** In the event of a breach or default of this Agreement by any Party, the non-defaulting Party, after having given notice to the other Party and a 30-day period to cure said breach or default, shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration, or other proceeding to enforce the terms, covenants, or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees, expert witness fees and court costs.

7.3. **Time Is of the Essence/Modification of Performance Dates.** Time is of the essence hereof; provided, however, that if the last day permitted or otherwise determined for the performance of any required act under this Agreement falls on a Saturday, Sunday, or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated. Notwithstanding the foregoing, any date specified for completion of any required act by either Party hereunder may be modified upon the mutual agreement of the Parties.

7.4. **Indemnification.** 6037 Johnstown hereby agrees to indemnify and save harmless the Districts from all claims and/or causes of action, including but not limited to mechanic's liens, arising out of the fraudulent misrepresentation or misstatement in connection with 6037 Johnstown's performance of its obligations hereunder.

7.5. **Notices.** All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent, addressed to the address of the intended recipient set forth below or such other address as a Party may designate by notice pursuant to this Section, by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, or (c) sent by confirmed facsimile transmission or email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three days after being mailed as provided in clause (a) or (b) above, or upon confirmed delivery as provided in clause (c) above.

To the Districts:                      Yellowstone Ridge Metropolitan District Nos. 1-4  
c/o Pinnacle Consulting Group, Inc.  
550 W. Eisenhower Blvd.  
Loveland, CO 80537  
Attention: Sarah Bromley  
(970) 669-3611 (phone)  
[sarahbromley@pcgi.com](mailto:sarahbromley@pcgi.com)

With a Copy to:                      White Bear Ankele Tanaka & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Attention: Robert G. Rogers, Esq.  
(303) 858-1800 (phone)  
(303) 858-1801 (fax)  
[rrogers@wbapc.com](mailto:rrogers@wbapc.com)

To 6037 Johnstown: 6037 Johnstown, LLC  
351 Linden St., Unit 160  
Fort Collins, Colorado 80524  
Attention: JD Padilla  
(970) 407-7808 (phone)  
[jd@postmoderndevelopment.com](mailto:jd@postmoderndevelopment.com)

7.6. **Amendments.** This Agreement may only be amended or modified by a writing executed by the Parties.

7.7. **Severability.** If any portion of this Agreement is declared by any court of competent jurisdiction to be illegal, void, or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect. In addition, in lieu of such illegal, void, or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

7.8. **Governing Law/Venue.** This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the Districts are located.

7.9. **No Assignment.** This Agreement may not be assigned by either Party and any attempt to do so shall be null and void.

7.10. **Authority.** By execution hereof, the Districts and 6037 Johnstown represent and warrant that their representative signing hereunder has full power and lawful authority to execute this Agreement and to bind the respective Party to the terms hereof.

7.11. **Entire Agreement.** This Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date set forth above.

7.12. **Inurement.** The terms of this Agreement shall be binding upon and inure to the benefit of the Parties as well as their respective successors.

7.13. **Legal Existence.** The Districts will maintain their legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of the Districts without materially adversely affecting 6037 Johnstown's privileges and rights under this Agreement.

7.14. **Governmental Immunity.** Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Districts, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the Districts and, in particular, governmental immunity afforded or available to the Districts pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S.

7.15. **Negotiated Provisions.** This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

7.16. **Parties Interested /No Third-Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any other third parties. It is the express intention of the Parties that any person other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

7.17. **Electronic Storage and Execution.** The Parties agree that the transactions described herein may be conducted and related documents may be signed and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. Without limiting the foregoing, the Parties agree that in the event that any individual or individuals who are authorized to execute or consent to this Agreement on behalf of the Districts or 6037 Johnstown are not able to be physically present to manually sign this Agreement or any amendments or consents thereto, that such individual or individuals are hereby authorized to execute the same electronically via an electronic signature. Any electronic signature so affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

7.18. **Counterpart Execution.** This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument.

*[The remainder of this page intentionally left blank. Signature page follows.]*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICTS:**  
**YELLOWSTONE RIDGE METROPOLITAN**  
**DISTRICT NO. 1-4**, quasi-municipal  
corporations and political subdivisions of the  
State of Colorado

By:   
JD Padilla (Jan 21, 2025 09:54 EST)  
Officer of the Districts

Attest:

By: Nico Padilla  
Nico Padilla (Jan 17, 2025 14:14 MST)  
Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON

  
General Counsel to the Districts

**DEVELOPER:** 6037 JOHNSTOWN, LLC, a  
Colorado limited liability company

By:   
JD Padilla (Jan 21, 2025 09:54 EST)  
JD Padilla  
Printed Name  
President  
Title

## EXHIBIT A

### Application for Acceptance of District Eligible Costs Dedicated Public Infrastructure

**Applicant Name:** \_\_\_\_\_

**Applicant Address:** \_\_\_\_\_

**State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_ **Daytime Phone #:** \_\_\_\_\_

**Alt. Phone / Cell:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Please complete the table below and attach the materials specified in Schedule 1 hereto:**

| Category                         | Entity that will own, operate, and/or maintain the Public Infrastructure | Final, preliminary or conditional acceptance by the applicable governmental entity (Yes/No) | Proposed District Eligible Costs |
|----------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------|
| Street                           |                                                                          |                                                                                             |                                  |
| Parks and Recreation             |                                                                          |                                                                                             |                                  |
| Water                            |                                                                          |                                                                                             |                                  |
| Sanitation/Storm Sewer           |                                                                          |                                                                                             |                                  |
| Transportation                   |                                                                          |                                                                                             |                                  |
| Mosquito                         |                                                                          |                                                                                             |                                  |
| Safety Protection                |                                                                          |                                                                                             |                                  |
| Fire Protection                  |                                                                          |                                                                                             |                                  |
| Television Relay and Translation |                                                                          |                                                                                             |                                  |
| Security                         |                                                                          |                                                                                             |                                  |

By its signature below, the Applicant certifies that this Application for Acceptance of District Eligible Costs - Dedicated Public Infrastructure and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **Schedule 1**

### **Documentary Requirements**

In addition to the requirements set forth in Article III of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – Dedicated Public Infrastructure, per Exhibit A:

#### **Requirements Applicable to Public Infrastructure that has been finally accepted by the applicable governmental entity**

1. Contracts and approved change orders;
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
3. A letter from the governmental entity to which the Public Infrastructure is being dedicated evidencing the governmental entity's final acceptance of such Public Infrastructure;
4. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of this Infrastructure Acquisition and Reimbursement Agreement.

#### **Requirements Applicable to Public Infrastructure conditionally accepted by the applicable governmental entity**

1. Contracts and approved change orders;
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
3. A letter from the governmental entity to which the Public Infrastructure is being dedicated evidencing the governmental entity's conditional acceptance of such Public Infrastructure;
4. Submission of a letter agreement in form and substance satisfactory to the Districts addressing: a) 6037 Johnstown's obligation to undertake all steps necessary to achieve final acceptance of the Public Infrastructure by the appropriate governmental entity, and b) to the extent not otherwise performed by the governmental entity having conditionally accepted such Public Infrastructure, 6037 Johnstown's obligation to maintain such Public Infrastructure until final acceptance thereof by the applicable governmental entity;
5. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Infrastructure Acquisition and Reimbursement Agreement.

**Requirements for Public Infrastructure prior to conditional by the applicable governmental entity**

An Application for Acceptance for Dedicated Public Infrastructure that has not received conditional acceptance from the applicable governmental entity shall only be permitted: a) if the Districts have proceeds available to fund the full amount thereof from the issuance of Bonds, and b) the Districts agree to accept such Application.

For Public Infrastructure that is to be dedicated to another governmental entity in advance of conditional acceptance, 6037 Johnstown shall satisfy the following additional documentary requirements:

1. Construction Drawings.
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs, including lien waivers from any suppliers and subcontractors. In the alternative with respect to lien waivers, upon the request of 6037 Johnstown, and subject to the Districts' agreement thereto (in their sole discretion), 6037 Johnstown may provide an indemnification agreement in form and substance acceptable to the Districts (which may include provisions for security) whereby 6037 Johnstown agrees to indemnify the Districts for any mechanic or materialman's liens from suppliers and subcontractors;
3. A letter agreement in form and substance satisfactory to the Districts establishing:  
a) 6037 Johnstown's obligation to undertake all steps necessary to achieve dedication to and final acceptance of the Public Infrastructure by the appropriate governmental entity and, b) 6037 Johnstown's obligation to maintain such Public Infrastructure until final acceptance thereof by the applicable governmental entity;
4. Evidence satisfactory to the Districts that any and all real property interests necessary for the use and occupancy of the Public Infrastructure have been granted either to the Districts or to the governmental entity accepting such Public Infrastructure; or, in the discretion of the Districts, assurances acceptable to the Districts that 6037 Johnstown will execute or cause to be executed such instruments as shall satisfy this requirement;
5. An executed Bill of Sale in form and substance acceptable to the Districts conveying the Public Infrastructure to the Districts, which Bill of Sale shall provide for its automatic termination upon final acceptance of the Public Infrastructure by the appropriate governmental entity.;
6. A license agreement or equivalent document from the jurisdiction to which the Public Infrastructure are to be dedicated, authorizing the Districts to enter onto public right-of-way to conduct any maintenance in the event 6037 Johnstown fails to do so.
7. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Infrastructure Acquisition and Reimbursement Agreement;

8. When ultimately produced, a complete set of digital record drawings of the Public Infrastructure which is certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all Public Infrastructure. Such drawings shall be in form and content reasonably acceptable to the Districts;

9. Any operation and maintenance manuals, if available, and otherwise a commitment to provide when available;

10. Evidence that any underground facilities are electronically locatable (if applicable);

11. Test results for improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets, etc.) (if applicable);

12. Pressure test results for any irrigation system (if applicable).

The Districts may, in their sole discretion, retain up to 10% of the Certified District Eligible Costs otherwise being paid for Public Infrastructure that is being reimbursed in this fashion and may require security in such amount as the District may reasonable determine is necessary pending preliminary, conditional or final acceptance.

## EXHIBIT B

### Application for Acceptance of District Eligible Costs District Public Infrastructure

**Applicant Name:** \_\_\_\_\_

**Applicant Address:** \_\_\_\_\_

**State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_ **Daytime Phone #:** \_\_\_\_\_

**Alt. Phone / Cell:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Please complete the table below and attach the materials specified in Schedule 1 hereto:**

| Category                         | Public Infrastructure located within public property, easements or public ROW<br>(please specify) | Proposed District Eligible Costs |
|----------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------|
| Street                           |                                                                                                   |                                  |
| Parks and Recreation             |                                                                                                   |                                  |
| Water                            |                                                                                                   |                                  |
| Sanitation/Storm Sewer           |                                                                                                   |                                  |
| Transportation                   |                                                                                                   |                                  |
| Mosquito                         |                                                                                                   |                                  |
| Safety Protection                |                                                                                                   |                                  |
| Fire Protection                  |                                                                                                   |                                  |
| Television Relay and Translation |                                                                                                   |                                  |
| Security                         |                                                                                                   |                                  |

By its signature below, the Applicant certifies that this Application for Acceptance of District Eligible Costs - District Public Infrastructure by the Districts and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **Schedule 1**

### **Documentary Requirements**

In addition to the requirements set forth in Section 3.3 of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – District Public Infrastructure, per Exhibit B:

1. Construction Drawings;
2. Contracts and approved change orders;
3. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs, including lien waivers from any suppliers and subcontractors. In the alternative with respect to lien waivers, upon the request of 6037 Johnstown, and subject to the Districts' agreement thereto (in its sole discretion), 6037 Johnstown may provide an indemnification agreement in form and substance acceptable to the Districts (which may include provisions for security) whereby 6037 Johnstown agrees to indemnify the Districts for any mechanic or materialman's liens from suppliers and subcontractors;
4. Evidence satisfactory to the Districts that any and all real property interests necessary to permit the Districts' use and occupancy of the Public Infrastructure have been granted, or, in the discretion of the Districts, assurances acceptable to the Districts that 6037 Johnstown will execute or cause to be executed such instruments as shall satisfy this requirement;
5. A complete set of digital record drawings of the Public Infrastructure which are certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all District Public Infrastructure. Such drawings shall be in form and content reasonably acceptable to the Districts;
6. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Agreement;
7. Assignment of any warranties or guaranties;
8. A Warranty Agreement, in form and substance acceptable to the Districts, providing that 6037 Johnstown will immediately correct or replace any Public Infrastructure that is defective to the reasonable satisfaction of the Districts at 6037 Johnstown's sole expense for a period of two years;
9. Any operation and maintenance manuals;
10. Evidence that any underground facilities are electronically locatable (if applicable);

11. Approved landscape plan and certification by a landscape architect or engineer that all landscape improvements were installed in accordance with the approved landscape plan(s) (if applicable);
12. Test results for improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets, etc.) (if applicable);
13. Pressure test results for any irrigation system (if applicable);
14. Such information as the Districts may require in order to insure the Public Infrastructure;
15. An executed Bill of Sale for the Public Infrastructure in form and substance acceptable to the Districts;
16. If the Districts are to assume ownership of any real property, a title commitment and form of Special Warranty Deed, in a form acceptable to the Districts, conveying the real property free and clear of all liens, claims, and other encumbrances, except matters of record acceptable to the Districts.

## EXHIBIT C

### Application for Acceptance of District Eligible Costs Capital Services Costs

**Applicant Name:** \_\_\_\_\_

**Applicant Address:** \_\_\_\_\_

**State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_ **Daytime Phone #:** \_\_\_\_\_

**Alt. Phone / Cell:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Description of the nature of the Eligible Service Costs and the relation to Public Infrastructure, as applicable:** \_\_\_\_\_

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| Category                         | Proposed District Eligible Costs |
|----------------------------------|----------------------------------|
| Organizational Costs             |                                  |
| Street                           |                                  |
| Parks and Recreation             |                                  |
| Water                            |                                  |
| Sanitation/Storm Sewer           |                                  |
| Transportation                   |                                  |
| Mosquito                         |                                  |
| Safety Protection                |                                  |
| Fire Protection                  |                                  |
| Television Relay and Translation |                                  |
| Security                         |                                  |

By its signature below, the Applicant certifies that this Application for Acceptance of Eligible Service Costs and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **Schedule 1**

### **Documentary Requirements**

In addition to the requirements set forth in Section 3.4 of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – Service Costs, per Exhibit C:

1. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
2. Such information as the District Accountant may determine is necessary in order for such entities to provide the certification set forth in Section 3.4 of the Infrastructure Acquisition and Reimbursement Agreement.