

**WATERBURY METROPOLITAN DISTRICT NO. 1 (F/K/A 4-WAY RANCH  
METROPOLITAN DISTRICT NO. 2)**

**2025 ANNUAL REPORT**

Pursuant to §32-1-207(3)(c) and the Service Plan for Waterbury Metropolitan District No. 1, f/k/a 4-Way Ranch Metropolitan District No. 2 (the “**District**”), the District is required to provide an annual report to the County of El Paso with regard to the following matters:

For the year ending December 31, 2025, the District makes the following report:

**Service Plan Requirements**

EL PASO COUNTY SPECIAL DISTRICT ANNUAL REPORT AND DISCLOSURE FORM

1. Name of District:	Waterbury Metropolitan District No. 1
2. Report for Calendar Year:	2025
3. Contact Information:	Kristin J. Bowers, Esq. WBA, PC 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 303-858-1800 <a href="mailto:kbowers@wbapc.com">kbowers@wbapc.com</a> (This District does not maintain an office within its boundaries.)
4. Meeting Information:	The District Board meetings are scheduled for February 19, May 21, August 20, and November 19, 2026, at 10:00 a.m. by telephone, electronic, or other means not including physical presence. Meetings are subject to change and may be cancelled if there is no business to transact. Meeting notices are posted at 4-wayranchmetrodistricts.org or, when online posting isn’t available, one mile east of the intersection of Stapleton Road and Highway 24 on Highway 24.
5. Type of District/ Unique Representational Issues (if any):	Waterbury Metropolitan District No. 1 is a single conventional Title 32 special district. All property owners within the boundaries of

	<p>this District who are otherwise eligible as electors within the State of Colorado have the opportunity to fully participate in future elections of the District and are eligible to run for Director positions when these positions become open.</p>
<p>6. Authorized Purposes of the District:</p>	<p>The Service Plan authorizes all allowable purposes for a Title 32 special district except for fire protection. The District also does not offer drainage services because this is under the purview of El Paso County. Additionally, the District does not offer public road or street services, which are also under the purview of El Paso County.</p>
<p>7. Active Purposes of the District:</p>	<p>The primary active purpose of the District is to provide public infrastructure for the second phase of the 4-Way Ranch development project.</p>
<p>8. Current Certified Mill Levies:</p> <p>a. Debt Service b. Operational c. Other d. Total</p>	<p>For collection year 2026:</p> <p>a. 0.000 mills b. 0.000 mills c. N/A d. 0.000 mills</p>
<p>9. Sample Calculation of Current Mill Levy for a Residential and Commercial Property (as applicable):</p>	<p>Because no mill levy has been certified, the current mill levy for both residential and commercial property is \$0.</p>
<p>10. Maximum Authorized Mill Levy Caps (Note: these are maximum allowable mill levies which could be certified in the future unless there was a change in state statutes or Board of County Commissioners approvals):</p> <p>a. Debt Service b. Operational c. Other d. Total</p>	<p>a. 50.000 b. 10.000 c. N/A d. 60.000</p>

11.	Sample Calculation of Mill Levy Cap for a Residential and Commercial Property (as applicable):	Because no mill levy has been certified, the current mill levy for both residential and commercial property is \$0.
12.	Current Outstanding Debt of the Districts (as of the end of year of this report):	\$500,000
13.	Total voter-authorized debt of the Districts (including current debt):	\$513,455,000
14.	Debt proposed to be issued, reissued or otherwise obligated in the coming year:	The District is planning on issuing General Obligation Refunding and Improvement Bonds, Series 2026A in 2026.
15.	Major facilities/ infrastructure improvements initiated or completed in the prior year:	No construction activity occurred within the District during 2026.
16.	Summary of major property exclusion or inclusion activities in the past year:	A copy of the Order for Exclusion recorded on October 1, 2025 in attached hereto as <b>Exhibit A</b> .
17.	Intergovernmental Agreements entered into or terminated with other governmental entities:	The District neither entered into nor terminated any Intergovernmental Agreements in 2025.
18.	Access information to obtain a copy of rules and regulations adopted by the board:	The Board has not adopted any rules and regulations.
19.	A summary of litigation involving public improvements owned by the district:	None.
20.	A list of facilities or improvements constructed by the district that were conveyed or dedicated to the county:	The district did not construct any public improvements during the report year, and, therefore, no public improvements were conveyed or dedicated to the county.

21. The final assessed valuation of the district as of December 31 of the reporting year:	2026 final assessed valuation: \$117,620 2026 final assessed valuation #3 Debt Service: \$203,270
22. A copy of the current year’s budget:	A copy of the current year’s budget is attached hereto as <b>Exhibit B.</b>
23. 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:	A copy of the previous year’s application for exemption from audit is attached hereto as <b>Exhibit C.</b>
24. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district:	To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.
25. Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period:	To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

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

**1. Boundary changes made.**

On November 1, 2025 an Order for Exclusion was recorded with El Paso County and is attached hereto as **Exhibit A.**

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

The District neither entered into nor terminated any Intergovernmental Agreements in 2025.

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

The Board has not adopted any rules and regulations.

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

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

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

The district has not constructed any public improvements in the report year; therefore, no public improvements have been conveyed or dedicated to the county.

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

The District has not constructed any facilities or improvements in the report year; therefore, no facilities or improvements have been conveyed or dedicated to the county.

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

The 2026 final assessed valuation: \$117,620 and 2026 final assessed valuation #3 Debt Service: \$203,270.

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

A copy of the 2026 Budget is attached hereto as **Exhibit B**.

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

The 2025 Audit Exemption Application is attached hereto as **Exhibit C**.

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

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

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

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

**EXHIBIT A**  
**Boundary Order**

DISTRICT COURT, EL PASO COUNTY, COLORADO	
Court Address: 270 S. TEJON, COLORADO SPRINGS, CO, 80903	
In the Matter of: 4-WAY RANCH METROPOLITAN DISTRICT NO 2	DATE FILED September 19, 2025 1:26 PM
	△ COURT USE ONLY △
Case Number: 2005CV3775 Division: 21      Courtroom:	
<b>Order: Proposed Order for Exclusion (189.537 Acres)</b>	

The motion/proposed order attached hereto: GRANTED.

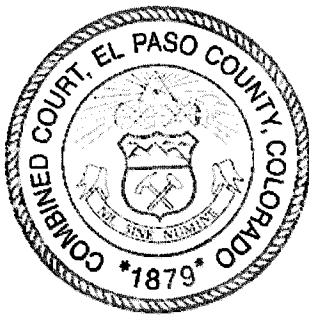
Issue Date: 9/19/2025

MICHAEL P MCHENRY  
District Court Judge

State of Colorado, County of El Paso  
Certified to be a true and correct  
copy of the original in my custody.

SEP 23 2025

SHERI KING  
CLERK OF THE DISTRICT/COUNTY COURT  
By Deputy



DISTRICT COURT, EL PASO COUNTY, COLORADO	
Court Address: 270 S. Tejon Street Colorado Springs, CO 80903 Telephone: 719-452-5000	
<b>Petitioner:</b>  4-WAY RANCH METROPOLITAN DISTRICT NO. 2	<b>▲ COURT USE ONLY ▲</b>
<b>By the Court:</b>	Case Number: 2005CV3775  Division: 8  Courtroom: _____
<b>ORDER FOR EXCLUSION</b>	

THIS MATTER comes before the Court pursuant to § 32-1-501(1), C.R.S., on Motion for an Order for Exclusion of property from the boundaries of the 4-Way Ranch Metropolitan District No. 2, El Paso County, Colorado (the "District"). This Court, being fully advised in the premises, and there being no objection filed by any person, hereby ORDERS:

1. That the real property set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property"), shall be and is hereby excluded from the boundaries of the District.
2. Pursuant to § 32-1-503(1), C.R.S., the Property shall remain obligated for its proportionate share of the principal and interest on the outstanding bonded indebtedness of the District existing immediately prior to the effective date of this Order consisting of the District's General Obligation Limited Tax Refunding Bonds, Series 2022, which is scheduled to be retired in 2040
3. In accordance with § 32-1-503(1), C.R.S., the Property shall not become obligated for any property tax levied by the District for operating costs of the District nor for any bonded indebtedness issued after the date of this Order.
4. The District shall file this order in accordance with the provisions of § 32-1-105, C.R.S.

DONE AND EFFECTIVE THIS \_\_\_\_\_ day of \_\_\_\_\_ 2025.

BY THE COURT:

\_\_\_\_\_  
District Court Judge

**EXHIBIT A**  
**(Legal Description of Exclusion Property)**




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**EDWARD-JAMES SURVEYING, INC.**


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August 5, 2025  
 Job No. 2117-00  
 Page 1 of 3

**EXHIBIT A**

**LEGAL DESCRIPTION: 4 WAY RANCH METROPOLITAN DISTRICT NO 2 -EXCLUSION**

A TRACT OF LAND BEING A PORTION OF SECTION 28, 200.31 TOWNSHIP 12 SOUTH, RANGE 64 WEST OF THE 6TH P.M., EL PASO COUNTY, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BASIS OF BEARINGS** THE NORTH LINE OF SAID SECTION 28, BEING MONUMENTED AT EACH END BY A 3-1/4" ALUMINUM SURVEYOR'S CAP STAMPED WITH THE SLS 30087 AND ASSUMED TO BEAR S89°47'04" E, A DISTANCE OF 5,285.07 FEET.

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 28; THENCE ON THE WEST LINE OF SAID SECTION 28, S00°31'09"E, A DISTANCE OF 1,319.39 FEET TO THE SOUTHERLY LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE ON SAID SOUTHERLY LINE S89°47'08"E, A DISTANCE OF 588.86 TO THE NORTHWEST CORNER OF THE TRACT OF LAND DESCRIBED IN THE DEED RECORDED UNDER RECEPTION NUMBER 217092201 SAID POINT BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF EASTONVILLE ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE ON THE ARC OF A CURVE TO THE LEFT, ON THE SAID EASTERLY RIGHT-OF-WAY LINE, WHOSE CENTER BEARS N73°08'45"W HAVING A DELTA OF 06°19'02", A RADIUS OF 1,630.00 FEET, A DISTANCE OF 179.72 FEET TO A POINT ON CURVE, THENCE N89°58'12"E, A DISTANCE OF 288.62 FEET; THENCE S41°03'22"W, A DISTANCE OF 139.03 FEET, THENCE S41°52'38"W, A DISTANCE OF 21.41 FEET; THENCE S44°47'01"E, A DISTANCE OF 42.37 FEET; THENCE S89°47'08"E, A DISTANCE OF 679.35 FEET; THENCE S00°12'52"W, A DISTANCE OF 25.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE NORTH HALF OF SAID SECTION 28; THENCE ON THE SAID SOUTHERLY LINE, S89°47'08"E, A DISTANCE OF 3,757.74 FEET TO A POINT ON THE EASTERLY LINE OF SAID SECTION 28; THENCE S00°21'42"E ON THE EASTERLY SECTION LINE OF SAID SECTION 28, A DISTANCE OF 1,319.24 FEET TO A POINT ON THE SOUTHERLY LINE OF THE NORTH HALF OF SAID SECTION 28; THENCE N89°47'16"W ON SAID SOUTHERLY LINE, A DISTANCE OF 2,638.91 FEET TO THE CENTER OF SAID SECTION 28, THENCE S00°26'21"E, ON THE EASTERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 1,952.82 FEET TO A POINT ON CURVE, SAID POINT BEING ON THE NORTHERLY BOUNDARY OF A SPECIAL WARRANTY DEED RECORDED AT RECEPTION NO. 208025323 OF THE RECORDS OF SAID EL PASO COUNTY; THENCE ON SAID NORTHERLY BOUNDARY THE FOLLOWING FOUR (4) COURSES:

1. ON AN ARC OF CURVE TO THE LEFT, WHOSE CENTER BEARS S45°39'55"E, HAVING A DELTA OF 05°50'23", A RADIUS OF 640.00 FEET, A DISTANCE OF 65.23 FEET TO A POINT OF TANGENT;
2. S38°29'42"W, A DISTANCE OF 283.74 FEET;
3. N50°51'09"W, A DISTANCE OF 50.33 FEET;
4. N90°00'00"W, A DISTANCE OF 27.85 FEET;

THENCE N17°37'46"W A DISTANCE OF 294.28 FEET, THENCE N24°23'26"W A DISTANCE OF 181.21 FEET TO A POINT OF CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 16°38'20", A RADIUS OF 825.00 FEET A DISTANCE OF 239.58 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS N18°19'07"W, HAVING A DELTA OF 41°02'58", A RADIUS OF 60.00 FEET A DISTANCE OF 42.98 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING DELTA OF 23°09'13", A RADIUS OF 60.00 FEET A

926 ELKTON DRIVE  
 COLORADO SPRINGS, CO 80907  
 PHONE: (719) 576-1216 FAX: (719) 576-1206

<http://ejsurveying.com>

4732 EARLEBRIDGE CIRCLE  
 PUEBLO, CO, 81008  
 PHONE: (719) 549-6240 FAX: (719) 545-6247




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**EDWARD-JAMES SURVEYING, INC.**


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August 5, 2025  
 Job No. 2117-00  
 Page 2 of 3

DISTANCE OF 24.25 FEET TO A POINT OF TANGENT; THENCE S89°34'31"W A DISTANCE OF 694.21 FEET TO A POINT OF CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 15°44'44", A RADIUS OF 575.00 FEET A DISTANCE OF 158.02 FEET TO A POINT ON CURVE; THENCE N16°05'29"W A DISTANCE OF 50.00 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS S16°09'50"E, HAVING A DELTA OF 15°44'21", A RADIUS OF 825.00 FEET A DISTANCE OF 171.69 FEET TO A POINT OF TANGENT; THENCE N89°34'31"E A DISTANCE OF 303.65 FEET; THENCE N00°00'00"E A DISTANCE OF 290.14 FEET; THENCE N78°35'04"W A DISTANCE OF 37.01 FEET; THENCE N80°32'02"W A DISTANCE OF 63.25 FEET; THENCE N47°44'27"W A DISTANCE OF 51.87 FEET; THENCE N80°06'50"W A DISTANCE OF 157.84 FEET; THENCE N53°29'00"W A DISTANCE OF 77.12 FEET; THENCE N00°06'59"W A DISTANCE OF 49.81 FEET; THENCE N90°00'00"W A DISTANCE OF 70.04 FEET; THENCE N22°48'13"W A DISTANCE OF 29.96 FEET; THENCE N79°55'39"W A DISTANCE OF 84.44 FEET; THENCE N86°39'45"W A DISTANCE OF 133.46 FEET; THENCE N47°51'51"W A DISTANCE OF 136.51 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, WHOSE CENTER BEARS N47°48'53"W, HAVING A DELTA OF 06°06'01", A RADIUS OF 1,275.00 FEET A DISTANCE OF 135.75 FEET TO A POINT OF TANGENT; THENCE N36°06'06"E A DISTANCE OF 439.65 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS N34°42'14"E, HAVING A DELTA OF 02°30'41", A RADIUS OF 655.00 FEET A DISTANCE OF 28.71 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 13°52'34", A RADIUS OF 1,140.00 FEET A DISTANCE OF 276.09 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, WHOSE CENTER BEARS N78°38'57"W, HAVING A DELTA OF 22°26'45", A RADIUS OF 225.00 FEET A DISTANCE OF 88.14 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 11°16'49", A RADIUS OF 1,487.50 FEET A DISTANCE OF 292.79 FEET TO A POINT OF TANGENT; THENCE N00°12'58"E A DISTANCE OF 14.30 FEET; THENCE N90°00'00"W A DISTANCE OF 34.38 FEET TO A POINT OF CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 08°39'39", A RADIUS OF 1,075.00 FEET A DISTANCE OF 162.50 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 01°17'05", A RADIUS OF 2,863.19 FEET A DISTANCE OF 86.45 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A DELTA OF 08°31'08", A RADIUS OF 305.00 FEET A DISTANCE OF 45.35 FEET TO A POINT ON CURVE; THENCE N20°35'48"E A DISTANCE OF 7.53 FEET TO A POINT ON CURVE; THENCE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS N15°46'34"E, HAVING A DELTA OF 26°55'54", A RADIUS OF 297.50 FEET A DISTANCE OF 139.84 TO A POINT OF COMPOUND CURVE; THENCE ON THE ARC OF CURVE TO THE RIGHT, HAVING A DELTA OF 03°44'54", A RADIUS OF 900.34 FEET A DISTANCE OF 58.90 FEET TO A POINT OF REVERSE CURVE; THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 08°14'22", A RADIUS OF 1,282.50 FEET A DISTANCE OF 184.43 FEET TO A POINT OF TANGENT; THENCE N51°46'59"W A DISTANCE OF 325.94 FEET TO A POINT IN THE EASTERLY RIGHT-OF-WAY LINE OF EASTONVILLE ROAD; THENCE ON SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:

1. N87°34'53"E A DISTANCE OF 36.34 FEET TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT, HAVING A DELTA OF 10°56'42", A RADIUS OF 1,638.00 FEET A DISTANCE OF 311.37 FEET TO A POINT ON THE BOUNDARY OF THE TRACT OF LAND DESCRIBED IN THE DOCUMENT RECORDED UNDER RECEPTION NUMBER 217092201.

THENCE ON THE EASTERLY BOUNDARY LINE OF SAID PARCEL THE FOLLOWING THREE (3) COURSES:

1. N59°05'37"E A DISTANCE OF 206.76 FEET.
2. N42°17'36"E A DISTANCE OF 204.36 FEET
3. N89°47'08"W A DISTANCE OF 211.96 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 8,256,241 SQUARE FEET OR 189.537 ACRES, MORE OR LESS

926 ELKTON DRIVE  
 COLORADO SPRINGS, CO 80907  
 PHONE: (719) 576-1215 FAX: (719) 576-1206

4733 EARLER-ROBE CURFE  
 PUEBLO, CO. 81008  
 PHONE: (719) 545-6240 FAX: (719) 545-6247  
<http://www.ej-survey.com>



**EXHIBIT B**  
**2026 Budget**

**4 WAY RANCH METROPOLITAN DISTRICT NO. 2**  
**2026**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2026 budget for the 4 Way Ranch Metropolitan District No. 2.

4 Way Ranch Metropolitan District has adopted a budget for two separate funds, a General Fund, to provide for the payment of operating and maintenance expenditures; and a Water Enterprise Fund, to provide for costs associated with the water utility.

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

The primary sources of revenue for the district in 2026 will be developer advances and water service fees. The district does not intend to impose a mill levy in 2026.

**Waterbury Metropolitan District No. 1**  
**FKA 4 Way Ranch Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2026**

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
Beginning fund balance	\$ -	\$ -	\$ 49,097	\$ 23,373	\$ 5,673
Revenues:					
Developer advances	69,017	75,255	-	59,385	75,255
Other income	<u>184</u>	<u>-</u>	<u>234</u>	<u>15</u>	<u>-</u>
Total revenues	<u>69,201</u>	<u>75,255</u>	<u>234</u>	<u>59,400</u>	<u>75,255</u>
Total funds available	<u>69,201</u>	<u>75,255</u>	<u>49,331</u>	<u>82,773</u>	<u>80,928</u>
Expenditures:					
Accounting	6,045	7,500	3,026	7,500	7,500
Legal	28,579	50,000	20,943	50,000	50,000
Insurance	7,946	7,000	7,299	7,400	7,000
Miscellaneous	3,258	1,000	2,129	5,000	3,000
Election	-	-	6,097	7,200	-
Engineering	-	5,000	-	-	5,000
Emergency reserve (3%)	-	2,115	-	-	2,175
Contingency	<u>-</u>	<u>2,640</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>45,828</u>	<u>75,255</u>	<u>39,494</u>	<u>77,100</u>	<u>79,675</u>
Ending fund balance	<u>\$ 23,373</u>	<u>\$ -</u>	<u>\$ 9,837</u>	<u>\$ 5,673</u>	<u>\$ 1,253</u>
Assessed Valuation		<u>\$ 339,530</u>			<u>\$ 117,620</u>
Mill levy		<u>-</u>			<u>-</u>

**Waterbury Metropolitan District No. 1**  
**FKA 4 Way Ranch Metropolitan District No. 2**  
**Adopted Budget**  
**Water / Sewer Enterprise Fund**  
**For the Year ended December 31, 2026**

	Actual <u>2024</u>	Adopted Budget <u>2025</u>	Actual <u>6/30/2025</u>	Estimate <u>2025</u>	Adopted Budget <u>2026</u>
	\$ -	\$ -	\$ (16,112)	\$ -	\$ -
Revenues:					
Water service fees	38,595	32,000	11,324	30,000	32,000
Developer advances - operati	<u>76,139</u>	<u>37,000</u>	<u>33,475</u>	<u>49,000</u>	<u>37,000</u>
Total revenues	<u>114,734</u>	<u>69,000</u>	<u>44,799</u>	<u>79,000</u>	<u>69,000</u>
Total funds available	<u>114,734</u>	<u>69,000</u>	<u>28,687</u>	<u>79,000</u>	<u>69,000</u>
Expenditures:					
Basic services	40,224	35,000	14,633	35,000	35,000
Repair and maintenance	40,175	-	-	-	-
Utilities	34,335	30,000	12,287	40,000	30,000
Management	-	-	-	-	-
Other	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures	<u>114,734</u>	<u>69,000</u>	<u>26,920</u>	<u>79,000</u>	<u>69,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,767</u>	<u>\$ -</u>	<u>\$ -</u>
		<u>-</u>	<u>-</u>		<u>-</u>

**EXHIBIT C**  
**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	Waterbury Metropolitan District No. 1
Street address	304 Inverness Way South, Suite 490
City, State, Zip	Englewood, CO 80112
Contact person	Diane Wheeler
Phone	303-689-0833
Email	Diane@simmons-wheeler.com

## Certification of Preparer

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

Name	Diane Wheeler	
Title	District Accountant	
Firm name (if applicable)	Simmons & Wheeler, P.C.	
Address	304 Inverness Way South, Suite 490 Englewood, CO 80112	
Phone	303-689-0833	
Preparer signature	Date prepared	
	03/26/2026	

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		
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	\$ 40,580
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 (should agree to Part 3, Debt Schedule Table, column 'issued during year')	\$ 43,069
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	Miscellaneous Income	\$ 324
1-22	Change in developer advance receivable	\$ 55,763
1-23		
1-24		
1-25	<b>TOTAL REVENUES</b> (add lines 1-1 through 1-24)	\$ 139,736

**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	
2-2	Salaries	
2-3	Payroll taxes	
2-4	Contract services	
2-5	Employee benefits	
2-6	Insurance	\$ 7,618
2-7	Accounting and legal fees	\$ 55,887
2-8	Repair and maintenance	\$ 20,450
2-9	Supplies	
2-10	Utilities and telephone	\$ 36,354
2-11	Fire/Police	
2-12	Streets and highways	
2-13	Public health	
2-14	Capital outlay	
2-15	Utility operations	\$ 46,496
2-16	Culture and recreation	
2-17	Debt service principal (should agree to Part 3, Debt Schedule Table 'Retired during year')	
2-18	Debt service interest	
2-19	Repayment of Developer Advances Principal (should agree to Part 3, Debt Schedule Table, column 'Retired during year')	
2-20	Repayment of Developer Advances Interest	
2-21	Contribution to pension plan	
2-22	Contribution to Fire & Police Pension Association	
2-23	Other (specify in lines 2-24 through 2-27)	
2-24	Engineering	\$ 49
2-25	Miscellaneous	\$ 5,747
2-26		
2-27		
2-28	<b>TOTAL EXPENDITURES/EXPENSES</b> (Add lines 2-1 through 2-27)	\$ 172,601

**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**

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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. 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. Subject to available cash flow		
<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
<b>3-6</b>	General Obligation Bonds				\$ 0
<b>3-7</b>	Revenue Bonds				\$ 0
<b>3-8</b>	Notes/Loans				\$ 0
<b>3-9</b>	Lease & SBITA** Liabilities (GASB 87 & 96)				\$ 0
<b>3-10</b>	Developer Advances	\$ 1,154,730	\$ 43,069		\$ 1,197,799
	Other (specify in line 3-11)				
<b>3-11</b>					\$ 0
<b>3-12</b>	<b>TOTAL</b> (Add lines 3-6 through 3-11)	\$ 1,154,730	\$ 43,069	\$ 0	\$ 1,197,799

\*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?	\$ 75,000,000	
<b>3-15</b>	Date the debt was authorized	11/01/2005	
<b>3-16</b>	Is the authorized but unissued debt further limited by the entity's most recent Service Plan?	<input checked="" type="radio"/> Yes	<input type="radio"/> No
<b>3-17</b>	If yes, how much?	\$ 74,000,000	
<b>3-18</b>	Date of the most recent Service Plan	09/08/2005	
<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 checked="" 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	\$ 6,260
4-2	Certificates of deposit	
4-3	<b>TOTAL CASH DEPOSITS</b> (Add lines 4-1 and 4-2)	\$ 6,260
<b>Investments</b> (specify in lines 4-4 through 4-8. If investment is a mutual fund, please list underlying investment.)		
4-4	Colostrust	\$ 3,776
4-5		
4-6		
4-7		
4-8		
4-9	<b>Total Investments</b> (Add lines 4-4 through 4-8)	\$ 3,776
4-10	<b>TOTAL CASH AND INVESTMENTS</b> (Add lines 4-3 and 4-9)	\$ 10,036

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 checked="" type="radio"/> Yes	<input 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 checked="" 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
<b>5-4</b>	Land				\$ 0
<b>5-5</b>	Buildings				\$ 0
<b>5-6</b>	Machinery and Equipment				\$ 0
<b>5-7</b>	Furniture and Fixtures				\$ 0
<b>5-8</b>	Infrastructure				\$ 0
<b>5-9</b>	Construction In Progress (CIP)	\$ 311,610			\$ 311,610
<b>5-10</b>	Leased & SBITA Right-to-Use Assets				\$ 0
	Other (explain in line 5-11)				
<b>5-11</b>					\$ 0
<b>5-12</b>	Accumulated Depreciation/ Amortization (Enter a negative or credit balance)				\$ 0
<b>5-13</b>	<b>TOTAL</b> (Add lines 5-4 through 5-12)	\$ 311,610	\$ 0	\$ 0	\$ 311,610

\*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> (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**

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

**Appropriation Amount by Fund Table**

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

Line	Governmental/Proprietary Fund Name	Total
7-5	General Fund	\$ 77,000
7-6	Water enterprise	\$ 69,000
7-7		
7-8		
7-9		

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

The 2025 budget will be amended to appropriate additional funds.

## 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="" 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. Waterbury Metropolitan District No. 1		
9-5	If yes, please list the PRIOR name below. 4-Way Ranch Metropolitan District No. 2		
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, traffic control, sewer and park and recreation		
9-8	Does the entity have an agreement with another government to provide services?	<input type="radio"/> Yes	<input checked="" type="radio"/> No
9-9	If yes, list the name of the other governmental entity and the services provided below.		
9-10	Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during the year? (Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.)	<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. (Do not report \$ amounts.)		
9-13	Bond redemption mills		
9-14	General/other mills		
9-15	<b>TOTAL MILLS</b> (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 type="radio"/> N/A	<input checked="" 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).

## Part 10: Governing Body Approval

10-1	If you plan to submit this form electronically, have you read the Electronic Signature Policy?	<input checked="" type="radio"/> Yes	<input type="radio"/> No
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### Office of the State Auditor — Local Government Division Exemption Form Electronic Signature Policy and Procedure

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

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

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

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

## Governing Body Signatures

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

<b>Board Member 1</b>		
Board member's name	Jason Pock	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
	<u>Jason Pock</u> <small>Jason Pock (Mar 26, 2026 11:41:21 MDT)</small>	03/26/2026
<b>Board Member 2</b>		
Board member's name	Matthew Hengel	
My term expires on	May 2029	
I attest that I am a duly elected or appointed board member, and that I have personally reviewed and approved this application for exemption from audit.	Signature	Date
<b>Board Member 3</b>		
Board member's name	Paige Langley	
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
	<u>Paige Langley</u> <small>Paige Langley (Mar 26, 2026 14:12:21 MDT)</small>	03/26/2026
<b>Board Member 4</b>		
Board member's name	Megan Waldschmidt	
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
	<u>Megan Waldschmidt</u>	03/26/2026
<b>Board Member 5</b>		
Board member's name	Blake Amen	
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
	<u>Blake Amen</u> <small>Blake Amen (Mar 26, 2026 13:39:28 MDT)</small>	03/26/2026
<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