Founders Village Metropolitan District
and
Villages at Castle Rock Metropolitan District No. 4

ANNUAL REPORT
Fiscal Year 2025

Submitted to:

TOWN OF CASTLE ROCK
in compliance with the
Castle Rock Municipal Code
Section 11.02.040

September 1, 2026

ANNUAL REPORT
Fiscal Year 2025

Overview – District No. 4

The Villages at Castle Rock Metropolitan District No. 4 ("District") encompasses 17.04 acres and functions as a "lead" or "master" District. District No. 4 also services the major Bond Debt on behalf of District No. 1 and District No. 9. District No. 4 filed for Chapter 9 Bankruptcy in 1989 and negotiated a new Bond Resolution ("Chapter 9 Plan") in late 1991. District No. 1 and District No. 9 are required to pledge all ad valorem Property Taxes, Specific Ownership Taxes and System Development Fees to District No. 4 under separate Intergovernmental Financing Agreements, though no such revenue has been received from District No. 9 to date. On two (2) separate occasions, District No. 4's Board of Directors has actively solicited Bondholders to re-open the Chapter 9 Case or restructure the current Bond debt, which efforts have proven unsuccessful.

Overview – Founders Village Metropolitan District (fka District No. 1)

The Villages at Castle Rock Metropolitan District No. 1 ("District No. 1") generally encompasses the northwesterly 734.14 acres of the Founders Village Planned Unit Development ("PUD"). District No. 1's designation was amended (name change) to *Founders Village Metropolitan District.* While the name change was ordered on February 23, 2006, the District shall be referenced as District No. 1 in this Annual Report (consistent with the District's Service Plan). District No. 4 constructs all internal and regional capital improvements benefiting and serving District No. 1 and District No. 9. Per the attached Audited Financial Statements, District No. 1 collects and transfers all Property Taxes, Specific Ownership Taxes and System Development Fees to District No. 4. District No. 4 constructs all major public infrastructure and maintains certain streetscaping, irrigation, trailheads, pool, clubhouse, and extensive community fencing facilities for the benefit of District No. 1.

Overview – District No. 9

As discussed previously, the Villages at Castle Rock Metropolitan District No. 9 ("District No. 9") has financial obligations to District No. 4, through the existing 1987 Amended Intergovernmental Financing Agreement. District No. 9 encompasses 206.4 acres, and the property is currently zoned but undeveloped. The underlying properties are owned by the Memmen Family Trust and the William Memmen Living Trust. In September 2018, the Town of Castle Rock re-constituted and appointed the District No. 9 Board of Directors. The Board of Directors for District No. 9 brought the District into Department of Local Affairs (DOLA) compliance, adopted annual Budgets, and adopted a mill levy consistent with the requirements of the 1991 Chapter 9 Bankruptcy Plan. In 2018, District No. 4 completed a Master Plan of future streets, drainage, water, wastewater, and other District-eligible capital facilities to be funded by District No. 4, or through Developer Reimbursement Agreements, yet to be negotiated. District No. 4 cannot address these future capital facilities until District No. 9 executes a -

Second Amended and Restated Intergovernmental Financing Agreement ("IGFA") with District No. 4 as required by the 1991 Chapter 9 Bankruptcy Plan. In 2024, the two Districts finalized the IGFA and obtained bondholder majority approval to amend the Bond Resolution. To date, District No. 4 has constructed infrastructure and utility capacities necessary to service future development in District No. 9, totaling $4,092,518. In 2024, Districts 4 and 9 executed a Intergovernmental Reimbursement Agreement (IGRA). The IGRA provides the process and Fees for District 9's reimbursement of the above costs to District 4. As of this Annual Report, the Memmen Trust Property (179 acres) is currently under contract with a Colorado developer, who anticipates municipal Site Plan and Platting entitlements starting in 2025. The William Memmen Trust Property (28.65 acres) is also under contract, and the Developer/Builder has initiated due diligence and, site planning and engineering studies.

Board of Directors in FY 2025

Pursuant to the 1991 Chapter 9 Bankruptcy Plan the District No. 1 Board of Directors serves as the Board of Directors for District No. 4 (the "Districts"). The Directors and their respective terms are submitted as follows:

Director	Term Expires
Jeremy Groves (term limited)	May 2025
Carolynn Kranse	May 2027
Matt Hilinski	May 2027
Mike Meachum (re-elected)	May 2029
Mary Cates	May 2027
Brian Berry (replaced Groves)	May 2029

The regular Director Election was scheduled for May 2025 but was cancelled.

Progress of the Districts in Implementing its Service Plan in 2025

District No. 1 is approaching the buildout contemplated in the 1991 Chapter 9 Bankruptcy Plan, the Service Plan and in the Master Intergovernmental Agreement ("MIGA"). As of December 31, 2025, District No. 1 has issued Development Fee Certificates ("Certificates") for 2,419 single-family equivalent units ("SFE"). Per the attached Development Fee Update (Exhibit G-1), District No. 1's anticipated buildout is 2,490 SFE's. The future balance of 67 SFE's is anticipated as follows:

Founders Filing No. 17	1 SFE (Estate Lot)
Ridgeline Church (4-acres)	60 SFE (MF/Townhomes)
Neighborhood/Commercial (12 acres)	10 SFE's

Founders Filing No. 21 (The Enclave) was acquired by Reddy Investments in 2012 and sold 88 platted sites to Pacific North Investments. PNI sold sites to Dream Finders Homes who completed the Townhomes in 2023. Founders Filing No. 25 received Final Plat approvals, and Richmond Seasons recently completed the final construction of the remaining 24 single-family homes. No development is anticipated in the near-term for the 12-acre Commercial parcel, or the 4-acre MF site at the Community Church.

District No. 4 has significantly increased its General Fund expenditure to upgrade, modernize and maintain the extensive streetscape and irrigation facilities in District No. 1. District No. 4 will implement median and Sidescape xeriscape projects starting in 2025 with major irrigation renovation projects consistent with the Long-Range Turf Reduction Masterplan and the Town's Water Conservation Ordinances. To facilitate future irrigation maintenance programs, the Districts received the Town of Castle Rock's approval in 2006 for Amendments to the 1995 Service Plan and to the 1995 Master Intergovernmental Agreement (the "MIGA"). In 2016 District No. 4 and the Founders Village Master Association ("FVMA") entered into a Lease Agreement permitting District No. 4 to operate, repair, maintain and staff the Founders Pool, site, and Clubhouse. The FVMA continues to own and insure the facilities, and coordinates all rentals, classes and community programs. District No. 4 also funds certain improvements and mechanical replacements as required by the Lease Agreement. As discussed above, District No. 4 initiated extensive masterplanning for a 7-year Turf Reduction and Xeriscaping Program to commence in FY 2025.

District No. 4 also continues to implement its Capital Improvements Program, enumerated in the Service Plan and the MIGA. District No. 4 jointly funded (with the Town of Castle Rock and other Metropolitan Districts) certain local and regional water and wastewater projects in District No. 1 and abutting developments. From 1984 to December 31, 2025, District No. 4 designed, funded and constructed local and regional infrastructure and utility capacities valued at $52,257,482. Per the 1995 MIGA, the Town of Castle Rock collects and rebates certain Development Fee Rebates to District No. 4 (for oversized water and sewer capacities) serving select rebate areas. In 2025, the Town of Castle Rock remitted Development Fee Rebates totaling $ 0 to District No. 4. The District Manager and the Town of Castle Rock annually update the Fee Rebate Audit, to reconcile all Development Fee Rebates payable to District 4.

From 1984 to 1990, District No. 4 constructed significant water and wastewater capacities and improvements for the benefit of Villages at Castle Rock Metropolitan District No. 7 (District No. 7). District No. 7 encompasses the Woodlands and Scott II P.U.D.'s. District No. 7 rebates a portion of District No. 7's System Development Fee collections to District No. 4, in repayment for these water and sewer capacities and facilities. In 2018, District No. 4 and District No. 7 entered into the First Amended Intergovernmental Agreement between the parties and an assignment of development fee revenues, pursuant to which District No. 7 assigned to District No. 4 the right to collect and receive any development fees following the pending dissolution of District No. 7. District No. 7 obtained an Order for Dissolution from the Douglas County District Court on January 2, 2020, but currently remains active for purposes of satisfying its bond obligations and closing-out outstanding Fee collection commitments to District 4.

Financial Condition of the Districts

As required, the 2025 Audited Financial Statements for District No. 1 and District No. 4 are attached herein as Exhibit H. The Audit reports the revenues, expenditures, and condition of both Districts as a "blended component unit"

Audit document. Audit notes, narrative, assets, supporting detail and audit assumptions are also included for the Town's consideration.

2025 Capital Improvements Program

In FY 2025, District No. 4 funded, planned, engineered, and constructed the following capital improvements in Founders Village.

Capital Construction	$ 15,594
CIP Planning/Engineering (District No. 9)	$ 51,552
CIP Planning/Engineering – (Founders District)	$ 32,248
Project Management Fees	$ 24,292
Miscellaneous Projects	$ 560
2025 Capital Improvements Expenditures:	$ 124,246

5-Year Capital Improvements Program

Based upon District No. 4's facility and capacity obligations, District No. 4 will construct and/or participate in financing capital improvements through buildout, (costs are estimated pending final planning, engineering, and project bidding) and the anticipated Revenue sources are also enumerated.

District No. 4's 5-Year Capital Improvements Program is detailed on Exhibit I attached and referenced in the Appendix. The 5-year CIP Plan does not include District No. 9 facilities, pending the negotiation of several, future Agreements with District No. 4.

Financial Obligations of the District

In 1986, District No. 4 issued Revenue Bonds valued at $32,000,000. With the Chapter 9 Filing, subsequent debt restructuring and "Dutch Auction" bond sales, District No. 4 issued new Exchange Bonds in 1991 face-valued at $25,971,000.

Through December 31, 2025, the District's outstanding bond principal is $25,911,000. The accrued, unpaid Bond interest is $156,222,158. On June 1, 2031, any outstanding principal and unpaid, accrued interest shall be fully discharged as mandated in the Bond Resolution. District 4 shall be officially dissolved by Court Order on June 30, 2031.

In 2025, District No. 4 paid debt service of $5,250,000 to the Bond Trustee, for distribution to District No. 4's registered Bondholders.

Assessed Valuation / District Mill Levy

- District No. 1's 2025 Assessed Valuation was $ 83,478,690
- District No. 4's 2025 Assessed Valuation was $ 1,589,930

- District No. 1's 2025 Mill Levy was 94.563 mills
- District No. 4's 2025 Mill Levy was 4.721 mills

District No.1's mill levy is for General Fund only. District No. 1's mill levy is dictated by District No. 4's Chapter 9 Bankruptcy Plan and is subject to annual adjustment (dictated by the State's assessment rate or other legislative action).

2025 District Budgets and Audit

The 2025 District No. 1 and District No. 4 Budgets, (adopted by both Boards of Directors), are attached herein to this Annual Report as Exhibit E. The District's cash balances and investments are also detailed in the attached 2025 Audited Financial Statements. The District's 2025 Operations and Maintenance Budget Detail is also attached for general reference, as Exhibit F.

Residential and Commercial Development

A historical summary of the District's residential development is detailed on the attached Development Fee Update, referenced herein as Exhibit G-1. The 12-acre integrated business/commercial property is located at Heritage Avenue and Enderud Blvd. Currently there are no plans for development of this parcel in the near term. The 4-acre multi-family Parcel (Church Site) has not been platted or entitled to date. District No. 1's remaining buildout is projected at 67 SFEs.

Fees, Charges and Assessments Imposed by Districts

The 1995 MIGA, and subsequent Amendments, clearly define those System Development Fees and Impact Fees collected by District No. 1, District No. 9 and by the Town of Castle Rock. The Districts amend and adopt Development and Impact Fees annually, consistent with the Town of Castle Rock's adopted fees and charges. Districts collect the following development and impact fees and issues a *Development Fee Payment Certificate* to homebuilders prior to the Town of Castle Rock's issuance of a Building Permit. A sample copy of the Development Fee Payment Certificate is attached and referenced in the Appendix.

*	Water System Development Fee	100%
*	Sewer System Development Fee	30%
*	Transportation Impact Fee	100%
*	Regional Facilities Surcharge (District)	100%

A spreadsheet detailing those applicable 2025 fees collected by the Districts and the Town of Castle Rock is attached as Exhibit G and incorporated herein. The Fee Schedule also depicts prorated Single-Family Attached development Fees ("SFA Fees") as collected in Filing No. 21 (Enclave Townhomes).

Certification by the Board of Directors

The required *Certificate* stating that no action, event, or condition enumerated in Section 11.02.060 of the Special Districts Ordinance has occurred in Fiscal Year 2025 is attached hereto.

Board of Directors / Regular Meetings

The name, address, and contact information for each Board Member, District Manager, Secretary, General Counsel, Special Counsel and District Accountant, are detailed on the *Roster* attached to this Annual Report as Exhibit "D".

In 2025, District No. 1 and District No. 4 held regular Board meetings on the third Wednesday of January, February, March, April, May, June, July, August, September, October, November, and December at 7:30 A.M. Consistent with HB21-1278, Regular and Special Meetings are held in person and virtually from The Ridge House located at 4501 Endured Boulevard, Castle Rock, Colorado.

Submittal of Annual Report

The Board of Directors of District No. 1 and District No. 4 have approved the findings of this **2025 Annual Report** and respectfully submit the Report and all supporting Appendices to the Town of Castle Rock.

Respectfully submitted,

O. Karl Kasch

O. Karl Kasch
District Manager

Kenny Parrish

Kenny Parrish
Assistant Manager/Secretary

APPENDIX

for

FY 2025 ANNUAL REPORT

Exhibit “A”	Villages Districts Vicinity Map
Exhibit “B”	Boundary Map (District No.1)
Exhibit “C”	Boundary Map (District No. 4)
Exhibit “C-1”	Boundary Map (District No. 9)
Exhibit “C-2”	Capital Projects Summary (1986 to Present)
Exhibit “D”	Board of Directors and Consultant Staff
Exhibit “E”	Adopted FY 2025 Budgets and Support
Exhibit “F”	2025 Repairs and Maintenance Program
Exhibit “G”	2025 Adopted Fees and Sample Certificate
Exhibit “G-1”	Development Fee Certificate Update
Exhibit “H”	FY 2025 Approved Audit (Blended Unit)
Exhibit “I”	5-Year Capital Projects Projections & Revenues

CERTIFICATION

for

Fiscal Year 2025

ANNUAL REPORT

The Board of Directors of the Founders Village Metropolitan District (fka / District No. 1) and Villages at Castle Rock Metropolitan District No. 4 hereby certify to the Town of Castle Rock that no action, event, or condition enumerated in Section 11.02.060 of Chapter 11.02 of the Town of Castle Rock Municipal Code has occurred during fiscal year 2025.

Dated this 1st day of September 2026.

Founders Village Metropolitan District
(fka Villages at Castle Rock Metropolitan District No. 1)

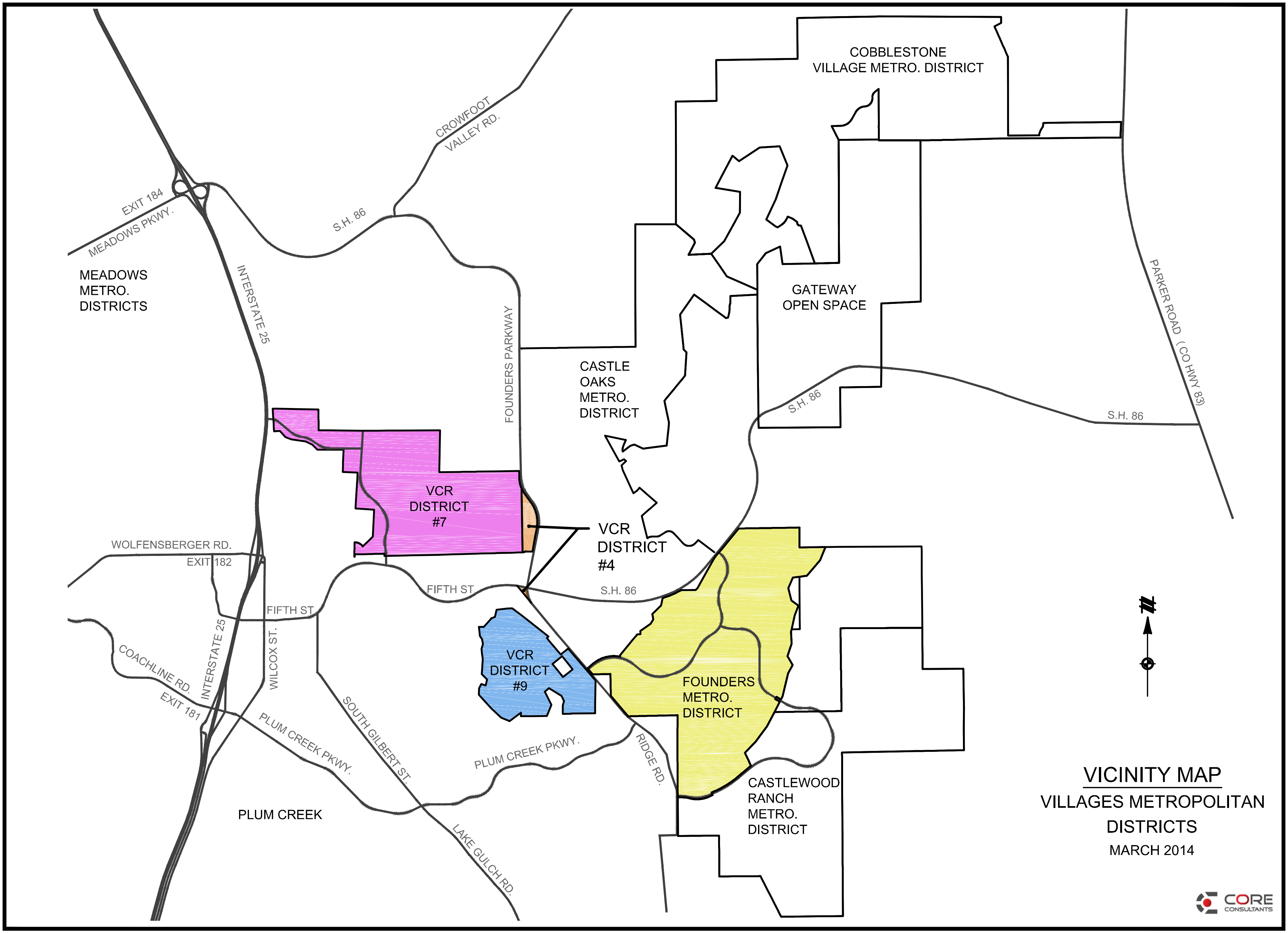
Matthew D Hilich

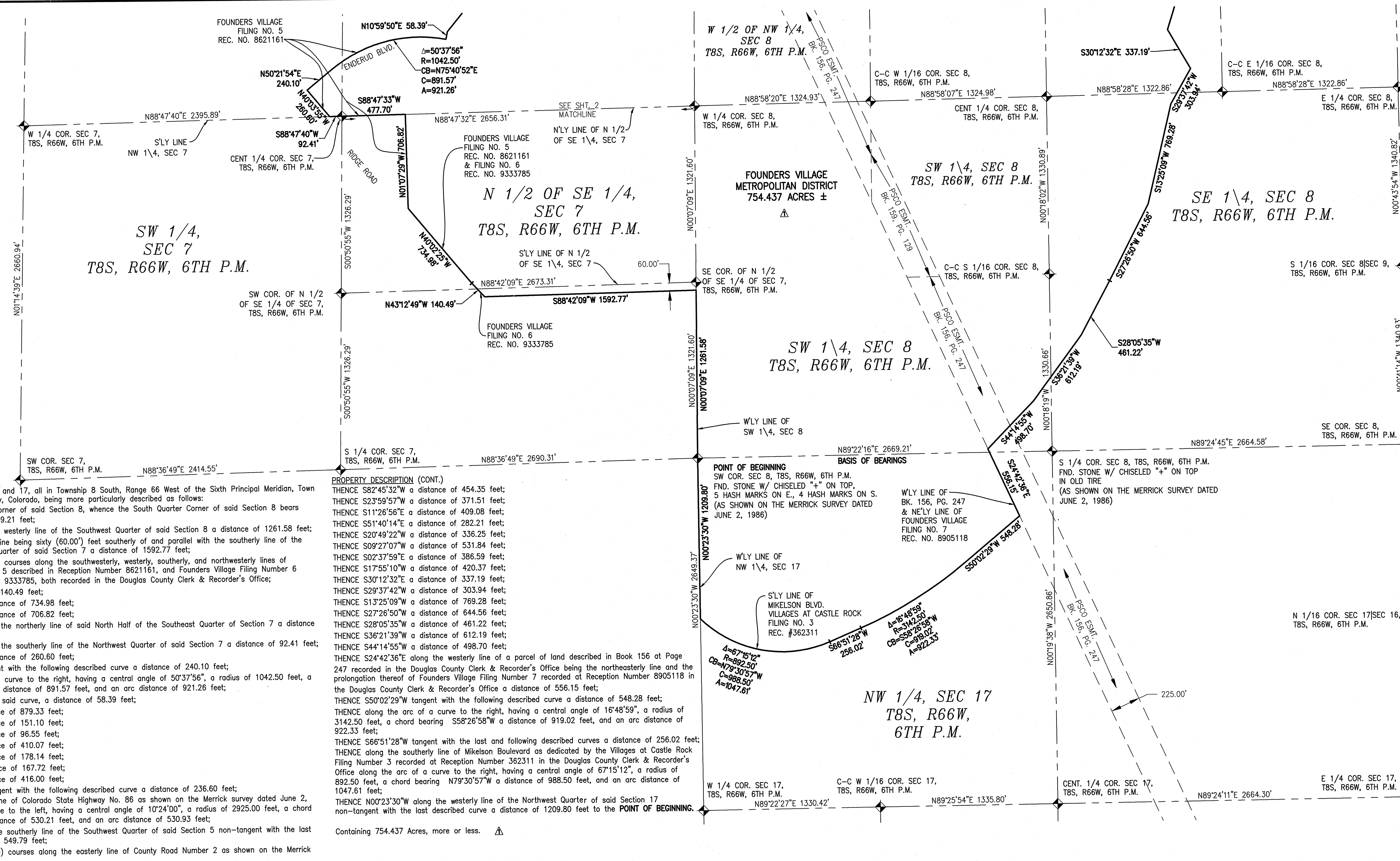
President

Villages at Castle Rock Metropolitan District No. 4

Matthew D Hilich

President


COBBLESTONE VILLAGE METRO. DISTRICT
CROWFOOT VALLEY RD.
EXIT 184
MEADOWS PKWY.
S.H. 86
MEADOWS METRO. DISTRICTS
INTERSTATE 25
FOUNDERS PARKWAY
GATEWAY OPEN SPACE
CASTLE OAKS METRO. DISTRICT
S.H. 86
S.H. 86
PARKER ROAD (CO HWY 83)
VCR DISTRICT #7
VCR DISTRICT #4
WOLFENSBERGER RD.
EXIT 182
FIFTH ST
FIFTH ST
S.H. 86
COACHLINE RD.
INTERSTATE 25
WILCOX ST.
VCR DISTRICT #9
FOUNDERS METRO. DISTRICT
EXIT 181
PLUM CREEK PKWY.
SOUTH GILBERT ST.
PLUM CREEK PKWY.
RIDGE RD.
CASTLEWOOD RANCH METRO. DISTRICT
PLUM CREEK
LAKE GULCH RD.
N
VICINITY MAP
VILLAGES METROPOLITAN DISTRICTS
MARCH 2014
CORE CONSULTANTS



PROPERTY DESCRIPTION

A portion of Sections 5, 7, 8, and 17, all in Township 8 South, Range 66 West of the Sixth Principal Meridian, Town of Castle Rock, Douglas County, Colorado, being more particularly described as follows:

BEGINNING at the Southwest Corner of said Section 8, whence the South Quarter Corner of said Section 8 bears N89°22'16"E a distance of 2669.21 feet;

THENCE N00°07'09"E along the westerly line of the Southwest Quarter of said Section 8 a distance of 1261.58 feet;

THENCE S88°42'09"W along a line being sixty (60.00') feet southerly of and parallel with the southerly line of the North Half of the Southeast Quarter of said Section 7 a distance of 1592.77 feet;

THENCE the following 8 (eight) courses along the southwesterly, westerly, southerly, and northwesterly lines of Founders Village Filing Number 5 described in Reception Number 8621161, and Founders Village Filing Number 6 described in Reception Number 9333785, both recorded in the Douglas County Clerk & Recorder's Office;

1. N43°12'49"W a distance of 140.49 feet;
2. THENCE N40°02'25"W a distance of 734.98 feet;
3. THENCE N01°07'29"W a distance of 706.82 feet;
4. THENCE S88°47'33"W along the northerly line of said North Half of the Southeast Quarter of Section 7 a distance of 477.70 feet;
5. THENCE S88°47'40"W along the southerly line of the Northwest Quarter of said Section 7 a distance of 92.41 feet;
6. THENCE N40°03'55"W a distance of 260.60 feet;
7. THENCE N50°21'54"E tangent with the following described curve a distance of 240.10 feet;
8. THENCE along the arc of a curve to the right, having a central angle of 50°37'56", a radius of 1042.50 feet, a chord bearing N75°40'52"E a distance of 891.57 feet, and an arc distance of 921.26 feet;

THENCE N10°59'50"E radial to said curve, a distance of 58.39 feet;
THENCE N39°23'18"E a distance of 879.33 feet;
THENCE N81°39'58"E a distance of 151.10 feet;
THENCE N01°46'50"E a distance of 96.55 feet;
THENCE N53°28'06"E a distance of 410.07 feet;
THENCE N34°44'02"E a distance of 178.14 feet;
THENCE N14°19'35"W a distance of 167.72 feet;
THENCE N45°27'28"E a distance of 416.00 feet;
THENCE N15°12'12"E non-tangent with the following described curve a distance of 236.60 feet;
THENCE along the southerly line of Colorado State Highway No. 86 as shown on the Merrick survey dated June 2, 1986 along the arc of a curve to the left, having a central angle of 10°24'00", a radius of 2925.00 feet, a chord bearing of N66°12'01"E a distance of 530.21 feet, and an arc distance of 530.93 feet;
THENCE N88°40'30"E along the southerly line of the Southwest Quarter of said Section 5 non-tangent with the last described curve a distance of 549.79 feet;
THENCE the following 3 (three) courses along the easterly line of County Road Number 2 as shown on the Merrick survey dated June 2, 1986:

1. N29°17'49"E a distance of 973.58 feet;
2. THENCE N30°36'41"E a distance of 234.13 feet;
3. THENCE N37°20'59"E a distance of 189.57 feet;

THENCE the following 5 (five) courses along said southerly line of Colorado State Highway No. 86 as shown on the Merrick survey dated June 2, 1986:

1. N44°24'09"E a distance of 110.64 feet;
2. THENCE N39°13'02"E a distance of 484.35 feet;
3. THENCE N28°06'12"E a distance of 103.76 feet;
4. THENCE N39°13'02"E tangent with the following described curve a distance of 289.15 feet;
5. THENCE along the arc of a curve to the left, having a central angle of 00°43'02", a radius of 2915.00 feet, a chord bearing N38°51'31"E a distance of 36.49 feet, and an arc distance of 36.49 feet;

THENCE N89°01'56"E along the northerly line of the South Half of the North Half of the Southwest Quarter of said Section 5 non-tangent with the last described curve a distance of 644.84 feet;
THENCE N89°05'07"E along the northerly line of the South Half of the Northwest Quarter of the Southeast Quarter of said Section 5 a distance of 1316.56 feet;
THENCE S00°04'02"W along the easterly line of the South Half of the Northwest Quarter of the Southeast Quarter of said Section 5 a distance of 650.90 feet;
THENCE N88°55'12"E along the northerly line of the Southeast Quarter of the Southeast Quarter of said Section 5 a distance of 837.69 feet;
THENCE S22°21'24"W a distance of 458.24 feet;
THENCE S40°08'01"W a distance of 661.99 feet;

PROPERTY DESCRIPTION (CONT.)

THENCE S82°45'32"W a distance of 454.35 feet;
THENCE S23°59'57"W a distance of 371.51 feet;
THENCE S11°26'56"E a distance of 409.08 feet;
THENCE S51°40'14"E a distance of 282.21 feet;
THENCE S20°49'22"W a distance of 336.25 feet;
THENCE S09°27'07"W a distance of 531.84 feet;
THENCE S02°37'59"E a distance of 386.59 feet;
THENCE S17°55'10"W a distance of 420.37 feet;
THENCE S30°12'32"E a distance of 337.19 feet;
THENCE S29°37'42"W a distance of 303.94 feet;
THENCE S13°25'09"W a distance of 769.28 feet;
THENCE S27°26'50"W a distance of 644.56 feet;
THENCE S28°05'35"W a distance of 461.22 feet;
THENCE S36°21'39"W a distance of 612.19 feet;
THENCE S44°14'55"W a distance of 498.70 feet;
THENCE S24°42'36"E along the westerly line of a parcel of land described in Book 156 at Page 247 recorded in the Douglas County Clerk & Recorder's Office being the northeasterly line and the prolongation thereof of Founders Village Filing Number 7 recorded at Reception Number 8905118 in the Douglas County Clerk & Recorder's Office a distance of 556.15 feet;
THENCE S50°02'29"W tangent with the following described curve a distance of 548.28 feet;
THENCE along the arc of a curve to the right, having a central angle of 16°48'59", a radius of 3142.50 feet, a chord bearing S58°26'58"W a distance of 919.02 feet, and an arc distance of 922.33 feet;
THENCE S66°51'28"W tangent with the last and following described curves a distance of 256.02 feet;
THENCE along the southerly line of Mikelson Boulevard as dedicated by the Villages at Castle Rock Filing Number 3 recorded at Reception Number 362311 in the Douglas County Clerk & Recorder's Office along the arc of a curve to the right, having a central angle of 67°15'12", a radius of 892.50 feet, a chord bearing N79°30'57"W a distance of 988.50 feet, and an arc distance of 1047.61 feet;
THENCE N00°23'30"W along the westerly line of the Northwest Quarter of said Section 17 non-tangent with the last described curve a distance of 1209.80 feet to the **POINT OF BEGINNING.**

Containing 754.437 Acres, more or less. ⚠

NOTES:

1. SECTION INFORMATION
Bearings and distances are based upon the Merrick survey dated June 2, 1986.

2. BASIS OF BEARINGS
Bearings are based upon the southerly line of the Southwest Quarter of Section 8, Township 8 South, Range 66 West of the Sixth Principal Meridian, Town of Castle Rock, Douglas County, Colorado as bearing N89°22'16"E being monumented as shown on the Merrick survey dated June 2, 1986.

SURVEYORS STATEMENT
I, Roger D. Nelson, a Licensed Professional Land Surveyor in the State of Colorado do hereby state that this exhibit was made under my responsible charge.

Roger D. Nelson, PLS No. 33200
Date: April 28, 2010
Job No. 03008153
For and on behalf of
Merrick & Company

LEGEND
ALIQUOT CORNER
PARCEL LINE
SECTION LINE
EASEMENT

0 100 200 400 800
1 inch = 400 ft.

REV	REVISION DESCRIPTION	DATE	CHANGED BY	CHECKED BY	APPROVED BY
⚠	Removed exception parcel and revised the parcel area.	4/28/10	MSD		RDN

MERRICK
Engineers & Architects
2450 South Peoria Street Aurora, Colorado 80014

MERRICK	SIGNATURE	DATE
DRAWN	MSD	4/28/10
DESIGNED		
QC REVIEW		
APPROVED	RDN	4/28/10
CLIENT	SIGNATURE	DATE
REVIEW		
APPROVED		

CAD FILE NAME: I:...\03008153\DWG5\Exhibits\100428_FoundersVillage-Rev.dwg

FOUNDERS VILLAGE METROPOLITAN DISTRICT
BOUNDARY SURVEY

CLIENT PROJECT NO.
MERRICK PROJECT NO. 03008153
SCALE: 1" = 400'

TITLE:
EXHIBIT
A PORTION OF S5, S7, S8, & S17
T8S, R66W, OF THE 6TH P.M.
TOWN OF CASTLE ROCK
DOUGLAS COUNTY, COLORADO

REVISION: | DRAWING NO. | SHEET NO. 1 OF 2

REV	REVISION DESCRIPTION	DATE	CHANGED BY	CHECKED BY	APPROVED BY
⚠	Removed exception parcel and revised the parcel area.	4/28/10	MSD		RDN

COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR 33200

Robert D. Nelson, PLS No. 33200
Date: April 28, 2010
Job No. 03008153
For and on behalf of
Merrick & Company

MERRICK
Engineers & Architects
2450 South Peoria Street Aurora, Colorado 80014

MERRICK	SIGNATURE	DATE
DRAWN	MSD	4/28/10
DESIGNED		
QC REVIEW		
APPROVED	RDN	4/28/10
CLIENT	SIGNATURE	DATE
REVIEW		
APPROVED		

CAD FILE NAME: ...\03008153\DWGS\Exhibits\100428_FoundersVillage-Rev.dwg

FOUNDERS VILLAGE METROPOLITAN DISTRICT
BOUNDARY SURVEY

CLIENT PROJECT NO.
MERRICK PROJECT NO. 03008153
SCALE: 1" = 400'

TITLE:
EXHIBIT
A PORTION OF S5, S7, S8, & S17
T8S, R66W, OF THE 6TH P.M.
TOWN OF CASTLE ROCK
DOUGLAS COUNTY, COLORADO

REVISION: | DRAWING NO. | SHEET NO. 2 OF 2

BOUNDARY MAP AND LEGAL DESCRIPTIONS

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

PORTIONS OF SECTION 6 AND SECTION 7 TOWNSHIP 8 SOUTH, RANGE 66 WEST AND SECTION 1, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN

TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS
STATE OF COLORADO

LEGAL DESCRIPTION VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4-A

A TRACT OF LAND LOCATED IN THE WEST ONE-HALF OF SECTION 6, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE SOUTHWEST ONE QUARTER OF SECTION 6, BEING CONSIDERED TO BEAR NORTH 01 DEGREES 16 MINUTES 18 SECONDS WEST.

BEGINNING AT THE WEST 1/4 CORNER OF SAID SECTION 6; THENCE NORTH 01 DEGREES 06 MINUTES 52 SECONDS WEST ALONG THE WEST LINE OF THE NORTHWEST ONE QUARTER OF SAID SECTION 6, A DISTANCE OF 775.52 FEET TO A POINT OF NON-TANGENT CURVATURE SAID POINT BEING ON THE WESTERLY RIGHT OF WAY OF MILLER BOULEVARD AS PLATTED IN MILLER BOULEVARD FILING NO 1, AS RECORDED UNDER RECEPTION NO. NO. 8603132, DOUGLAS COUNTY, COLORADO ; THENCE SOUTHERLY AND ALONG SAID WESTERLY RIGHT OF WAY THE FOLLOWING FOUR (4) COURSES:

1. ALONG THE ARC OF A 855.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 13 DEGREES 24 MINUTES 57 SECONDS, AN ARC DISTANCE OF 200.20 FEET, WITH A CHORD BEARING OF SOUTH 28 DEGREES 29 MINUTES 08 SECONDS EAST, A DISTANCE OF 199.74 FEET;

2) THENCE SOUTH 35 DEGREES 11 MINUTES 37 SECONDS EAST, A DISTANCE OF 402.22 FEET;

3) ALONG THE ARC OF A 1,022.10 FOOT RADIUS CURVE TO RIGHT, THROUGH A CENTRAL ANGLE OF 45 DEGREES 41 MINUTES 13 SECONDS, AN ARC DISTANCE OF 815.01 FEET, WITH A CHORD BEARING OF SOUTH 12 DEGREES 21 MINUTES 01 SECONDS EAST, A DISTANCE OF 793.59 FEET;

4) SOUTH 10 DEGREES 29 MINUTES 36 SECONDS WEST, A DISTANCE OF 813.24 FEET;

THENCE SOUTH 88 DEGREES 43 MINUTES 17 SECONDS WEST, A DISTANCE OF 279.61 FEET TO A POINT ON THE WESTERLY LINE OF CASTLE OAKS SUBDIVISION AS RECORDED UNDER RECEPTION NO. 150556, DOUGLAS COUNTY, COLORADO.

THENCE SOUTH 89 DEGREES 09 MINUTES 48 SECONDS WEST, A DISTANCE OF 25.00 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST ONE QUARTER OF SAID SECTION 6;

THENCE NORTH 01 DEGREES 16 MINUTES 18 SECONDS WEST ALONG SAID WEST LINE , A DISTANCE OF 1,310.88 FEET TO THE POINT OF BEGINNING, CONTAINING 733,815 SQUARE FEET OR 16.8461 ACRES, MORE OR LESS.

LEGAL DESCRIPTION VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4-B

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST ONE-QUARTER OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN AND BEING A PART OF THE SOUTHWEST ONE-QUARTER OF SECTION 6 AND THE NORTHWEST ONE-QUARTER OF SECTION 7, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO,DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 6 AND CONSIDERING THE SOUTH LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 6 TO BEAR NORTH 88 DEGREES 50 MINUTES 19 SECONDS EAST WITH ALL BEARINGS HEREIN RELATIVE THERETO;

THENCE NORTH 88 DEGREES 50 MINUTES 19 SECONDS EAST ALONG THE SAID SOUTH LINE, A DISTANCE OF 53.29 FEET TO THE POINT OF BEGINNING;

THENCE THE FOLLOWING FOUR (4) COURSES ALONG THE NORTHERLY RIGHT OF WAY OF RIDGE ROAD;

1) NORTH 88 DEGREES 50 MINUTES 19 SECONDS EAST, A DISTANCE OF 17.43 FEET;

2) NORTH 08 DEGREES 35 MINUTES 09 SECONDS WEST, A DISTANCE OF 20.17 FEET;

3) SOUTH 88 DEGREES 50 MINUTES 19 SECONDS WEST, A DISTANCE OF 31.13 FEET;

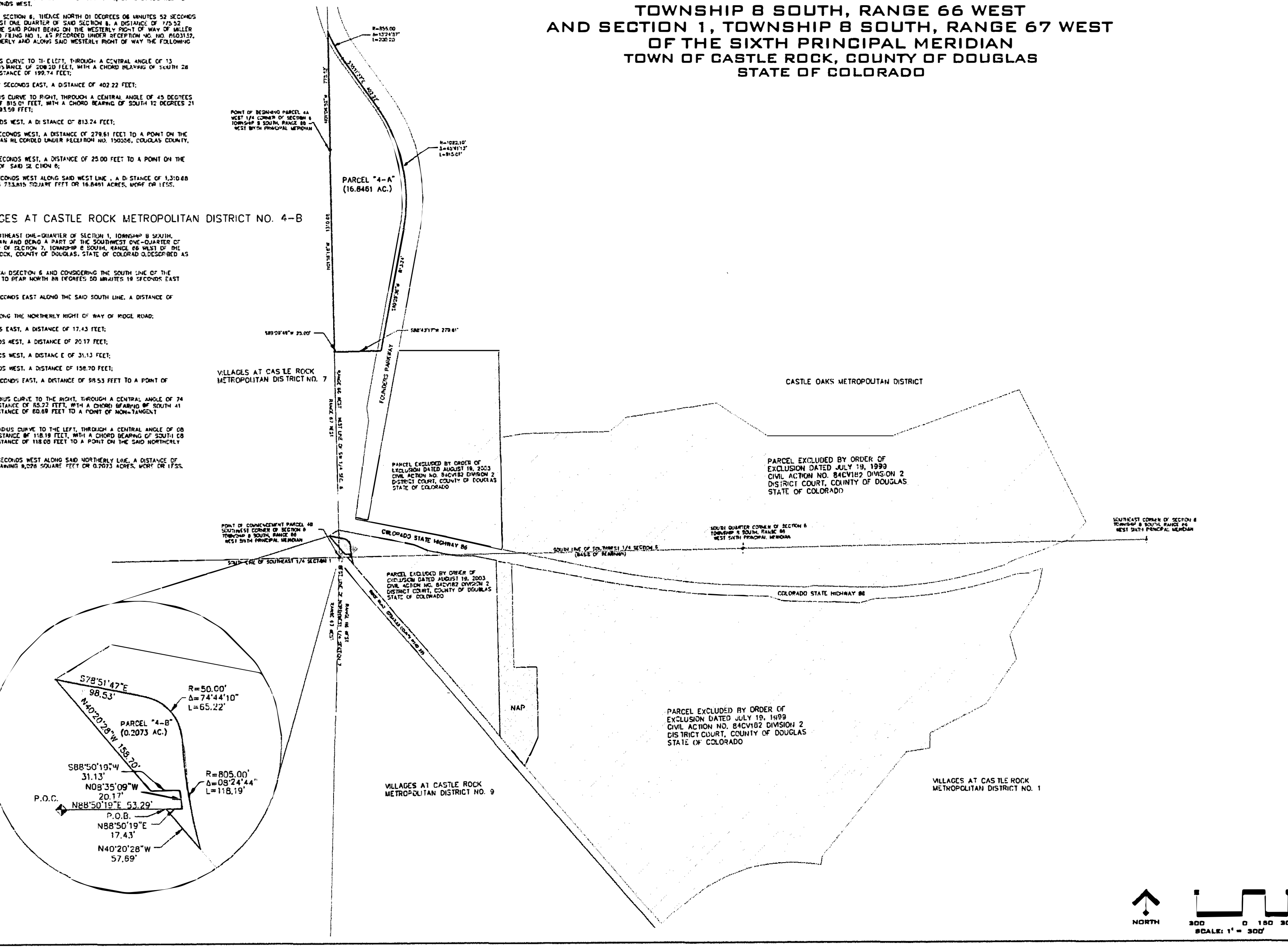
4) NORTH 40 DEGREES 20 MINUTES 28 SECONDS WEST, A DISTANCE OF 158.70 FEET;

THENCE SOUTH 78 DEGREES 51 MINUTES 47 SECONDS EAST, A DISTANCE OF 98.53 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF A 50.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 74 DEGREES 44 MINUTES 10 SECONDS, AN ARC DISTANCE OF 65.22 FEET, WITH A CHORD BEARING OF SOUTH 41 DEGREES 29 MINUTES 48 SECONDS EAST, A DISTANCE OF 60.69 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE ARC OF A 805.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 08 DEGREES 24 MINUTES 44 SECONDS, AN ARC DISTANCE OF 118.19 FEET, WITH A CHORD BEARING OF SOUTH 08 DEGREES 20 MINUTES 32 SECONDS EAST, A DISTANCE OF 118.08 FEET TO A POINT ON THE SAID NORTHERLY RIGHT OF WAY OF RIDGE ROAD.

THENCE NORTH 40 DEGREES 20 MINUTES 28 SECONDS WEST ALONG SAID NORTHERLY LINE, A DISTANCE OF 57.69 FEET TO THE POINT OF BEGINNING, CONTAINING 9,026 SQUARE FEET OR 0.2073 ACRES, MORE OR LESS.



CLC ASSOCIATES

8480 E. ORCHARD RD. SUITE 2000 GREENWOOD VILLAGE COLORADO 80111

ARCHITECTURE ENGINEERING PLANNING LANDSCAPE ARCHITECTURE LAND SURVEYING

BOUNDARY MAP AND LEGAL DESCRIPTIONS

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS STATE OF COLORADO

PREPARED UNDER THE DIRECT SUPERVISION OF WILLIAM CURTIS ARCHDEACON COLORADO REGISTRATION NO. 19913 FOR AND ON BEHALF OF CLC ASSOCIATES

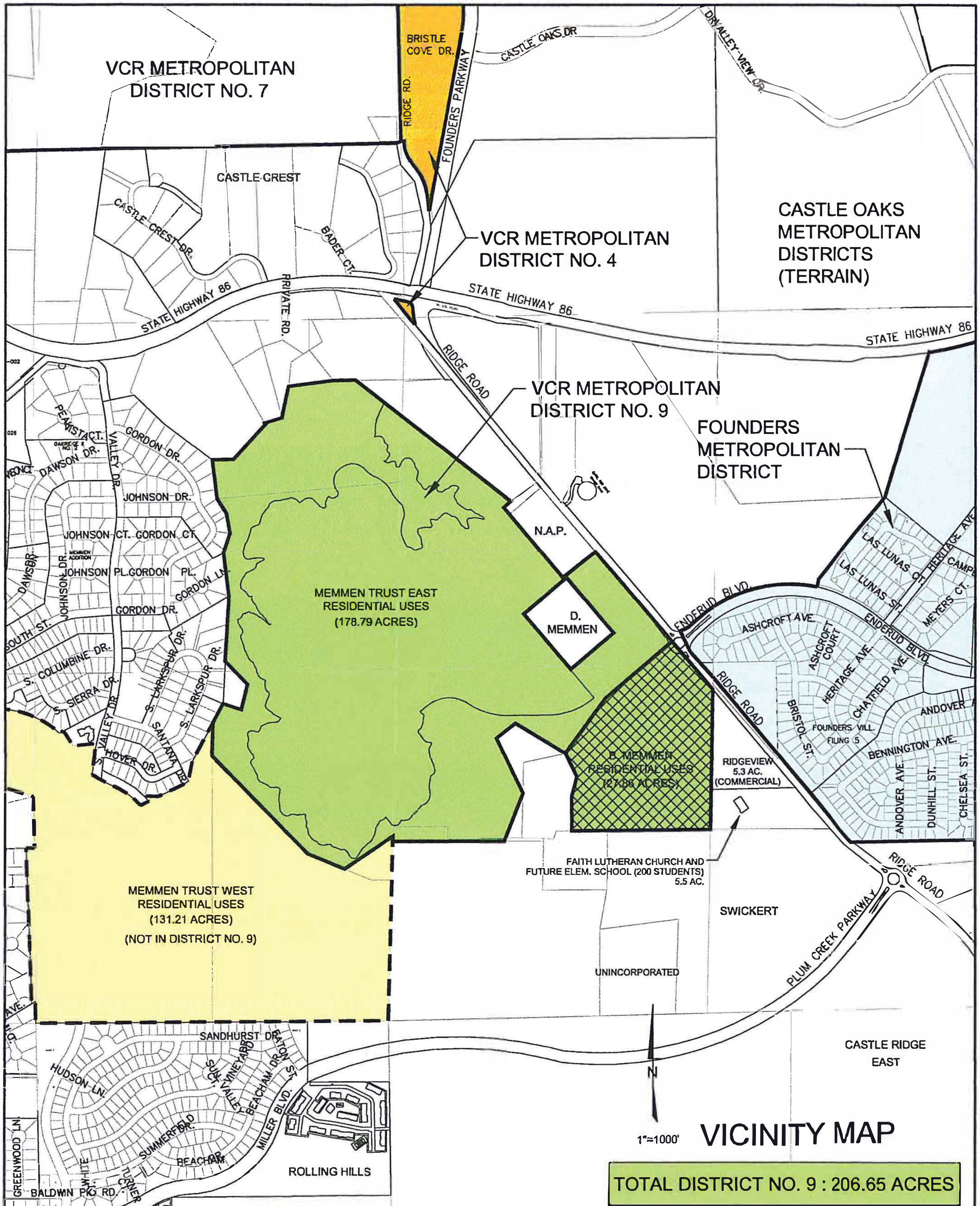
DATE	DESCRIPTION
01/21/04	ORIGINAL PREPARATION
01/29/04	ADDRESS COMMENTS
03/04/10	2010 UPDATE

METROPOLITAN DISTRICT NO. 4

PROJECT #: 10.0041
DRAWN BY: DMW
DESIGNED BY:
CHECKED BY: WDA

SHEET 1

EXHIBIT "C"



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Kennedy/Jenks Consultants©
LAKEWOOD, COLORADO

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 9

DRAWING NO.: DATE: 05/18 PAGE: 1

Villages at Castle Rock Metropolitan District No. 4

Capital Projects Fund - Construction Expended (thru 12/31/2025)

PROJECT NO.	CAPITAL IMPROVEMENT PROJECT	TOTAL EXPENDITURES
1	ENDERUD / LANTERN / WAGONWHEEL (PHASE 1)	2,957,208.00
2	PHASE I WATER / SEWER INFRASTRUCTURE	1,854,005.00
3	MITCHELL CREEK WASTEWATER PLANT (PHASE I)	697,883.00
4	M-1 WELL FIELD & PUMP STATION	450,392.16
5	FOUNDERS PARKWAY (District 8 / I-25 to Ridge Rd.)	3,752,235.00
6	TEMPORARY 100,000 GALLON STEEL WATER TANK	77,445.00
14	HIGHWAY 86 / ENDERUD ENTRY MONUMENTS	247,512.27
15	FOUNDERS PARK & REGIONAL DETENTION POND	836,786.07
20	FOUNDERS STREETSCAPE MASTER PLAN	37,727.25
22	PHASE I WELL DEVELOPMENT PROGRAM	2,701,874.00
25	RED ZONE WATER STORAGE TANK (DESIGN)	26,104.00
26	ENDERUD WELLS / PUMP STATION / TRANSMISSION	491,578.76
28	WEST MITCHELL GULCH SEWER INTERCEPTOR	202,490.00
29	MITCHELL GULCH SEWER INTERCEPTOR	534,590.77
30	FOUNDERS WATER PUMP STATION (DESIGN)	129,585.29
35	MITCHELL CREEK WASTEWATER REUSE (PHASE I)	352,100.26
36	MITCHELL CREEK WASTEWATER REUSE (PHASE 2)	658,501.23
39	M. BASIN EFFLUENT STORAGE RESERVOIR (DESIGN)	174,349.70
41	MIKELSON PUMP STATION EXPANSION (DESIGN)	16,055.21
42	MIKELSON / WAGONWHEEL 12" WATER LOOP	9,185.30
43	WATER RIGHTS / LEGAL / ENGINEERING	335,191.01
44	FOUNDERS RAW WATER TRANSMISSION (TO WTP)	279,966.30
45	FOUNDERS WELL UPGRADE (M1 & ENDERUD)	59,921.11
46	FOUNDERS WATER TREATMENT PLANT (3.6 MGD)	2,027,285.71
47	WEAVER NO. 1 WELLFIELD & CONTROL BLDG.	584,744.36
48	WEAVER NO. 2 WELLFIELD & CONTROL BLDG.	985,378.70
49	MIKELSON BLVD. REGIONAL DETENTION POND & RCP	322,741.16
50	ENDERUD BLVD. (PHASE 2) STREET IMPROVEMENTS	145,016.01
51	GREEN ZONE WATER TANK 6-A (2.00 MG)	672,636.09
52	ENDERUD BLVD. (PHASE 3) STREET IMPROVEMENTS	636,262.36
53	RIDGE ROAD / HWY 86 IMPROVEMENTS (2 PHASES)	720,539.08
54	ENDERUD BLVD. STREETSCAPE (3 PHASES)	616,035.00
55	MITCHELL CREEK WW DIVERSION (3 SEGMENTS)	1,145,149.28
56	MITCHELL CREEK LIFT STATION EXPANSION	254,295.95
57	RIDGE RD./ HWY 86 ROW ACQUISITION /RELOCATIONS	217,933.74
58	WOODLANDS / DISTRICT 7 WATER TRANSMISSION (12")	536,846.40
59	RED ZONE WATER TRANSMISSION (PHASE I)	94,949.17
60	GREEN ZONE WATER TANK 6-B (2.0 MG)	888,665.91
61	GS-2 / CO-9 WELLFIELDS (DISTRICTS 3/5)	15,483.31
62	DOWN-FLOW METERING STATIONS (DESIGN / LEGAL)	11,916.10
63	FOUNDERS TRACT IMPROVEMENTS	18,855.56
64	PURPLE ZONE WATER TANK PARTICIPATION (.235 MG)	386,410.00
65	MITCHELL GULCH TRAIL SYSTEMS (PHASE 1)	315,601.18
66	STREETSCAPE / IRRIGATION RETROFIT	43,853.35
67	FOUNDERS FENCE REHABILITATION (HOA)	231,644.13
68	MITCHELL GULCH TRAIL SYSTEM (PHASE 2)	564,187.93
70	PSCO EASEMENT TRAILS & LANDSCAPE	79,915.45
72	PLANNING & ENGINEERING (FOUNDERS DISTRICT)	1,794,127.83
73	DISTRICTS 3 / 4 / 5 MAPPING / TOPO / PLANNING	33,406.13
74	LIGETT ROAD SEWER INTERCONNECT	23,493.00
75	HERITAGE STREET IMPROVEMENTS & 16" WATERLINE	558,105.67

PROJECT NO.	CAPITAL IMPROVEMENT PROJECT	TOTAL EXPENDITURES
76	FOUNDERS DUAL-PIPE WATER CONVERSION (435 SFE)	123,496.50
77	MIKELSON BLVD NORTH IMPROVEMENTS (PHASE I)	647,982.11
78	MIKELSON BLVD NORTH IMPROVEMENTS (PHASE 2)	456,638.35
79	MIKELSON BLVD SOUTH & LANTERN TRAIL (PHASE 3)	1,472,761.41
80	FOUNDERS VILLAGE NORTH POOL & CLUBHOUSE	554,980.67
81	GS-1 WELLFIELD ACQUISITION (DISTRICT 7)	100,000.00
82	PLANNING & ENGINEERING (DISTRICT NO.9)	66,530.18
83	FOUNDERS 12" WATER TRANSMISSION LOOP (SOUTH)	184,321.00
84	EAST WATER PLANT PARTICIPATION (W/ TOWN)	1,444,733.00
90	PRV VAULT REIMBURSEMENT (WOODLANDS)	31,407.21
98	DISTRICT COST PARTICIPATION (OBA Town Projects))	685,824.29
100	CASTLE PINES SEWER PLANT EXPANSION .238 MGD	792,617.77
101	CASTLE ROCK SEWER (TAKE-OR-PAY) .13 MGD	737,938.15
102	TRACT G & H PLANNING / SURVEY / TOPO / SOILS	120,170.80
103	GREEN ZONE 30" WATER TRANSMISSION (PHASE 2)	629,990.37
104	MITCHELL GULCH TRAIL (PHASE 2)	5,000.00
105	PLUM CREEK REGIONAL REUSE FACILITIES	2,319,678.42
106	PCWA SEWER CAPACITY PURCHASE (0.25 MGD)	323,592.00
107	DISTRICT #8 CLOSEOUT / L.I.D. / FOUNDERS PKWY.	37,968.82
108	ENDERUD BLVD. STREETSCAPE (PHASE 5)	306,530.40
110	NORTH FOUNDERS BLVD. PARK SITE / D8	93,519.42
111	GREEN ZONE PRV RELOCATION	74,860.86
112	ULTIMATE LIFTSTATION PARTICIPATION (W/ TOWN)	607,778.15
113	RIDGE RD WATER TRANSMISSION (PH 3 ENGINEERING)	3,694.80
115	MIKELSON BLVD STREETSCAPE (Phase 4)	156,708.15
116	GREEN ZONE 30" WATER TRANSMISSION (Phase 3)	2,114,278.49
117	GREEN ZONE WATER TANK 6-C (2.2 MG)	1,125,601.32
118	FILING 16 STREETSCAPE IMPROVEMENTS	336,823.01
119	PLANNING & ENGINEERING (DISTRICT NO. 9)	159,887.00
120	W. MITCHELL GULCH / SWITCHBACK TRAIL CONNECTION	172,900.00
121	MITCHELL GULCH TRAIL (West Segments to Ridge Road)	370,505.71
122	SECONDARY ENTRY MONUMENTS (Ridge - Enderud)	86,500.00
123	DOWNTOWN WATER CAPACITY ACQUISITION	1,463,171.00
124	MIKELSON BLVD. STREETSCAPE (Phase 5)	262,450.00
125	REGIONAL WASTEWATER - CAPACITY ACQUISITIONS	984,000.00
126	DISTRICT 9 SEWER OUTFALL (Phases 1 and 2)	235,950.00
127	LEGAL SERVICES (CAPITAL PROJECTS and DISTRICT 9)	89,500.00
128	TRACTS G and H - RECREATION MASTERPLANNING	15,000.00
129	FOUNDERS SOUTH POOL and CLUBHOUSE	-
130	WAGONWHEEL STREETSCAPING (Xeric w/ Enclave HOA)	214,990.00
131	FOUNDERS TRAIL SHELTERS (on Major Trails)	9,700.00
133	NORTH PAVILION (at Founders Pool and Ridge House)	22,655.00
134	NORTH TRAILS - XCEL CONNECTOR - COR-TEN BRIDGE	416,988.00
135	NORTH XCEL TRAIL (south to Enderud Blvd)	11,650.00
198	PROJECT MANAGEMENT FEES (Park Funding Corp.)	975,693.80
199	PROJECT MANAGEMENT FEES (CCI and PCGI)	221,500.00
300	WATER PLANT FLOODING / MITIGATION / SETTLEMENT	180,851.50

CPF TOTAL	**(1986 THRU 2025)**	**52,257,482.91**

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4
FOUNDERS VILLAGE METROPOLITAN DISTRICT

BOARD OF DIRECTORS

***JEREMY GROVES – President** Term Expires: May 2025
1319 N. Tabor Drive
Castle Rock, CO 80104
Cell: 720-323-2746

MATT HILINSKI – Vice President Term Expires: May 2027
228 Laramie Court
Castle Rock, CO 80104
Cell: 303-725-4828

CAROLYNN KRANSE – Assistant Secretary Term Expires: May 2027
367 Cherry Street
Castle Rock, CO 80104
Cell: 303-881-4759

MARY CATES – Treasurer Term Expires: May 2027
761 Blue Teal Drive
Castle Rock, CO 80104
Cell: 720-371-3517

MIKE MEACHUM – Assistant Secretary Term Expires: May 2025
685 Pine Warbler Court
Castle Rock, CO 80104
Home: 719-352-1833

ASSISTANT MANAGER / SECRETARY:
Kenny Parrish
Pinnacle Consulting Group, Inc.
550 W. Eisenhower Boulevard, Loveland, CO
Office: 970-669-3611 / Fax: 970-699-3612
Cell Phone: 970-308-9968
KennyP@PCGI.com

DISTRICT MANAGER:
***O.* Karl Kasch**
Cimarron Consultants, Inc.
6551 S. Revere Parkway Ste 265 Englewood, CO
80111 Office: 303-790-4845 / Fax: 303-790-4035
Cell: 303-564-1948 vcrmetro4@cimarronla.com

DISTRICT ACCOUNTANT:
Cathy Hamilton, C.P.A.
Simmons & Wheeler, P.C.
8005 South Chester St. - Ste 150 Centennial, CO
80112 Office: 303-689-0833 /Fax: 303-689-0834
Cathy@simmonswheeler.com

***-Director Groves was term-limited in May 2025. He was replaced by Brian Berry.**

GENERAL COUNSEL:
Joe Norris
Cockre Ela Glesne Greher & Ruhland P.C
44 Cook Street, Suite 620
Denver, CO 80206
Office: 303-218-7200
jnorris@cegrlaw.com;

FOUNDERS VILLAGE METROPOLITAN DISTRICT
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for the Founders Village Metropolitan District.

The Founders Village Metropolitan District has adopted one fund, a General Fund, to provide for the contractual obligations to the Villages at Castle Rock Metropolitan District No.4.

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.

All available revenues (property taxes from the limited mill levy of 94.563 mills, specific ownership taxes and system development fees) collected are remitted to the Villages at Castle Rock Metropolitan District No. 4 per the bankruptcy plan.

Founders Village Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 7/31/2024	Estimate 2024	Adopted Budget 2025
Beginning fund balance	$ 423,993	$ 502,221	$ 475,302	$ 475,302	$ 502,191
Revenues:					
Property taxes	5,795,871	7,899,077	7,863,423	7,899,077	7,893,995
Specific ownership taxes	537,331	710,917	343,862	710,917	710,460
System Development Fees	-	-	-	-	30,000
Interest / other income	13,221	4,000	26,026	30,000	4,000
Conservation Trust	51,309	50,000	-	50,000	50,000
Total revenues	6,397,732	8,663,994	8,233,311	8,689,994	8,688,455
Total funds available	6,821,725	9,166,215	8,708,613	9,165,296	9,190,646
Expenditures:					
Transfer to District #4 - (Gen'l and Debt)	6,259,466	8,495,473	8,115,326	8,544,554	8,390,735
Transfer to District #4 - (Capital)	-	-	-	-	30,000
Miscellaneous	-	30	-	30	30
Treasurer's fees	86,957	118,521	117,985	118,521	118,445
CTF Program Expenditures	-	100,000	-	-	100,000
Total expenditures	6,346,423	8,714,024	8,233,311	8,663,105	8,639,210
Ending fund balance	$ 475,302	$ 452,191	$ 475,302	$ 502,191	$ 551,436
Assessed Value		$ 83,532,430			$ 83,478,690
Mill Levy		94.563			94.563

FOUNDERS VILLAGE METROPOLITAN DISTRICT

RESOLUTION TO ADOPT 2025 BUDGET

WHEREAS, the Board of Directors (the "**Board**") of the Founders Village Metropolitan District (the "**District**") has appointed a budget committee to prepare and submit a proposed 2025 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board for its consideration in accordance with Colorado law; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 20, 2024, and interested electors were given the opportunity to file or register any objections to the budget; and

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

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Founders Village Metropolitan District:

1. That estimated expenditures for each fund are as follows:

General Fund:	$ 8,639,210
Total	$ 8,639,210

2. That estimated revenues are as follows:

<u>General Fund</u>:

From unappropriated surpluses	$ 502,191
From sources other than general property tax	$ 794,460
From general property tax	$ 7,893,995
Total	$ 9,190,646

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Founders Village Metropolitan District for the 2025 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is $7,893,995; and

WHEREAS, the 2024 valuation for assessment of the District, as certified by the County Assessor, is $83,478,690.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Founders Village Metropolitan District:

1. That for the purpose of meeting all general operating expenses of the District during the 2025 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 94.563 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise $7,893,995.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Founders Village Metropolitan District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Founders Metropolitan District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	$ 8,639,210
Total	$ 8,639,210

Adopted this 20th day of November, 2024.

FOUNDERS METROPOLITAN DISTRICT

By: ______________________
President

Attest:

____
Assistant Secretary

The Villages at Castle Rock Metropolitan District #4
Adopted Budget
General Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 7/31/2024	Estimate 2024	Adopted Budget 2025
Beginning fund balance	$ 2,995,673	$ 1,982,924	$ 2,749,268	$ 2,749,268	$ 3,062,107
Revenues:					
Property taxes	5,308	7,466	7,469	7,469	7,506
Ownership taxes	492	587	325	587	591
Interest/Miscellaneous	3,037	500	77	500	500
Transfer from Founders	2,277,523	3,275,473	3,128,905	3,324,554	3,320,735
Total revenues	2,286,360	3,284,026	3,136,776	3,333,110	3,329,332
Total funds available	5,282,033	5,266,950	5,886,044	6,082,378	6,391,439
Expenditures:					
Legal	92,013	105,000	40,458	110,000	100,000
Special counsel	43,426	85,000	8,328	65,000	85,000
Accounting	32,178	36,000	22,970	38,440	36,000
Audit	9,500	12,000	10,000	10,000	12,000
Insurance	26,689	31,000	43,843	43,843	50,000
Administrative / Asst. Manager	103,555	103,180	60,828	104,277	99,820
District management	34,701	55,000	20,105	34,500	45,000
Facilities management	126,000	126,000	73,500	126,000	124,500
Directors fees & expenses	6,500	7,000	3,400	7,000	7,000
Payroll tax expense	497	536	260	536	536
Development assistance & referrals	13,356	11,000	7,545	13,500	9,500
Community outreach and website	-	5,000	-	-	5,000
SDA dues & conference	1,572	5,000	1,696	2,907	5,000
Miscellaneous / Reprographic	1,451	600	801	1,373	1,800
Election expense	7,766	-	-	-	30,000
Utilities - Electrical	6,290	9,000	4,021	6,893	9,000
Utilities - Irrigation Water	145,014	235,000	81,471	139,665	200,000
Operations and maintenance programs	1,152,688	1,325,000	585,242	1,239,375	1,710,730
GF Rehab and Improvements	658,018	2,613,141	370,855	950,000	3,430,625
Project Management - GF projects	33,391	102,000	24,772	72,000	102,000
District #9 - Legal/Engineering	38,080	50,000	26,449	45,341	50,000
Snowplow damage-repairs	-	6,000	-	3,000	6,000
Weather damage - other repairs	-	6,500	-	6,500	6,500
Treasurer's fees	80	121	112	121	121
Contingency	-	190,000	-	-	81,524
Emergency reserve	-	147,872	-	-	183,784
Total expenditures	2,532,765	5,266,950	1,386,656	3,020,271	6,391,439
Ending fund balance	$ 2,749,268	$ -	$ 4,499,388	$ 3,062,107	$ -
Assessed value		$ 1,581,430			$ 1,589,930
Mill levy		4.721			4.721

The Villages at Castle Rock Metropolitan District #4
Adopted Budget
Capital Project Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 7/31/2024	Estimate 2024	Adopted Budget 2025
Beginning fund balance	$ 3,112,560	$ 3,229,999	$ 3,465,323	$ 3,465,323	$ 3,700,525
Revenues:					
Interest income	389,738	150,000	239,801	359,702	150,000
Fee agreement with District #7	-	5,587	-	-	5,587
Transfer from Founders (Dev fees)	-	30,000	-	-	30,000
Development fee rebates from Town	45,468	128,000	5,379	15,000	128,000
Total revenues	435,206	313,587	245,180	374,702	313,587
Total funds available	3,547,766	3,543,586	3,710,503	3,840,025	4,014,112
Expenditures:					
Capital construction	30,622	1,085,500	6,300	35,000	1,200,000
Project management - CTF Projects	26,454	62,500	33,349	62,500	62,500
Planning/engineering - Founders	25,368	32,000	13,243	32,000	32,000
Miscellaneous projects	-	10,000	-	10,000	10,000
Total expenditures	82,444	1,190,000	52,892	139,500	1,304,500
Ending fund balance	$ 3,465,322	$ 2,353,586	$ 3,657,611	$ 3,700,525	$ 2,709,612

The Villages at Castle Rock Metropolitan District #4
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2025

	Actual 2023	Adopted Budget 2024	Actual 7/31/2024	Estimate 2024	Adopted Budget 2025
Beginning fund balance	$ 182,990	$ 47,701	$ 214,933	$ 214,933	$ 184,933
Revenues:					
Transfer from Founders	3,981,943	5,220,000	4,986,421	5,220,000	5,070,000
Total revenues	3,981,943	5,220,000	4,986,421	5,220,000	5,070,000
Total funds available	4,164,933	5,267,701	5,201,354	5,434,933	5,254,933
Expenditures:					
Bond interest	3,950,000	5,250,000	2,625,000	5,250,000	5,250,000
Total expenditures	3,950,000	5,250,000	2,625,000	5,250,000	5,250,000
Ending fund balance	$ 214,933	$ 17,701	$ 2,576,354	$ 184,933	$ 4,933

THE VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (the "**Board**") of the Villages at Castle Rock Metropolitan District No. 4 (the "**District**") has appointed a budget committee to prepare and submit a proposed 2025 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board for its consideration in accordance with Colorado law; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 20, 2024, and interested electors were given the opportunity to file or register any objections to the budget; and

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

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Villages at Castle Rock Metropolitan District No. 4:

1. That estimated expenditures for each fund are as follows:

General Fund:	$	6,391,439
Capital Project Fund:	$	1,304,500
Debt Service Fund:	$	5,250,000
Total	$	12,945,939

2. That estimated revenues are as follows:

General Fund:		
From unappropriated surpluses	$	3,062,107
From Founders Metropolitan District transfers	$	3,320,735
From sources other than general property tax	$	1,091
From general property tax	$	7,506
Total	$	6,391,439

Capital Project Fund:

From unappropriated surpluses	$3,700,525
From Founders Metropolitan District transfers	$ 30,000
From sources other than general property tax	$ 283,587
Total	$4,014,112

Debt Service Fund:

From unappropriated surpluses	$ 184,933
From Founders Metropolitan District transfers	$5,070,000
Total	$5,254,933

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Villages at Castle Rock Metropolitan District No. 4 for the 2025 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is $7,506; and

WHEREAS, the 2024 valuation for assessment of the District, as certified by the County Assessor, is $1,589,930.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Villages at Castle Rock Metropolitan District No. 4:

1. That for the purpose of meeting all general operating expenses of the District during the 2025 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 4.721 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise $7,506.

2. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Villages at Castle Rock Metropolitan District No. 4 has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Villages at Castle Rock Metropolitan District No. 4 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	$ 6,391,439
Capital Project Fund:	$ 1,304,500
Debt Service Fund:	$ 5,250,000
Total	$ 12,945,939

Adopted this 20th day of November, 2024.

THE VILLAGES AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 4

By: ______________________
President

Attest:

____
Assistant Secretary

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Founders Village/Villages at Castle Rock (pinn) **
c/o Pinnacle Consulting Group, Inc.
550 W. Eisenhower Blvd.
Loveland CO 80537

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/7/2024, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/7/2024. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

_20134029363-324178_______________________________

Jean Schaffer
Notary Public
My commission ends January 16, 2028

JEAN SCHAFFER
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20134029363
MY COMMISSION EXPIRES JAN 16, 2028

Public Notice

NOTICE AS TO PROPOSED 2024 AMENDED BUDGETS AND THE 2025 BUDGETS

NOTICE IS HEREBY GIVEN that amended 2024 and proposed 2025 budgets have been submitted to **Founders Village Metropolitan District & Villages at Castle Rock Metropolitan District No. 4.** A copy of such proposed budgets has been filed at the offices of Pinnacle Consulting Group, Inc., 550 West Eisenhower Blvd., Loveland, Colorado 80537, where the same is open for public inspection. The Board of Directors will consider the adoption of the proposed budgets of the Districts at a Regular Meeting of the Founders Village Metropolitan District & Villages at Castle Rock Metropolitan District No. 4 to be held at the Ridge House 4501 Enderud Boulevard Castle Cock, Colorado, 80104 and via Zoom on **Wednesday, November 20, 2024, at 6:30 pm.** Any interested elector of the Founders Village Metropolitan District & Villages at Castle Rock Metropolitan District No. 4 may inspect the proposed budgets at the offices of Pinnacle Consulting Group, Inc., 550 West Eisenhower Blvd., Loveland, CO 80537, and file or register any objections at any time prior to the final adoption of the budgets.

BY ORDER OF THE BOARDS OF DIRECTORS:
FOUNDERS VILLAGE METROPOLITAN DISTRICT & VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

By: /s/ Andrew Kunkel,
District Administrator

Legal Notice No. 947596
First Publication: November 7, 2024
Last Publication: November 7, 2024
Publisher: Douglas County News-Press

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

OPERATIONS and MAINTENANCE PROGRAM (D1-999)

GENERAL FUND - 2024 EOY PROJECTION and 2025 BUDGET (GF Projects - separate schedule)

CONTRACT / ACTIVITY / PROGRAM	2024 O&M BUDGET	2024 END -OF -YEAR	2025 O&M BUDGET
Streetscape Maintenance - Base Maintenance Contract (BrightView) w/ New Areas and Scope	$ 370,000	$ 368,000	$ 400,680
Interim Maintenance & Storage Yard (Town Lease / Temporary Conex Rental Units)- GF Project	$ 23,000	$ 16,800	$ 14,000
Electrical Rehabilitation / Repairs / Leak Detection / Mainlines (also see GF Projects)	$ 17,500	$ 9,540	$ 15,500
Founders Tree Replacement Program (Off-Warranty / 2023 Removals & Replacements)	$ 35,000	$ 18,450	$ 42,000
Select Soil Conditioning /Wetting Agents / Fungicides (for Irrigation Water Conservation)	$ 6,000	$ 5,400	$ 30,000
Planter Bed Mulch Improvements (Cedar Mulch / Cobble Mulch / Phased Conversions)	$ 56,500	$ 8,680	$ 52,000
Vole, Gopher, & Prairie Dog Control	$ 6,500	$ 7,250	$ 11,000
Winter Tree and Shrub Watering / Tree Fertilization / Ongoing Drought Conditions	$ 15,000	$ 6,150	$ 15,000
2025 Town Water Budgets and Tap Analysis / Irrigation Masterplanning (EDI /Terracina)	$ 7,250	$ 6,000	$ 7,000
2025 Sidewalk Snow Services (4 Collector Streets and select Tracts - previously Town)	$ -	$ 22,000	$ 90,000
Mainline Rehabilitation / Replacements (Mikelson / Enderud / Lantern Trail / Heritage)	$ 9,500	$ 12,325	$ 10,500
Preventative Tree Spraying (Ips Beetle / Ash Borer / Aphids / Pest Control)	$ 38,000	$ 26,675	$ 40,000
Additional Native Mowings and Tree / Tract Rehab (over Base Contract)	$ 12,500	$ 2,800	$ 16,000
Entry Monument Power & Lighting Repairs (and Upgrades)	$ 2,500	$ 5,380	$ 14,500
Irrigation System Parts (Repairs / Upgrades - DBC)	$ 10,000	$ 11,800	$ 14,800
Annual Tree Pruning Program (Intermediate and High-Structural and major Encroachments)	$ 13,000	$ 22,425	$ 35,000
Prune Trees Encroaching into Homesites (Survey and Phased Services)			$ 45,000
Tree Removal / Snow Damage Contingency (Tree Surgery / Removals / Permits)	$ 8,500	$ 6,100	$ 9,000
Select Super-Aeration / Seed / Topdress (Select Locations / Poor Soils / Drought Mitigation)	$ 6,500	$ 4,000	$ 20,000
Irrigation System Consulting with Brightview (Eccles / J. Holland / OPS)	$ 8,000	$ 12,600	$ 14,000
Project Base Surveys / Topo / Mapping / Legals (CORE / Terracina transfers)	$ 5,000	$ 6,370	$ 6,000
Town Interface / Water Conservation Compliance / New Budgets 2023 (EDI / Holland / OPS)	$ 4,000	$ 4,000	$ 6,000
Other Landscape Consulting (Town Restrictions / Misc. Projects / Inspections / Terracina Design)	$ 8,000	$ 7,200	$ 5,000
Annual District Fence Repairs (Auto / Snowplow / Hail / Wind / Other Damage)	$ 36,000	$ 61,500	$ 55,000
Annual District Fence Re-Staining (FCS)	$ 47,500	$ 62,790	$ 68,000
Fencing Repairs & Staining Management / Inspections / Long-Range Plannning (FCS)	$ 12,000	$ 9,000	$ 15,750
Replace / Repair / Restain / 8 Trailhead Sign Structures	$ -	$ 10,000	$ 3,000
Mikelson 5 Streetscape & Entry Monument (Warranty / Trees/ Irrigation)	$ 1,500	$ 3,600	$ 2,500
Entry Monuments (4) Seasonal Color and Perennial Enhancements	$ 29,000	$ 27,880	$ 10,000
Holiday Lighting at 4 Entry Monuments (Additional Tall Pines Lighting)			$ 35,000
Major Tree Removals and Punchlists for Trails Acceptance (by Castle Rock)	$ 2,800	$ 4,000	$ 3,000
2025 Concrete Repairs & Replacements (Tracts & Breezeways) (See GF for major Projects)	$ 1,000	$ 3,150	$ 20,000
Pool / Clubhouse Lease Payment (to FVMA)	$ 13,000	$ 13,000	$ 13,000
FVMA - Other Rent / Prorated Insurance	$ 29,500	$ 26,660	$ 28,500
Pool / Clubhouse Operations / Staffing (includes Maintenance / Supplies / Chemicals/Cleaning)	$ 279,150	$ 264,000	$ 295,000
Facilities Staffing and Contractor Coordination (PCMS)	$ 16,800	$ 16,800	$ 18,000
Other Maintenance & Repair Services Contingency	$ 23,200	$ 49,050	$ 38,000
Pool and Clubhouse Utilities (W/S/T/CATV)	$ 23,500	$ 44,000	$ 48,000
Building and Pool Upgrades (Heaters / Deckwork / Flooring / Pumps / AV / Tilework / Electrical)	$ 87,800	$ 54,000	$ 95,000
General Fund - Project Management Services (separate GF Line Item for CCI & PCGI)	$ -	$ -	$ -
Facilities Management Services (CCI and PCGI- see General Fund Budget Summary)	$ -	$ -	$ -
GF Operations and Maintenance Program - Contingency	$ 60,000	$ -	$ 50,000
2025 Operations and Maintenance (General Fund Projects are Separate Line-item)	**$ 1,325,000**	**$ 1,239,375**	**$ 1,710,730**

Updated for Budget Hearing Approval by CCI and PCGI: October 30, 2024

RESOLUTION REGARDING 2025 SYSTEM DEVELOPMENT FEES

WHEREAS, pursuant to the Master Intergovernmental Agreement dated May 1, 1995 between the Town of Castle Rock (the "**Town**") and Founders Village Metropolitan District ("**Founders**"), (a) the water component of the System Development Fee to be collected by Founders is 100% of the fee set by the Town; (b) the wastewater component of the System Development Fee to be collected by Founders is 30% of the fee set by the Town; (c) the Transportation Impact Fee to be collected by Founders is 100% of the fee set by the Town; and (d) the Regional Facilities Surcharge is the amount determined by the Founders Board of Directors; and

WHEREAS, the Rules and Regulations for Founders provide that the Board shall set the System Development Fees; and

WHEREAS, the Board hereby finds and determines that it is in the best interest of the public health, welfare, and safety of Founders and of its residents and visitors that it establish and collect the System Development Fees to defray expenses and as contemplated in the Master Intergovernmental Agreement.

NOW, THEREFORE, BE IT RESOLVED as follows:

Commencing January 1, 2025, the Founders System Development Fees are hereby adopted and established as follows (Exhibit A, attached hereto and fully incorporated as part of this Resolution, provides additional detail on the Founders System Development Fees and on other development impact fees collected by the Town):

Development/Impact Fee	*Single Family Detached*	*Multi-Family Attached*
Water Development Fee (100%)	$8,276.00	$5,545.00
Sewer Development Fee (30%)	$1,718.00	$1,118.00
Transportation Impact Fee (100%)	$16,853.00	$13,002.00
Regional Facilities Surcharge	$1,650.00	$1,106.00
Fees collected by Founders	$28,497.00	$20,771.00

RESOLUTION APPROVED AND ADOPTED on February 19, 2025.

Founders Village Metropolitan District

By:______________________
President

Attest:
____
Secretary

FOUNDERS VILLAGE METROPOLITAN DISTRICT

2025 System Development and Impact Fees

(Extrapolated from the adopted 2025 Castle Rock Fee Ordinance)

Development Fees / Impact Fees	**SFD**	**MF**
Water Development Fee (100%)	$ 8,276	$ 5,545
Sewer Development Fee (30%)	$ 1,718	$ 1,118
Transportation Impact Fee (100%) (1)	$ 16,853	$ 13,002
Regional Facilities Fee (District) (4)	$ 1,650	$ 1,106
Fees Collected by Founders District	**$ 28,497**	**$ 20,771**
Sewer Development Fee (70%)	$ 4,011	$ 2,687
Renewable Water Resource Fee (100%)	$ 33,485	$ 22,435
Stormwater Impact Fee (CCB)	$ 1,265	$ 766
Cherry Creek Basin Authority Fee	$ 60	$ 60
Parks & Recreation Impact Fee (1)	$ 9,513	$ 6,828
Fire Impact Fee (1)	$ 1,427	$ 1,024
Police Impact Fee (1)	$ 766	$ 549
Municipal Facilities Fee (1)	$ 500	$ 359
Fee Balance Collected by Castle Rock	**$ 51,027**	**$ 34,708**
Total Development and Impact Fees	**$ 79,524**	**$ 55,478.50**

Notes:

(1) These 5 Impact Fees are "scalable fees" and vary by *home square footage*.

(2) The 2025 Fees for SFD assume a 2,400 sq. ft. home per the Town's annual Fee Ordinance.

(3) Separate Irrigation Tap Fees are per tap size and the District collects 100% of said Fee.
Note: The Town still collects the *Renewable Water Resource Fee* for all Irrigation Taps.

(4) District 4 collects the *Regional Facilities Fee* , as District 4 constructed the MC Force Main, the Woodlands Interceptor, and the E. Plum Creek Interceptor as Regional Wastewater Infrastructure. (per the 1987 IGA and the 1988 Castle Rock / Castle Pines Reuse Project)

Updated by CCI and PCGI: 2/11/2025

EXAMPLE

6550

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1
CERTIFICATE OF PAYMENT FOR SYSTEMS DEVELOPMENT FEES

This certificate acknowledges payment of Water, Sewer, Transportation and other applicable Systems Development Fees to the Villages at Castle Rock Metropolitan District No. 1 ("District 1"), pursuant to all executory Intergovernmental Agreements between District 1 and the Town of Castle Rock.

This certificate entitles Applicant to apply to the Town of Castle Rock for a Building Permit and that the Town levies charges and Fees for said permits separate and apart from District 1's Development Fees.

This certificate must be presented when applying to the Town of Castle Rock for a Building Permit. If the Applicant desires to transfer or assign the certificate to a successor developer or homebuilder, such assignment must be approved by District 1 prior to Building Permit application and issuance by the Town of Castle Rock.

APPLICANT: ______________________________ Phone: ______________

LEGAL DESCRIPTION:

Filing Name / Number: ______________________________ Lot / Block No. __________

Street Address: ____

District 1 is not responsible to Applicant for the sufficiency or the availability of water service. The Town of Castle Rock ("Town") operates an integrated water supply system for the benefit of District 1 and other Districts and residents, and Applicant will be subject to the rules, regulations and ordinances of the Town concerning the Town's integrated water supply system. District 1 is not responsible to Applicant for the sufficiency or availability of sewer service. Sewer service is provided by the Lower East Plum Creek Regional Wastewater Treatment Facility ("Treatment Facility") and Applicant will be subject to the rules and regulations adopted by the Plum Creek Wastewater Authority concerning the availability and sufficiency of sewer service from the Treatment Facility.

SYSTEMS DEVELOPMENT FEES ________Paid Direct ______ Per Tap Purchase Agreement (PPD)

Water System:	100% x ______1_______	SFE	=	$ ______________
Sewer System:	30% x ______1_______	SFE	=	$ ______________
Transportation Fee:	100% x ______1_______	SFE	=	$ ______________
Regional Facilities Surcharge:	100% x ______1_______	SFE	=	$ ______________

Paid by Check No. ______________ **Total Fees Paid to District 1:** $ ______________

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 1

By: ______________________________

Title: _____District Manager______________________

TO BE COMPLETED BY TOWN

Building Permit Date: ______________

Building Permit No: ______________

(white/District, canary/District, pink/Builder, goldenrod/Town)

MEMORANDUM

TO:	**FOUNDERS VILLAGE METROPOLITAN DISTRICT - BOARD OF DIRECTORS**
COPY:	Joe Norris, Esq. / Kenny Parish / Joel Laufer, Esq. / Cathy Hamilton
FROM:	O. Karl Kasch, District Manager
DATE:	**December 31, 2025**
SUBJECT:	**2025 DEVELOPMENT FEE CERTIFICATES UPDATE** **Founders Village Metropolitan District**

Management submits this update of the District's detailed inventory of Development Fees collected through FY 2025. This summary of the previous development and fee collection matrix includes the most recent Certificates issued to Richmond Seasons in Filing No. 25 and Dream Finders Homes (MF) in Filing No. 21.

- **Founders Projected Residential Buildout: 2,486**
- **DEVELOPMENT FEE CERTIFICATES ISSUED: 2,419**
- **Lot Inventory (Projected Sites or Lots):**

10	(NB)	Neighborhood Commercial (8.5 acres)
1	(F17)	Ormond (Estate Lot - SFD)
56	(MF)	4-Acre MF Site at Ridgeview Church
67		**SFE to Founders District Build-Out**

Certificates 1986 to 1996:	1240
1997 Certificates Issued:	133
1998 Certificates Issued:	166
1999 Certificates Issued:	201
2000 Certificates Issued:	170
2001 Certificates Issued:	169
2002 Certificates Issued:	71
2003 Certificates Issued:	67
2004 Certificates Issued:	18
2005 Certificates Issued:	0
2006 Certificates Issued:	18
2007 Certificates Issued:	02
2008 Certificates Issued:	10
2018 Certificates Issued:	54
2019 Certificates Issued:	20
2020 Certificates Issued:	80
2025 Certificates Issued:	0
TOTAL FEE CERTIFICATES ISSUED IN FOUNDERS DISTRICT:	**2419**

MDC/Richmond Tap Bank (Pre-1996)

473	Prepaid Certificates
(227)	Used 1985-1992
(92)	Used 1993
(70)	Used 1994
(68)	Used 1995
(16)	Used 1996
0	**Richmond Tap Bank**

D.S.S.D. Tap Bank (Mikelson)

5	Prepaid Certificates
(0)	Used or Assigned to Date
5	**Current D.S.S.D. Tap Bank**

Engle Homes Tap Bank (Pre-1996)

164	Prepaid Certificates
(154)	Used thru 1993
(1)	1993 to Cameo Homes
(1)	1996 to Pat Vaughn
(8)	1996 Engle Homes
0	**Engle Homes Tap Bank**

Other Prepaid Fee Certificates

1 Nate Ormond (Filing 17, Lot 4)

Homebuilder	Total 1986 - 2005	Total 2006 - 2008	Total 2018	Total 2019	Total 2020
5 Homebuilders (1986-1996)	1220	0	0	0	0
Crown Manor Homes	28	0	0	0	0
Patio Plus Homes	27	0	0	0	0
Richmond Homes	483	0	0	0	0
Engle Homes	365	0	0	0	0
Aspen Ridge Homes	50	0	0	0	0
Cambridge Green	16	0	0	0	0
Barrett American Builders	0	24	0	0	0
Monterey-Heritage Homes	46	0	0	0	0
Tripp Construction Inc.	0	6	0	0	0
Seasons by Richmond	0	0	54	12	0
Dream Finders Homes	0	0	0	8	80
Total Certificates Issued:	**2235**	**30**	**54**	**20**	**80**

Cumulative Certificates:	**2235**	**2265**	**2319**	**2339**	**2419**

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2025

with

Independent Auditor's Report

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WIPFLI

Board of Directors
Founders Village Metropolitan District
Douglas County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Founders Village Metropolitan District (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Founders Village Metropolitan District as of December 31, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplemental Information

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

Supplemental Information

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

Wipfli LLP

Wipfli LLP
Denver, Colorado

July 31, 2026

FOUNDERS VILLAGE METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Net Position
ASSETS						
Cash and investments	$ 3,442,731	$ -	$ -	$ 3,442,731	$ -	$ 3,442,731
Cash and investments - restricted	760,863	-	4,096,403	4,857,266	-	4,857,266
Receivable County Treasurer	50,794	-	-	50,794	-	50,794
Property taxes receivable	7,748,437	-	-	7,748,437	-	7,748,437
Accounts receivable	382,650	31,736	-	414,386	(322,102)	92,284
Prepaid expenses	16,735	-	-	16,735	-	16,735
Capital assets, net of depreciation	-	-	-	-	5,538,066	5,538,066
Total Assets	$ 12,402,210	$ 31,736	$ 4,096,403	$ 16,530,349	5,215,964	21,746,313
LIABILITIES						
Accounts payable	$ 630,134	$ -	$ -	$ 630,134	(322,102)	308,032
Long-term liabilities						
Due in more than one year	-	-	-	-	192,581,892	192,581,892
Total Liabilities	630,134	-	-	630,134	192,259,790	192,889,924
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	7,748,437	-	-	7,748,437	-	7,748,437
Total Deferred Inflows of Resources	7,748,437	-	-	7,748,437	-	7,748,437
FUND BALANCE						
Nonspendable:						
Prepaids	16,735	-	-	16,735	(16,735)	-
Restricted:						
Emergencies	192,175	-	-	192,175	(192,175)	-
Conservation trust	568,688	-	-	568,688	(568,688)	-
Debt service	-	31,736	-	31,736	(31,736)	-
Committed:						
Capital projects	-	-	4,096,403	4,096,403	(4,096,403)	-
Assigned:						
Designated for future expenditures	3,164,518	-	-	3,164,518	(3,164,518)	-
Unassigned:	81,523	-	-	81,523	(81,523)	-
Total Fund Balances	4,023,639	31,736	4,096,403	8,151,778	(8,151,778)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 12,402,210	$ 31,736	$ 4,096,403	$ 16,530,349		
NET POSITION						
Restricted for:						
Emergencies					192,175	192,175
Conservation trust					568,688	568,688
Debt service					31,736	31,736
Capital projects					4,096,403	4,096,403
Unrestricted					(183,781,050)	(183,781,050)
Total Net Position (Deficit)					$ (178,892,048)	$ (178,892,048)

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Activities
EXPENDITURES						
Accounting	$ 38,159	$ -	$ -	$ 38,159	$ -	$ 38,159
Audit	10,920	-	-	10,920	-	10,920
Directors' fees	6,351	-	-	6,351	-	6,351
District management	38,942	-	-	38,942	-	38,942
Insurance	15,385	-	-	15,385	-	15,385
Legal and election expenses	88,883	-	-	88,883	-	88,883
Miscellaneous expenses	3,450	-	-	3,450	-	3,450
Administrative	99,475	-	-	99,475	-	99,475
Facilities management	69,957	-	-	69,957	-	69,957
SDA dues and conference	3,377	-	-	3,377	-	3,377
Development/referrals	14,267	-	-	14,267	-	14,267
GF Rehab and improvements	1,570,643	-	-	1,570,643	(1,052,055)	518,588
Project / engineering GF projects	72,123	-	-	72,123	-	72,123
District #9 - legal / engineering	51,552	-	-	51,552	-	51,552
Operations and maintenance	1,232,209	-	-	1,232,209	-	1,232,209
Utilities	209,772	-	-	209,772	-	209,772
Treasurer's fees	118,496	-	-	118,496	-	118,496
Bond interest expense	-	5,250,000	-	5,250,000	10,448,734	15,698,734
Capital improvements	-	-	15,594	15,594	(15,594)	-
Project management - CTF Projects	-	-	54,292	54,292	(54,292)	-
Project management/planning/engineering	-	-	32,248	32,248	(32,248)	-
Depreciation	-	-	-	-	155,839	155,839
Total Expenditures	3,643,961	5,250,000	102,134	8,996,095	9,450,384	18,446,479
PROGRAM REVENUES						
Conservation trust	46,187	-	-	46,187	-	46,187
Total Program Revenues	46,187	-	-	46,187	-	46,187
Net Program Revenue (Expense)	(3,597,774)	(5,250,000)	(102,134)	(8,949,908)	(9,450,384)	(18,400,292)
GENERAL REVENUES						
Property taxes	7,896,468	-	-	7,896,468	-	7,896,468
Specific ownership taxes	608,176	-	-	608,176	-	608,176
Interest income	36,863	-	385,546	422,409	-	422,409
Total General Revenues	8,541,507	-	385,546	8,927,053	-	8,927,053
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,943,733	(5,250,000)	283,412	(22,855)	(9,450,384)	(9,473,239)
OTHER FINANCING SOURCES (USES)						
Transfer from/(to) other funds	(5,150,465)	5,150,465	-	-	-	-
Total Other Financing Sources (Uses)	(5,150,465)	5,150,465	-	-	-	-
NET CHANGE IN FUND BALANCES	(206,732)	(99,535)	283,412	(22,855)	22,855	
CHANGES IN NET POSITION					(9,473,239)	(9,473,239)
FUND BALANCES/NET POSITION BEGINNING OF YEAR	4,230,371	131,271	3,812,991	8,174,633	(177,593,442)	(169,418,809)
END OF YEAR	$ 4,023,639	$ 31,736	$ 4,096,403	$ 8,151,778	$ (187,043,826)	$ (178,892,048)

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	$ 7,901,501	$ 7,896,468	$ (5,033)
Specific ownership taxes	711,051	608,176	(102,875)
Interest income	4,500	36,863	32,363
System development fees	30,000	-	(30,000)
Conservation trust	50,000	46,187	(3,813)
Total Revenues	8,697,052	8,587,694	(109,358)
EXPENDITURES			
Legal and election expenses	215,000	88,883	126,117
Accounting	36,000	38,159	(2,159)
Audit	12,000	10,920	1,080
Insurance	50,000	15,385	34,615
Administrative / Asst. Manager	99,820	99,475	345
District management	45,000	38,942	6,058
Facilities management	124,500	69,957	54,543
Directors fees & expenses	7,536	6,351	1,185
Development assistance & referrals	9,500	14,267	(4,767)
Community outreach and website	5,000	-	5,000
SDA dues & conference	5,000	3,377	1,623
Miscellaneous/reprographic	1,830	3,450	(1,620)
Utilities	209,000	209,772	(772)
Operations and maintenance programs	1,710,730	1,232,209	478,521
GF Rehab and Improvements	3,430,625	1,570,643	1,859,982
Project Management - GF projects	102,000	72,123	29,877
District #9 - Legal/Engineering/Inclusion	50,000	51,552	(1,552)
Snowplow damage-repairs	6,000	-	6,000
Weather damage - other repairs	6,500	-	6,500
Treasurer's fees	118,566	118,496	70
CTF expenditures	100,000	-	100,000
Contingency	81,523	-	81,523
Emergency reserve	183,784	-	183,784
Total Expenditures	6,609,914	3,643,961	2,965,953
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,087,138	4,943,733	2,856,595
OTHER FINANCING SOURCES (USES)			
Transfer from/(to) other funds	(5,100,000)	(5,150,465)	(50,465)
Total Other Financing Sources (Uses)	(5,100,000)	(5,150,465)	(50,465)
NET CHANGE IN FUND BALANCE	(3,012,862)	(206,732)	2,806,130
FUND BALANCE - BEGINNING OF YEAR	3,564,298	4,230,371	666,073
FUND BALANCE - END OF YEAR	$ 551,436	$ 4,023,639	$ 3,472,203

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Note 1: Summary of Significant Accounting Policies

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

Definition of Reporting Entity
The District was organized on August 15, 1984, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was formerly known as Villages at Castle Rock Metropolitan District No. 1 and changed its name on February 23, 2006. The District's service area is located entirely within the Town of Castle Rock ("Town"). The District was established to finance the construction and acquisition of arterial roadways, major storm drainage facilities, traffic safety protection, potable water systems, sewer systems, irrigation systems and recreation facilities that benefit the citizens of the District. Upon completion, the District will dedicate and transfer certain improvements required to be dedicated to the Town or other appropriate entity for maintenance and operation. The District will own, maintain, and operate other public improvements. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

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

As required by GAAP, these financial statements present the activities of the District, and its component unit for which the District is considered to be financially accountable. The District follows the GASB pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Blended Component Unit

The Villages at Castle Rock Metropolitan District No. 4 ("District No. 4"), is considered a blended component unit to the District because, although a legally separate entity, District No. 4 is in substance part of the District's operations; therefore, data from this government entity is combined with data of the primary government entity. District No. 4 has a December 31 year end.

By Order of Dissolution entered by the Douglas County District Court on December 20, 1993, the then Board of Directors of District No. 4 were discontinued from office and the Board of Directors of the District (and each of their successors in office) are to act as the Board of Directors of District No. 4, carrying out the statutory responsibilities of District No. 4 and those responsibilities imposed under an Intergovernmental Agreement dated February 16, 1993, until District No. 4 ceases to exist on the earlier of June 30, 2031 or upon the date all outstanding bonds have been paid in full. District No. 4 will be dissolved upon satisfaction of the terms of its outstanding indebtedness and contractual obligations or June 30, 2031, whichever is sooner. District No. 4's primary revenue source is from intergovernmental revenue from the District. District No. 4's operations are included in the General Fund, Debt Service Fund and Capital Projects Fund.

The current primary purpose of the District is to satisfy its contractual obligations with respect to District No. 4.

Basis of Presentation

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

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position.

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

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Measurement Focus, Basis of Accounting and Financial Statement Presentation
The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs accounted for in District No. 4.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets accounted for in District No. 4.

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Assets, Liabilities and Net Position

Fair Value of Financial Instruments
The District's financial instruments include cash and investments, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2025, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

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

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

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

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting in this category.

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

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Streetscaping and irrigation	30-40 years
Boulevard and open space fencing	30 years

Depreciation expense for the year ended December 31, 2025, was $155,839.

Long-Term Obligations

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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

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

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

The nonspendable fund balance in the General Fund in the amount of $16,735, represents prepaid expenditures.

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

The restricted fund balance of $192,175, in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. $568,688, of the fund balance has been restricted for unspent Conservation Trust Fund, ("CTF") proceeds. The CTF Funds are not pledged revenues for the Series 1991 Bonds (see Note 4).

The restricted fund balance in the Debt Service Fund in the amount of $31,736, is restricted for the payment of the debt service costs associated with the District No. 4 Revenue Refunding Bonds (see Note 4).

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

The fund balance in the Capital Projects Fund in the amount of $4,096,403, is committed for the payment of the costs for future capital improvements within District No. 4.

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

The assigned fund balance in the General Fund in the amount of $3,164,518 represents the amount appropriated for use in the budget for the year ending December 31, 2025.

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

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

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

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets. At December 31, 2025, the District had no amount to report in this category.

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

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

The District has a deficit net position as of December 31, 2025. This deficit amount was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which the costs were removed from the District's financial records.

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Adoption of New Accounting Standards
In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures (Statement 102)*. Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance. The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

Note 2: Cash and Investments

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

Statement of Net Position:	
Cash and investments	$ 3,442,731
Cash and investments – restricted	4,857,266
	$ 8,299,997

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

Deposits with financial institutions	$ 867,878
Investments – COLOTRUST	7,432,119
	$ 8,299,997

Deposits:
Custodial Credit Risk
The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District does not have a formal policy for deposits. None of the District's deposits were exposed to custodial credit risk.

At December 31, 2025, the District's cash deposits in the banks and the carrying balances were $867,878.

Investments:

Investment Valuation

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

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

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

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAm by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of $1.00. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2025, the District had $7,432,119 invested in COLOTRUST.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Note 3: Capital Assets

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

Governmental Type Activities:	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Construction in progress	$ 1,522,178	$ 1,101,929	$ -	$ 2,624,107
Irrigation tap	-	52,260	-	52,260
Total capital assets not being depreciated:	1,522,178	1,154,189	-	2,676,367
Capital assets being depreciated:				
Streetscaping and irrigation systems	3,646,877	-	-	3,646,877
Boulevard and open spacefencing	1,640,000	-	-	1,640,000
Entry monuments	400,000	-	-	400,000
Total capital assets being depreciated:	5,686,877	-	-	5,686,877
Accumulated Depreciation	(2,669,339)	(155,839)	-	(2,825,178)
Net capital assets being depreciated:	3,017,538	(155,839)	-	2,861,699
Government type assets, net	$ 4,539,716	$ 998,350	$ -	$ 5,538,066

Pursuant to an Agreement dated February 1, 2007, the District agreed to accept a Bill of Sale from Founders Village Master Association, Inc. which conveyed specified fences within Founders Village to the District. The District and District No. 4 agreed to be responsible for all maintenance obligations concerning these fences. At the time this conveyance was made, the specified fences had a value of $1,640,000. Over the past 12 years District No. 4 has replaced, repaired and or re-stained 120,000 linear feet of fencing, and these costs were recorded as operating and maintenance expenses.

The District remains responsible for maintenance of certain streetscape and irrigation facilities within the arterial and collector street right-of-ways. Upon completion and final acceptance by the Town, all other public infrastructure and public utility improvements were conveyed to the Town. Improvements that are to be conveyed are not depreciated.

Note 4: Long-Term Debt

A description of the long-term obligations as of December 31, 2025, is as follows:

Revenue Refunding Bonds – Series 1991

The Revenue Refunding Bonds were issued by District No. 4, a blended component unit of the District (see Note 1). The Revenue Refunding Bonds, Series 1991, bear interest payable semiannually on June 1 and December 1 of each year at the rate of 8.5% per annum, compounded semiannually.

Payments are to be made to current interest first, then unpaid interest, then to principal. The bonds mature on June 1, 2031. Any principal and accrued interest remaining unpaid after June 1, 2031, will be deemed to be discharged, satisfied and no longer due and payable.

Interest on the bonds accrues and is determinable in each year, but a failure to pay accrued interest because of lack of revenue does not constitute a default. Thus, the actual amounts of payments to be made in future years will depend on future revenue and cannot be predicted with certainty.

The bonds are secured by a pledge of revenues consisting of certain payments under the Intergovernmental Agreement with the District, District No. 4 and the Villages at Castle Rock Metropolitan District No. 9 ("District No. 9"). The District and District No. 9 are obligated to make payments to District No. 4 in an amount sufficient to pay the principal and interest on the bonds. The bonds do not constitute general obligation debt of District No. 4 and may only be paid from the revenues received from the District and District No. 9. Currently, the District is the sole source of revenue to District No. 4 under this agreement since District No. 9 has been inactive. The Town reconstituted District No. 9's Board of Directors in the fall of 2018. District No. 9 then was brought into statutory compliance, filed a Fiscal Year 2018 Budget, and adopted a mill levy equal to the District's mill levy as required by the 1991 Bond Resolution. As referenced in Note 5, District No. 9 owes the District for certain facilities and capacity developed by the District for the benefit of District No. 9 prior to the District No. 4 bankruptcy (see Note 5).

District No. 4 shall not develop additional roads, water or sewer facilities for the benefit of District No. 9 until District No. 9 adopts a Second Amended Intergovernmental Funding Agreement ("IGFA") which incorporates a facility development fee resolution. As of December 31, 2025, District No. 4 and District No. 9 are negotiating the IGFA.

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

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

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025	Current Portion
General Obligation Debt					
Revenue Refunding Bonds -					
Series 1991 Prinicpal	$ 25,911,000	$ -	$ -	$ 25,911,000	$ -
Accrued interest	156,222,158	15,698,734	5,250,000	166,670,892	-
	$ 182,133,158	$ 15,698,734	$ 5,250,000	$ 192,581,892	$ -

Debt Authorization
The District has no remaining General Obligation Debt authorization.

Note 5: Agreements

Intergovernmental Agreement - Town
The District entered into an intergovernmental agreement with the Town on September 7, 1984, and a series of amendments through 1994. These agreements were merged into the Master Intergovernmental Agreement, ("MIGA"), dated May 1, 1995, between the District, District No. 4 and the Town, and subsequently amended on August 22, 1996, and June 13, 2006. The agreement required the District to construct or acquire various in-District and regional facilities and improvements which shall be conveyed to the Town. Upon final acceptance, the Town will maintain and operate certain public facilities and improvements. Construction is performed by District No. 4 under the terms of the 1991 Intergovernmental Financial Agreement. As stated in Note 3, the District has certain operations and maintenance responsibilities under this agreement.

Intergovernmental Financing Agreement
The District (not inclusive of its blended component unit of District No. 4) entered into a Third Amended Intergovernmental Financing Agreement with District No. 4 on September 12, 1991, which was approved by the U. S. Bankruptcy Court on December 17, 1991, as part of the court's approval of District No. 4's Plan for Adjustment of Debts. According to the amended agreement, the District is required to reimburse District No. 4 for providing certain improvements and facilities and also obligates the District to repay the outstanding revenue bonds of District No. 4. The agreement also requires District No. 4, on behalf of the District, to pay all of the administrative, legal, insurance, utilities, management and operating and all on-going maintenance expenditures of District No. 4.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

The agreement delineates specific mill levy requirements that will enable the District to sufficiently fund the debt service requirements of District No. 4. The District is required to impose a minimum mill levy for each year that District No. 4's bonds are outstanding. The minimum mill levies are as follows:

Year	Mill Levy
1991-1999	32 mills
2000-2004	37 mills
2005-2031	42 mills

If the methods of assessment percentage rates are changed during the term of District No. 4's Series 1991 bonds, the mill levy required in the District automatically will be changed to yield the same revenue which would be produced from the mill levies stated above, based upon the 1991 methods of assessment. Based upon these criteria, the mill levy certified for property taxes to be collected in 2025 was 94.563 mills.

In addition, beginning in January 2000, the District must select five special districts in Douglas County which are comparable to the District ("Comparison Districts"). The mill levy must be adjusted so that the total overlapping property tax levies for property owners in the District is not less than the mean average of the five total overlapping property tax levied for the preceding year for the Comparison Districts. The analysis of Comparison Districts is completed and adopted annually (with the annual budget) and submitted to the Trustee.

The agreement is valid until the earlier of June 30, 2031, or the date District No. 4's revenue bonds are paid in full. At that time, District No. 4 shall be dissolved by previous District Court Order.

Facilities Development Fee Resolution

The District (not inclusive of its blended component unit of District No. 4) approved a Facilities Development Fee Resolution as part of the Intergovernmental Financing Agreement with District No. 4. This resolution states that the District will impose facilities development fees on platted, developable property within the District if the District fails to collect a minimum amount of property taxes. The minimum annual amounts are as follows:

Property Tax Revenue	Year
$ 804,183	2000-2004
$ 1,291,224	2005-2009
$ 1,913,010	2010-2014
$ 2,322,225	2015-2019
$ 2,692,095	2020-2024
$ 3,120,876	2025 and thereafter

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

To date, each of the above property tax revenue requirements have been satisfied. If the District does not collect the minimum amount of property taxes, the amount of the deficiency will be payable by the owners of the platted developable property based on acreage. The fees are payable beginning in the year 2001 (based on the year 2000 property tax revenue) and will continue as long as District No. 4's revenue bonds are outstanding. The status of a property as "developable" will be determined as of January 1 of the prior year in which the fees are payable.

Restated Intergovernmental Agreement – District No. 7

District No. 4 and the Villages at Castle Rock Metropolitan District No. 7 ("District No. 7") entered into an intergovernmental agreement on November 16, 2000, which replaced the 1991 and 1992 agreements between the parties. District No. 7's previous obligation to the District of approximately $2,800,000 has been terminated. District No. 7 has agreed that upon the receipt of any development fee, District No. 7 will pay the District the amount of $5,587 per single-family unit until the District has been paid $2,000,000 or November 16, 2030, whichever comes first. As of December 31, 2025, the District has been paid $1,284,710 under this agreement. District No. 4 estimates that there are 11 lots still existing in District 7 which will generate additional development fee payment. In 2018, District No. 4 and District No. 7 executed a First Amendment to the 2000 intergovernmental agreement and an assignment of development fee rebates, pursuant to which District No. 7 assigned to District No. 4 the right to collect and receive any District No. 7 development fees following the dissolution of District No. 7. District No. 7 obtained an Order for Dissolution from the District Court on January 2, 2019, but remains active for purposes of satisfying its bond obligation.

Development Fee Rebates from Castle Rock

The 1995 Master Intergovernmental Agreement ("MIGA") states that District No. 4 has constructed certain Water and Wastewater Facilities, with capacities in excess of District No. 4's build-out requirements. The Wastewater Facilities include oversized sewer interceptors through the Woodlands PUD and the East Plum Creek Interceptor. The MIGA provides that the Town will rebate to District No. 4, 30% of the prevailing Sewer Development Fees collected in the MIGA Rebate Area for not-to-exceed 1,220 single-family equivalents ("SFE"). The MIGA Rebate area no longer includes Castlewood Ranch. The Water Facilities include wells, treatment, pumping, storage and transmission systems. The MIGA provides that the Town will rebate 25% of the prevailing Water Development Fees collected in the MIGA Rebate Area, not-to-exceed 350 SFEs. Depending upon the rate of residential growth, it is estimated that District No. 4 could receive $815,000 in Water Fee Rebates and $1,140,000 in Sewer Fee Rebates. As depicted in the Capital Projects Fund, District No. 4 received $0 in Development Fee Rebates from the Town in 2025.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

District 4 Facilities and Capacities Constructed for District 9

Consistent with the 1995 Service Plan, the MIGA and the 1986 Amended Regional Facilities Agreement (Amended 1987) District 4 has previously constructed water and wastewater facilities (and capacities) to serve the buildout in the District (Founders), District 7 (Woodlands) and District 9 (Homestead). The Water Facilities include water supply (wells), treatment, pumping, storage tanks and transmission mains. The Wastewater Facilities include gravity interceptors, lift stations, force mains, treatment and reuse systems. The District Manager evaluated all water and wastewater facilities constructed-to-date and confirmed the following facilities and construction costs constructed for the benefit of District 9:

Water Supply / Treatment / Storage and Transmission Facilities	$ 2,559,849
Wastewater Treatment / Interceptors and Regional Diversions	$ 1,139,914
Interest – Carry (Pre-1991)	$ 392,755
Total Facilities Constructed for District 9	$ 4,092,518

As referenced in Note 5, District No. 9's Board was reconstituted and appointed by the Town in 2018. District No. 9 and District No. 4 initiated discussions and outlines for the Second Amended Intergovernmental Financing Agreement ("IGFA") to address development fee collections, mill levies, and debt service provisions essentially consistent with the 1991 District No. 4 and District No. 1 Agreement. The IGFA required an Amendment to the Bond Resolution requiring the approval of 67% of the Registered Bondholders. As of 12/31/25, the Bondholder Consents were still in progress and managed by the Bond Trustee (US Bank Trust).

District No. 4 and District No. 9 initiated discussions for an Intergovernmental Reimbursement Agreement ("IGRA") to address reimbursement obligations for the above referenced facilities and capacities. The parties negotiated and executed the IGRA on January 5, 2024. District No. 9 will collect separate Reimbursement Fees and issue a Payment Certificate with each building permit application. District No. 4 anticipates Reimbursement Fee collections to commence in Fiscal Year 2026.

Note 6: Tax, Spending and Debt Limitations

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

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

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

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

Note 7: Risk Management

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

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

Note 8: Interfund and Operating Transfers

The transfer of $5,150,465 from the General Fund to the Debt Service Fund was for the purpose of providing funds to pay the debt service obligations.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

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

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

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

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

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

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

3) transfers between funds have been eliminated in the government-wide financial statements.

SUPPLEMENTAL INFORMATION

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES			
Bond interest expense	$ 5,250,000	$ 5,250,000	$ -
Total Expenditures	5,250,000	5,250,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,250,000)	(5,250,000)	-
OTHER FINANCING SOURCES (USES)			
Transfer from other funds	5,070,000	5,150,465	80,465
Total Other Financing Sources (Uses)	5,070,000	5,150,465	80,465
NET CHANGE IN FUND BALANCE	(180,000)	(99,535)	80,465
FUND BALANCE - BEGINNING OF YEAR	184,933	131,271	(53,662)
FUND BALANCE - END OF YEAR	$ 4,933	$ 31,736	$ 26,803

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Tap agreement with District #7	$ 5,587	$ -	$ (5,587)
System development fees	30,000	-	(30,000)
Intergovernmental agreement - Castle Rock	128,000	-	(128,000)
Interest income	150,000	385,546	235,546
Total Revenues	313,587	385,546	71,959
EXPENDITURES			
Capital construction	1,200,000	15,594	1,184,406
Project management - CTF Projects	62,500	54,292	8,208
Planning/engineering - Founders	32,000	32,248	(248)
Miscellaneous projects	10,000	-	10,000
Total Expenditures	1,304,500	102,134	1,202,366
NET CHANGE IN FUND BALANCE	(990,913)	283,412	1,274,325
FUND BALANCE - BEGINNING OF YEAR	3,700,525	3,812,991	112,466
FUND BALANCE - END OF YEAR	$ 2,709,612	$ 4,096,403	$ 1,386,791

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

COMBINING BALANCE SHEET
GENERAL FUND
December 31, 2025

	Villages at Castle Rock #4	General Fund	Total
ASSETS			
Cash and investments	$ 3,455,834	$ 747,760	$ 4,203,594
Receivable County Treasurer	48	50,746	50,794
Property taxes receivable	7,900	7,740,537	7,748,437
Accounts receivable	290,366	92,284	382,650
Prepaid expenses	16,735	-	16,735
Total Assets	$ 3,770,883	$ 8,631,327	$ 12,402,210
LIABILITIES			
Accounts payable	$ 308,032	$ 322,102	$ 630,134
Total Liabilities	308,032	322,102	630,134
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	7,900	7,740,537	7,748,437
Total Deferred Inflows of Resources	7,900	7,740,537	7,748,437
FUND BALANCE			
Nonspendable:			
Prepaids	16,735	-	16,735
Restricted:			
Emergencies	192,175	-	192,175
Conservation trust	-	568,688	568,688
Assigned:			
Designated for future expenditures	3,164,518	-	3,164,518
Unassigned:	81,523	-	81,523
Total Fund Balances	3,454,951	568,688	4,023,639
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,770,883	$ 8,631,327	$ 12,402,210

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended December 31, 2025

	Villages at Castle Rock #4	General Fund	Total
EXPENDITURES			
Accounting	$ 38,159	$ -	$ 38,159
Audit	10,920	-	10,920
Directors' fees	6,351	-	6,351
District management	38,942	-	38,942
Insurance	15,385	-	15,385
Legal and election expenses	88,883	-	88,883
Miscellaneous expenses	3,450	-	3,450
Administrative	99,475	-	99,475
Facilities management	69,957	-	69,957
SDA dues and conference	3,377	-	3,377
Development/referrals	14,267	-	14,267
GF Rehab and improvements	1,570,643	-	1,570,643
Project / engineering GF projects	72,123	-	72,123
District #9 - legal / engineering	51,552	-	51,552
Operations and maintenance	1,232,209	-	1,232,209
Utilities	209,772	-	209,772
Treasurer's fees	112	118,384	118,496
Total Expenditures	3,525,577	118,384	3,643,961
PROGRAM REVENUES			
Conservation trust	-	46,187	46,187
Total Program Revenues	-	46,187	46,187
Net Program (Expense)	(3,525,577)	(72,197)	(3,597,774)
GENERAL REVENUES			
Property taxes	7,474	7,888,994	7,896,468
Specific ownership taxes	578	607,598	608,176
Interest income	2,685	34,178	36,863
Total General Revenues	10,737	8,530,770	8,541,507
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,514,840)	8,458,573	4,943,733
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	-	(8,411,284)	(8,411,284)
Transfer from other funds	3,260,819	-	3,260,819
Total Other Financing Sources (Uses)	3,260,819	(8,411,284)	(5,150,465)
NET CHANGE IN FUND BALANCE	(254,021)	47,289	(206,732)
FUND BALANCE			
BEGINNING OF YEAR	3,708,972	521,399	4,230,371
END OF YEAR	$ 3,454,951	$ 568,688	$ 4,023,639

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

FOUNDERS VILLAGE METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied General Fund	Total Property Tax Levied	Total Property Tax Collected	Percent Collected to Levied
2010	$ 40,691,070	79.146	$ 3,220,535	$ 3,244,892	100.76%
2011	$ 40,700,390	79.146	$ 3,221,273	$ 3,220,539	99.98%
2012	$ 35,962,750	79.146	$ 2,846,308	$ 2,847,925	100.06%
2013	$ 35,840,730	79.146	$ 2,836,650	$ 7,888,994	278.11%
2014	$ 35,499,091	79.146	$ 2,809,611	$ 2,815,513	100.21%
2015	$ 35,800,810	79.146	$ 2,833,491	$ 2,814,380	99.33%
2016	$ 44,053,090	79.146	$ 3,486,626	$ 3,485,455	99.97%
2017	$ 44,229,140	79.146	$ 3,500,560	$ 3,500,041	99.99%
2018	$ 50,449,550	87.314	$ 4,404,952	$ 4,404,891	100.00%
2019	$ 50,829,650	87.253	$ 4,435,039	$ 4,434,366	99.98%
2020	$ 60,026,520	87.842	$ 5,272,850	$ 5,272,547	99.99%
2021	$ 60,479,620	88.083	$ 5,327,226	$ 5,327,233	100.00%
2022	$ 64,642,320	88.683	$ 5,732,675	$ 5,734,238	100.03%
2023	$ 63,535,330	91.198	$ 5,794,295	$ 5,795,871	100.03%
2024	$ 83,532,430	94.563	$ 7,899,077	$ 7,899,242	100.00%
2025	$ 83,478,690	94.563	$ 7,893,995	$ 7,888,994	99.94%
Estimated for year ending December 31, 2026	$ 81,855,870	94.563	$ 7,740,537		

NOTES

1. Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

2. This information does not include Village's at Castle Rock Metropolitan District # 4 which is a blended component unit

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COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

July 31, 2026

Board of Directors
Founders Village Metropolitan District

Dear Board of Directors:

We have audited the financial statements of the governmental activities and each major fund of Founders Village Metropolitan District (the "District") for the year ended December 31, 2025, and have issued our report thereon dated July 31, 2026. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated November 21, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplemental information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplemental information in relation to the financial statements as a whole and to report on whether the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated, in addition to our engagement letter dated November 21, 2025, accepted by Matthew D. Hilinski.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. The District adopted GASB Statement No. 102, Certain Risk Disclosures, as of January 1, 2025. This statement requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance. The adoption of this standard did not have a material impact on the financial statements.

No other new accounting policies were adopted, and the application of existing policies was not changed during 2025. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We determined no accounting estimates that were considered significant to the financial statements as a whole that would require evaluation of assumptions used to determine the estimate.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no financial statement disclosures that were considered particularly sensitive to financial statement users in our opinion.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We had no identified misstatements as a result of our audit.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 31, 2026.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not, in our judgment, a condition of our retention.

<u>Other Matters</u>

Supplementary Information Accompanying Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements.

Internal Control Matters

In planning and performing our audit of the financial statements of Founders Village Metropolitan District as of and for the year ended December 31, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, and therefore significant deficiencies and material weaknesses may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

This communication is intended solely for the information and use of the Board of Directors and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the opportunity to be of service to Founders Village Metropolitan District.

Sincerely,

Wipfli LLP

Wipfli LLP

VILLAGES AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 4

Capital Projects Fund

7-Year Capital Improvements Program (2025 to 2031)

PROJECT / ACTIVITY / PROGRAM	PROJECTED COST	PROPOSED 2025
North Pool Pavilion / Amenities / BBQ / Landscaping (w/ FV Association)	$ 210,000	$210,000
Concrete Trail Expansion & Connectivity (see GF Projects Schedule)	$ 200,000	
10 Trail / Tract Shelters (w/ Town Agreement / Easements / Phased)	$ 455,000	$248,000
Future Community Facilities (Masterplanning / Phased / Multiple Sites TBD)	$ 7,360,000	$100,000
District 9 Sewer Outfall Funding (2 Phases with 5 Participants via Escrow)	$ 885,000	$565,000
Project Management Services (all CPF Projects)	$ 355,000	$62,000
Capital Projects Contingency (Plannning / Engineering / Design / Construction)	$ 485,000	$15,000
PROJECTED CAPITAL CONSTRUCTION PROJECTS TO 6/01/2031 :	**$ 9,950,000**	**$ 1,200,000**

PROJECTED CAPITAL FUND SOURCES	REVENUES
Projected 2025 Capital Projects Fund - Starting Balance	$ 3,700,000
System Development Fees (Commercial / IB Parcels / Church 4 acres MF) **	$ 385,000
Development Fee Rebates (389 Sewer SFEs per 1995 MIGA - Final)	$ 456,000
System Development Fees (from 11 remaining Lots in VCR District 7) **	$ 85,000
Sewer Outfall Recoupments (from Terra Monte and Swickart Parcels)	$ 565,000
Infrastructure Reimbursement from Villages District No. 9 (IGRA)	$ 4,092,000
Interest Income to CPF Fund (estimate)	$ 667,000
PROJECTED CPF REVENUES to 6/01/2031:	**$ 9,950,000**

Prepared: 10/23/2024 for District No. 4 Budget Workshop
Updated: For 11/20/24 Annual Budget Hearing (TBD)

Note: Approx. $ 2,850,000 of Revenues are Fees / Pledged Revenues.