

**FLATIRON MEADOWS METROPOLITAN DISTRICT
Boulder County, Colorado**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2024

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Flatiron Meadows Metropolitan District
Boulder County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Flatiron Meadows Metropolitan District (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the District, as of December 31, 2024, and the respective changes in financial position, and the 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the Other Information, and we do not express an opinion or any form of assurance thereon.

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

Dazio & Associates, P.C.

September 30, 2025

BASIC FINANCIAL STATEMENTS

**FLATIRON MEADOWS METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 474,704
Cash and Investments - Restricted	69,526
Prepaid Insurance	3,084
Receivable from County Treasurer	10,027
Property Tax Receivable	1,464,920
Bond Insurance, Net	114,906
Total Assets	2,137,167
DEFERRED OUTFLOWS OF RESOURCES	
Cost of Refunding, Net	476,469
Total Deferred Outflows of Resources	476,469
LIABILITIES	
Accounts Payable	10,653
Accrued Interest	71,204
Noncurrent Liabilities:	
Due Within One Year	465,000
Due in More Than One Year	21,212,890
Total Liabilities	21,759,747
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	1,464,920
Total Deferred Inflows of Resources	1,464,920
NET POSITION	
Emergency Reserve	5,400
Debt Service	2,452
Net Position - Unrestricted	(20,618,883)
Total Net Position	\$ (20,611,031)

See accompanying Notes to Basic Financial Statements.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

FUNCTIONS/PROGRAMS	Program Revenues			Net Revenues (Expenses) and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 126,612	\$ -	\$ -	\$ -	\$ (126,612)
Interest on Long-Term Debt and Related Costs	1,383,340	-	-	3,000	(1,380,340)
Total Governmental Activities	\$ 1,509,952	\$ -	\$ -	\$ 3,000	(1,506,952)
GENERAL REVENUES					
Property Taxes					2,865,321
Specific Ownership Taxes					119,484
Interest Income					96,157
Other Revenue					6,825
Total General Revenues					3,087,787
CHANGES IN NET POSITION					1,580,835
Net Position - Beginning of Year					(22,191,866)
NET POSITION - END OF YEAR					\$ (20,611,031)

See accompanying Notes to Basic Financial Statements.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

ASSETS	General	Debt Service	Total Governmental Funds
Cash and Investments	\$ 474,704	\$ -	\$ 474,704
Cash and Investments - Restricted	5,400	64,126	69,526
Receivable from County Treasurer	497	9,530	10,027
Prepaid Insurance	3,084	-	3,084
Property Tax Receivable	99,963	1,364,957	1,464,920
Total Assets	\$ 583,648	\$ 1,438,613	\$ 2,022,261
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 10,653	\$ -	\$ 10,653
Total Liabilities	10,653	-	10,653
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	99,963	1,364,957	1,464,920
Total Deferred Inflows of Resources	99,963	1,364,957	1,464,920
FUND BALANCES			
Nonspendable:			
Prepaid Expense	3,084	-	3,084
Restricted for:			
Emergency Reserves	5,500	-	5,500
Debt Service	-	73,656	73,656
Assigned to:			
Storm Drainage	255,050	-	255,050
Unassigned	209,398	-	209,398
Total Fund Balances	473,032	73,656	546,688
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 583,648	\$ 1,438,613	

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bond Insurance	114,906
Bonds Payable	(20,375,000)
Bond Premium	(1,302,890)
Cost of Refunding, Net	476,469
Bond Interest Payable - Series 2022 & 2024 Bonds	(71,204)

Net Position of Governmental Activities	\$ (20,611,031)
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See accompanying Notes to Basic Financial Statements.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024**

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	\$ 142,027	\$ 2,723,294	\$ 2,865,321
Specific Ownership Taxes	5,922	113,562	119,484
Interest Income	25,733	70,424	96,157
Development Fees	-	3,000	3,000
Other Revenue	6,825	-	6,825
Total Revenues	<u>180,507</u>	<u>2,910,280</u>	<u>3,090,787</u>
EXPENDITURES			
Current:			
Accounting	46,589	-	46,589
Auditing	5,500	-	5,500
County Treasurer's Fee	2,131	40,862	42,993
Directors' Fees	2,800	-	2,800
Dues and Membership	394	-	394
Election	38	-	38
Insurance	3,038	-	3,038
Legal	24,963	-	24,963
Payroll Taxes	297	-	297
Debt Service:			
Bond Interest - Series 2022	-	243,200	243,200
Bond Interest - Series 2019B-2	-	1,404,678	1,404,678
Bond Interest - Series 2024	-	90,932	90,932
Bond principal - Series 2022	-	160,000	160,000
Bond principal - Series 2019B-2	-	14,980,000	14,980,000
Bond Insurance	-	89,469	89,469
Bond issue costs	-	301,730	301,730
Paying Agent Fees	-	8,000	8,000
Total Expenditures	<u>85,750</u>	<u>17,318,871</u>	<u>17,404,621</u>
OTHER FINANCING SOURCES (USES)			
Bond issuance proceeds	-	13,585,000	13,585,000
Bond Premium	-	583,795	583,795
Total Other Financing Sources	<u>-</u>	<u>14,168,795</u>	<u>14,168,795</u>
NET CHANGE IN FUND BALANCES	94,757	(239,796)	(145,039)
Fund Balances - Beginning of Year	<u>378,275</u>	<u>313,452</u>	<u>691,727</u>
FUND BALANCES - END OF YEAR	<u>\$ 473,032</u>	<u>\$ 73,656</u>	<u>\$ 546,688</u>

See accompanying Notes to Basic Financial Statements.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ (145,039)

Amounts reported for governmental activities in the statement of activities are different because:

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Bond Issuance Series 2024	(13,585,000)
Bond Premium Series 2024	(583,795)
Bond Insurance Series 2024	89,469
Bond Principal	160,000
Cost of Refunding, Net	299,600
Bond Retirement - Series 2019B-2	14,980,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability	324,267
Amortization of Bond Insurance - Series 2022 and 2024	(2,987)
Amortization of Bond Premium - Series 2022	54,771
Amortization of Bond Premium - Series 2024	6,473
Amortization of Cost of Bond Refunding	<u>(16,924)</u>

Changes in Net Position of Governmental Activities \$ 1,580,835

**FLATIRON MEADOWS METROPOLITAN DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budget Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 142,058	\$ 142,027	\$ (31)
Specific Ownership Taxes	5,682	5,922	240
Interest Income	15,000	25,733	10,733
Other Revenue	-	6,825	6,825
Total Revenues	<u>162,740</u>	<u>180,507</u>	<u>17,767</u>
EXPENDITURES			
Accounting	42,000	46,589	(4,589)
Auditing	6,000	5,500	500
Contingency	686	-	686
County Treasurer's Fee	2,131	2,131	-
Engineering	10,000	-	10,000
Directors' Fees	2,000	2,800	(800)
Dues and Membership	750	394	356
Election	-	38	(38)
Insurance	3,250	3,038	212
Legal	30,000	24,963	5,037
Payroll Taxes	153	297	(144)
Storm Drainage	52,030	-	52,030
Website	1,000	-	1,000
Total Expenditures	<u>150,000</u>	<u>85,750</u>	<u>64,250</u>
NET CHANGE IN FUND BALANCE	12,740	94,757	82,017
Fund Balance - Beginning of Year	<u>375,883</u>	<u>378,275</u>	<u>2,392</u>
FUND BALANCE - END OF YEAR	<u>\$ 388,623</u>	<u>\$ 473,032</u>	<u>\$ 84,409</u>

See accompanying Notes to Basic Financial Statements.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 DEFINITION OF REPORTING ENTITY

Flatiron Meadows Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by Order and Decree of the Boulder County District Court on November 28, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the Town of Erie, Boulder County, Colorado (Erie). The District was established to provide financing for the design, acquisition, construction and installation of essential public-purpose facilities such as water, streets, traffic and safety controls, parks and recreation, sewer and drainage facilities, public transportation, mosquito control, and the operation and maintenance of the District.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

The District reports the following major governmental funds:

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

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

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District has amended its annual budget for the year ended December 31, 2024.

Pooled Cash and Investments

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

Property Taxes

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

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

Deferred Inflow/Outflow of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, cost on bond refunding, is deferred and recognized as an outflow of resources in the period that the amounts are incurred.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflow/Outflow of Resources (Continued)

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Amortization

Bond Insurance and Original Issue Premium

In the government-wide financial statements, bond insurance and bond premiums are deferred and amortized over the life of the bonds using the effective interest method. In the fund financial statements, government fund types recognize bond insurance and bond premiums during the current period. The face amount of debt issued is reported as other financing sources. Bond insurance, whether or not withheld from the actual debt proceeds received, are reported as expenditures. Premiums received on debt issuances are reported as other financing sources.

Cost of Bond Refunding

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

Equity

Net Position

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

Fund Balance

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

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

The following classifications describe the relative strength of the spending constraints:

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

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 474,704
Cash and Investments - Restricted	69,526
Total Cash and Investments	\$ 544,230

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

Deposits with Financial Institutions	\$ 37,089
Investments	507,141
Total Cash and Investments	\$ 544,230

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions

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

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

At December 31, 2024, the District's cash deposits had a bank balance and a carrying balance of \$37,089.

Investments

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

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

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

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

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

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of December 31, 2024, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (CSAFE)	Weighted-Average Under 60 Days	\$ 507,141
		<u>\$ 507,141</u>

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operations similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE’s portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE’s investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by CSAFE.

CSAFE CASH FUND is rated AAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS

The following is an analysis of changes in long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds Payable					
General Obligation Bonds					
Series 2022	\$ 6,950,000	\$ -	\$ 160,000	\$ 6,790,000	\$ 165,000
Subordinate Limited Tax Supported Revenue Bonds					
Series 2019B-2	14,980,000	-	14,980,000	-	-
General Obligation Bonds					
Series 2024	-	13,585,000	-	13,585,000	300,000
Accrued Interest					
Series 2019B-2	375,203	1,029,475	1,404,678	-	-
Subtotal Bonds Payable	<u>22,305,203</u>	<u>14,614,475</u>	<u>16,544,678</u>	<u>20,375,000</u>	<u>465,000</u>
Bond Premium/Discount					
Bond Premium - Series 2022	780,339	-	54,771	725,568	-
Bond Premium - Series 2024	-	583,795	6,473	577,322	-
Subtotal Bond Premium / Discount	<u>780,339</u>	<u>583,795</u>	<u>61,244</u>	<u>1,302,890</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 23,085,542</u>	<u>\$ 15,198,270</u>	<u>\$ 16,605,922</u>	<u>\$ 21,677,890</u>	<u>\$ 465,000</u>

The details of the District's long-term obligations are as follows:

Series 2024 General Obligation Refunding Bonds

On October 8, 2024, the District issued \$13,585,000 of General Obligation Limited Tax Refunding Bonds (The Series 2024 Bonds). The proceeds from the sale of the Series 2024 Bonds were used to (i) refund all of the outstanding Series 2019B-2 Bonds; (ii) purchase a municipal bond insurance and reserve policy; and (iii) pay costs of issuing the Series 2024 Bonds. The Series 2024 Bonds bear interest at rates ranging from 4.000% to 5.000% and mature on December 1, 2046. Interest is payable semi-annually on June 1 and December 1, beginning December 1, 2024, and the principal is payable annually on December 1, beginning December 1, 2025. The Series 2024 Bonds were issued on parity with the Series 2022 Bonds. The District refunded the Series 2019-B-2 Subordinate Bonds, having an interest rate of 7.750% with the Series 2024 Bonds, having an average interest rate of 4.369%, increasing total debt service payments over the next 22 years by \$599,733 and obtaining an economic gain of \$1,392,551.

The Series 2024 Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) Property Tax Revenues, 2) Specific Ownership Tax Revenues, 3) Development Fees, and 4) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2024 General Obligation Refunding Bonds (Continued)

The Series 2024 Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2031, and on any date thereafter, upon payment of par, accrued interest, without a redemption premium.

The Series 2024 Bonds are also subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, beginning on December 1, 2035, and continuing each year thereafter through the final maturity on December 1, 2046.

The Indenture requires that a Required Mill Levy be imposed each year in an amount sufficient, when combined with other legally available moneys then in the Bond Fund, to pay the principal of, premium if any, and interest on the Series 2024 Bonds as the same become due and payable, and, if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve, but not in excess of 50 mills less the amount of the Operations Mill Levy; provided however, that in the event the method of calculating assessed valuation is or was changed on or after September 12, 2006, the mill levy provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. The District levied 56.277 mills for collection in 2024.

To the extent principal of the Series 2024 Bonds is not paid when due, such principal will remain outstanding until paid, subject to discharge on December 2, 2063. To the extent interest on the Series 2024 Bonds is not paid when due, such interest will compound on each interest payment date, at the rate then borne by the bonds. The Series 2024 Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2063, regardless of the principal and interest amounts remaining unpaid.

The Series 2024 Bonds are not subject to acceleration and no assets have been pledged as collateral on the bonds.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2022 General Obligation Refunding Bonds

On January 20, 2022, the District issued \$7,190,000 of General Obligation Limited Tax Refunding Bonds (The Series 2022 Bonds). The proceeds from the sale of the Series 2022 Bonds were used to (i) refund all of the outstanding Series 2016 Bonds; (ii) fund a deposit to the Reserve Fund in the amount of the Required Reserve of \$236,475; (iii) purchase a municipal bond insurance policy; and (iv) pay costs of issuing the Series 2022 Bonds. The Series 2022 Bonds bear interest at rates ranging from 3.000% to 4.000% and mature on December 1, 2046. Interest is payable semi-annually on June 1 and December 1, beginning June 1, 2022, and the principal is payable annually on December 1, beginning December 1, 2022. The District refunded the Series 2016 Bonds, having an average interest rate of 5.125%, with the Series 2022 Bonds, having an average interest rate of 3.496%, to reduce its total debt service payments over the next 24 years by \$2,380,809 and to obtain an economic gain of \$1,896,521.

The Series 2022 Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) Property Tax Revenues, 2) Specific Ownership Tax Revenues, 3) Development Fees, and 4) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The Series 2022 Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2031, and on any date thereafter, upon payment of par, accrued interest, without a redemption premium.

The Series 2022 Bonds are also subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, beginning on December 1, 2032, and continuing each year thereafter through the final maturity on December 1, 2046.

The Indenture requires that a Required Mill Levy be imposed each year in an amount sufficient, when combined with other legally available moneys then in the Bond Fund, to pay the principal of, premium if any, and interest on the Series 2022 Bonds as the same become due and payable, and on and after such time as the Series 2019B-1 Bonds and the Series 2019B-2 Bonds are no longer outstanding under the 2019 Subordinate Bond Indenture, if necessary, an amount sufficient to replenish the Reserve Fund to the amount of the Required Reserve, but not in excess of 50 mills less the amount of the Operations Mill Levy; provided however, that in the event the method of calculating assessed valuation is or was changed on or after September 12, 2006, the mill levy provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. The Indenture was amended with the issuance of the Series 2024 Bonds and the Reserve Fund was released and replaced with the 2024 Reserve Policy. The District levied 56.277 mills for collection in 2024.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Series 2022 General Obligation Refunding Bonds (Continued)

To the extent principal of the Series 2022 Bonds is not paid when due, such principal will remain outstanding until paid, subject to discharge on December 2, 2061. To the extent interest on the Series 2022 Bonds is not paid when due, such interest will compound on each interest payment date, at the rate then borne by the bonds. The Series 2022 Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2061, regardless of the principal and interest amounts remaining unpaid.

The Series 2022 Bonds are not subject to acceleration and no assets have been pledged as collateral on the bonds.

Events of Default on the Series 2022 Bonds and the Series 2024 Bonds

Events of default occur if the District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Series 2022 Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Series 2022 Indenture.

The District's Series 2022 and 2024 Bonds will mature as follows:

<u>Year Ending December 31,</u>	<u>Bonded Debt</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 465,000	\$ 854,450	\$ 1,319,450
2026	495,000	832,850	1,327,850
2027	525,000	809,900	1,334,900
2028	575,000	785,500	1,360,500
2029	605,000	758,750	1,363,750
2030-2034	3,675,000	3,338,200	7,013,200
2035-2039	4,850,000	2,438,100	7,288,100
2040-2044	6,255,000	1,337,050	7,592,050
2045-2046	2,930,000	177,200	3,107,200
Total	<u>\$ 20,375,000</u>	<u>\$ 11,332,000</u>	<u>\$ 31,707,000</u>

Series 2019B-1 and Series 2019B-2 General Obligation Limited Tax Bonds

Subordinate General Obligation Limited Tax Bonds, Series 2019B-1 dated November 15, 2019 (the 2019B-1 Subordinate Bonds) and Subordinate General Obligation Limited Tax Bonds, Series 2019B-2 dated August 1, 2019 (the 2019B-2 Subordinate Bonds and, with the 2019B-1 Subordinate Bonds, the 2019 Subordinate Bonds).

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

2019 Subordinate Bonds Detail

The District issued the 2019B-1 Subordinate Bonds on November 15, 2019, in the par amount of \$1,500,000 and the 2019B-2 Subordinate Bonds on August 1, 2019, in the par amount of \$15,240,000. Proceeds from the sale of the Subordinate Bonds were used to: (a) pay the costs of acquiring, constructing, and/or installing certain public infrastructure to serve the development; (b) pay amounts due under the Acquisition Agreement for the costs of public improvements for the District the debt for which was approved by the 2006 Election; and (c) pay costs of issuance in connection with the Subordinate Bonds.

The 2019B-1 Subordinate Bonds were issued at the rate of 5.125% per annum and are payable annually on December 15 from, and to the extent of, 2019B-1 Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. The 2019B-1 Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

The 2019B-1 Subordinate Bonds were paid in full on December 15, 2022.

The 2019B-2 Bonds were issued at the rate of 7.750% per annum and are payable annually on December 15 from, and to the extent of, 2019B-2 Subordinate Pledged Revenue available, if any, and mature on December 15, 2056. The 2019B-2 Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

To the extent principal of any 2019B-2 Bond is not paid when due, such principal shall remain outstanding until December 16, 2058, and shall continue to bear interest at the rate borne by the 2019B-2 Subordinate Bond. To the extent interest on any 2019B-2 Subordinate Bond is not paid when due, such interest shall remain due and owing, but shall not compound or bear additional interest. All of the 2019B-2 Subordinate Bonds and interest thereon are to be deemed to be paid, satisfied, and discharged on the December 16, 2058, regardless of the amount of principal and interest paid prior to that date.

The 2019B-2 Subordinate Bonds were refunded with the issuance of the Series 2024 Bonds.

The District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Subordinate Bonds.

The Series 2019 Bonds are not subject to acceleration and no assets have been pledged as collateral on the bonds.

Events of Default on the Series 2019 Bonds

Events of default occur if the District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Series 2019 Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Series 2019 Indenture.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Optional and Mandatory Redemption

The Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2024, to December 14, 2025	3.00%
December 15, 2025, to December 14, 2026	2.00
December 15, 2026, to December 14, 2027	1.00
December 15, 2027, and thereafter	0.00

The Subordinate Bonds are also subject to mandatory redemption. On November 15 of each year, the Trustee will determine the amount available to apply to the repayment of the Subordinate Bonds.

Pledged Revenue

The Subordinate Bonds are secured by and payable from Subordinate Pledged Revenue which means the moneys derived by the District from the following sources, net of any costs of collection: (a) the Subordinate Required Mill Levy; (b) the Subordinate Capital Fee Revenue (which includes the Development Fees) which means any revenue from Capital Fees remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of any Senior Bonds; (c) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy; and (d) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

Subordinate Required Mill Levy

The Subordinate Required Mill Levy is the portion of the Total Mill Levy that is allocated to the payment of the Subordinate Bonds as described below under "Allocation of Subordinate Pledged Revenue." Total Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in the amount of (i) 50 mills (subject to adjustment described below) less the amount of the Senior Bond Mill Levy, the Senior Operations Mill Levy, and the Subordinate Operations Mill Levy, or (ii) such lesser mill levy which, when combined with the non-ad valorem tax revenues comprising the Subordinate Pledged Revenue and after the allocation and deduction of the Storm Drainage Mill Levy as described below in "Allocation of Subordinate Pledged Revenue", will fund the 2019B-2 Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the Subordinate Bonds in full.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Subordinate Required Mill Levy (Continued)

In the event the method of calculating assessed valuation is or was changed after September 12, 2006, the mill levy will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

The Senior Operations Deduction means an amount reasonably determined by the District as being necessary to pay the District's operation and maintenance expenses, but not in excess of the following: (i) for levy year 2019 (for collection in 2020), the amount of \$51,515, and (ii) for each levy year thereafter, an additional 1%.

The Subordinate Operations Mill Levy means, with respect to any particular levy year, the number of mills necessary to produce the dollar amount of the Subordinate Operations Deduction for the collection year. The Subordinate Operations Deduction means an amount reasonably determined by the District as being necessary to pay the District's operations and maintenance expenses not paid with the Senior Operations Deduction, but not in excess of the following: (i) for levy year 2019 (for collection in 2020), the amount of \$35,000, and (ii) for each levy year thereafter, an additional 1%.

The Storm Drainage Mill Levy means, with respect to any particular levy year, the number of mills necessary to produce the dollar amount of the Storm Drainage Deduction for the collection year. The Storm Drainage Deduction means an amount reasonably determined by the District as being necessary to pay District operations and maintenance costs in connection with storm drainage facilities located in Tract B, Flatiron Meadows Filing No. 10 and a portion of Tract G, Flatiron Meadows Filing No. 13, a replat of Filing No. 11, but not in excess of the following: (i) for levy year 2019 (for collection in 2020), the amount of \$50,000, and (ii) for each levy year thereafter, an additional 1%.

Mill Levy Adjustment

Senate Bill 21-293 (SB21-293), which was signed by the Governor on June 23, 2021, among other things, designates multi-family residential real property (defined in SB 21-293, generally, as property that is a duplex, triplex or multi-structure of four or more units) as a new subclass of residential real property and temporarily reduces the residential assessment rates. Pursuant to SB 21-293, the assessment rate for multi-family residential property will be temporarily reduced from 7.15% to 6.8% for levy years 2022 and 2023 (tax collection years 2023 and 2024), and then return to 7.15% in levy year 2024 for tax collection in 2025. Furthermore, pursuant to SB 21-293, the assessment rate for all residential real property, other than multi-family residential real property, will be temporarily reduced from 7.15% to 6.95% for levy years 2022 and 2023, and then return to 7.15% in levy year 2024.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Mill Levy Adjustment (Continued)

On May 6, 2022, the Colorado General Assembly passed Senate Bill 22-238 (SB 22-238), which was signed by the Governor on May 18, 2022.

In addition, for levy year 2024 (for collection in 2025), SB 22-238 adjusts the assessment ratio for multi-family residential property to 6.8%, reduces the assessment ratio for agricultural and renewable energy producing property to 26.4%, and sets the assessment rate for single-family residential property at a level to be determined by the State Property Tax Administrator such that the projected total revenue reduction attributable to the changes in SB 22-238 is \$700 million over the 2023 and 2024 property tax years.

SB 22-238 further requires the State to reimburse certain local governments for a portion of the resulting property tax revenue reductions based on the population of the county in which the local government is located and the change in assessed valuation of the county in property tax years 2022 and 2023.

Under SB 22-238, the assessment ratio on all residential property will indefinitely return to 7.15% in levy year 2025; however, the State General Assembly may enact further legislation which further reduces the assessment ratio, or the method of determining actual value, or otherwise impacts the State's property tax system. The impacts of such future legislation on the District cannot be determined at this time.

Pursuant to the definition of Subordinate Required Mill Levy as set forth in the Subordinate Indenture, the maximum mill levy of 50 mills is required to be increased or decreased by the District to offset any changes in the method of calculating residential assessed valuation occurring on or after September 12, 2006. Absent corresponding increases in the District's mill levy, decreases in the residential assessment ratio would result in decreases in the District's tax revenue. As a result, the District has adjusted its debt service mill levies as authorized under the District's Service Plan and as required by the Subordinate Indenture.

Allocation of Subordinate Pledged Revenue

Prior to transfer to the Trustee, Subordinate Pledged Revenue is to be retained and allocated by the District as follows:

- FIRST: If both the 2019B-1 Subordinate Bonds and the 2019B-2 Subordinate Bonds are outstanding, the Subordinate Pledged Revenue shall be divided in half, with one half allocated to the 2019B-1 Subordinate Bonds, and the other half allocated to the 2019B-2 Subordinate Bonds. If Subordinate Bonds of only one series are outstanding, the allocation is to be 100% to the series which is still outstanding.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

Allocation of Subordinate Pledged Revenue (Continued)

SECOND: The amount of the Storm Drainage Deduction will be deducted from the Subordinate Pledged Revenue remaining and is to be retained by the District to pay District operations and maintenance costs in connection with storm drainage facilities; provided that, for so long as any 2019B-1 Subordinate Bonds are outstanding, the entire Storm Drainage Deduction will be deducted only from the half allocated to the 2019B-1 Subordinate Bonds pursuant to FIRST above.

THIRD: The amount of Subordinate Pledged Revenue allocated to the 2019B-1 Subordinate Bonds, if any, and the amount of Subordinate Pledged Revenue allocated to the 2019B-2 Subordinate Bonds, if any, pursuant to the above is to be transferred to the Trustee.

Debt Authorization

On November 7, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$69,909,000 at an interest rate not to exceed 18% per annum. At December 31, 2024, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized November 7, 2006 Election	Series 2016 Authorization Used	Series 2019B-1 Authorization Used	Series 2019B-2 Authorization Used	Series 2022 Authorization Used	Remaining at December 31, 2024
Streets	\$ 11,371,000	\$ 3,997,900	\$ 1,500,000	\$ 5,873,100	\$ -	\$ -
Traffic and Safety Controls	1,000,000	-	-	-	-	1,000,000
Water	5,212,000	959,200	-	2,132,757	-	2,120,043
Sanitary and Storm Sewer	10,905,000	2,698,700	-	7,234,143	-	972,157
Park and Recreation	3,466,000	104,200	-	-	-	3,361,800
Public Transportation	2,000,000	-	-	-	-	2,000,000
Mosquito Control	500,000	-	-	-	-	500,000
Operations and Maintenance Contracts	1,000,000	-	-	-	-	1,000,000
Bond Refunding	34,455,000	-	-	-	7,190,000	27,265,000
Total	<u>\$ 69,909,000</u>	<u>\$ 7,760,000</u>	<u>\$ 1,500,000</u>	<u>\$ 15,240,000</u>	<u>\$ 7,190,000</u>	<u>\$ 38,219,000</u>

In addition, the maximum mill levy for the District is 50.000 mills, as may be adjusted for changes in the calculation of assessed valuation of property within the District.

The District has issued the maximum debt as permitted by the Service Plan. In the future, the District would require approval from the Town of Erie to amend the service plan in order to issue additional general obligation debt for purposes of providing public improvements to support development as it occurs within and outside of the District boundaries.

The Series 2024 Bonds were issued at a lower interest rate than the interest rate on the outstanding Series 2019B-2 Subordinate Bonds being refunded and, therefore, no electoral authorization for the incurrence of the debt represented by the Series 2024 Bonds is required under Article X, Section 20 of the Colorado Constitution.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2024, as follows:

	Governmental Activities
Restricted Net Position:	
TABOR Emergency Service	\$ 5,400
Debt Service	2,452
Total Restricted Net Position	\$ 7,852

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, all of which were conveyed to other governmental entities and which costs were removed from the District’s financial records.

NOTE 6 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God.

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

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

**FLATIRON MEADOWS METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

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

On November 7, 2006, the District's voters approved an annual increase in taxes of \$1,000,000 for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

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

SUPPLEMENTARY INFORMATION

**FLATIRON MEADOWS METROPOLITAN DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 2,723,880	\$ 2,723,880	\$ 2,723,294	\$ (586)
Specific Ownership Taxes	108,955	108,955	113,562	4,607
Development Fees	-	-	3,000	3,000
Interest Income	10,000	5,000	70,424	65,424
Other Revenue	76,675	-	-	-
Total Revenues	<u>2,919,510</u>	<u>2,837,835</u>	<u>2,910,280</u>	<u>72,445</u>
EXPENDITURES				
County Treasurer's Fee	40,858	40,858	40,862	(4)
Paying Agent Fees	7,000	8,000	8,000	-
Bond Interest - Series 2022	243,200	243,200	243,200	-
Bond Interest - Series 2019B-2	1,493,404	1,493,404	1,404,678	88,726
Bond Interest - Series 2024	-	90,932	90,932	-
Bond Insurance	-	8,469	89,469	(81,000)
Bond principal - Series 2022	160,000	160,000	160,000	-
Bond principal - Series 2019B-2	1,078,000	14,980,000	14,980,000	-
Bond issue costs	-	301,730	301,730	-
Contingency	-	173,407	-	173,407
Total Expenditures	<u>3,022,462</u>	<u>17,500,000</u>	<u>17,318,871</u>	<u>181,129</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(102,952)	(14,662,165)	(14,408,591)	253,574
OTHER FINANCING SOURCES (USES)				
Bond issuance proceeds	-	13,893,743	13,585,000	(308,743)
Bond Premium	-	583,795	583,795	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,477,538</u>	<u>14,168,795</u>	<u>(308,743)</u>
NET CHANGE IN FUND BALANCE	(102,952)	(184,627)	(239,796)	(55,169)
Fund Balance - Beginning of Year	<u>339,427</u>	<u>339,427</u>	<u>313,452</u>	<u>(25,975)</u>
FUND BALANCE - END OF YEAR	<u>\$ 236,475</u>	<u>\$ 154,800</u>	<u>\$ 73,656</u>	<u>\$ (81,144)</u>

OTHER INFORMATION

**FLATIRON MEADOWS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2024**

\$7,190,000 General Obligation Bonds Tax Refunding Notes Series 2022 Dated January 20, 2022 Interest Rate of 3% - 4%				\$13,585,000 General Obligation Limited Tax Refunding Bonds Series 2024 Dated October 8, 2024 Interest Rate of 4% - 5%				OVERALL			
Bonds and Interest Maturing in the Year Ending December 31.	Interest due June 1 and December 1 Principal Payable December 1			Bonds and Interest Maturing in the Year Ending December 31.	Interest due June 1 and December 1 Principal Payable December 1			Bonds and Interest Maturing in the Year Ending December 31.	Principal Interest Total		
	Principal	Interest	Total		Principal	Interest	Total		Principal	Interest	Total
2025	\$ 165,000	\$ 236,800	\$ 401,800	2025	\$ 300,000	\$ 617,650	\$ 917,650	2025	\$ 465,000	\$ 854,450	\$ 1,319,450
2026	180,000	230,200	410,200	2026	315,000	602,650	917,650	2026	495,000	832,850	1,327,850
2027	185,000	223,000	408,000	2027	340,000	586,900	926,900	2027	525,000	809,900	1,334,900
2028	200,000	215,600	415,600	2028	375,000	569,900	944,900	2028	575,000	785,500	1,360,500
2029	210,000	207,600	417,600	2029	395,000	551,150	946,150	2029	605,000	758,750	1,363,750
2030	225,000	199,200	424,200	2030	430,000	531,400	961,400	2030	655,000	730,600	1,385,600
2031	235,000	190,200	425,200	2031	450,000	509,900	959,900	2031	685,000	700,100	1,385,100
2032	255,000	180,800	435,800	2032	485,000	487,400	972,400	2032	740,000	668,200	1,408,200
2033	260,000	173,150	433,150	2033	510,000	463,150	973,150	2033	770,000	636,300	1,406,300
2034	280,000	165,350	445,350	2034	545,000	437,650	982,650	2034	825,000	603,000	1,428,000
2035	285,000	156,950	441,950	2035	575,000	410,400	985,400	2035	860,000	567,350	1,427,350
2036	305,000	148,400	453,400	2036	620,000	381,650	1,001,650	2036	925,000	530,050	1,455,050
2037	310,000	139,250	449,250	2037	655,000	350,650	1,005,650	2037	965,000	489,900	1,454,900
2038	330,000	129,950	459,950	2038	700,000	317,900	1,017,900	2038	1,030,000	447,850	1,477,850
2039	340,000	120,050	460,050	2039	730,000	282,900	1,012,900	2039	1,070,000	402,950	1,472,950
2040	360,000	109,850	469,850	2040	785,000	246,400	1,031,400	2040	1,145,000	356,250	1,501,250
2041	370,000	99,050	469,050	2041	815,000	215,000	1,030,000	2041	1,185,000	314,050	1,499,050
2042	385,000	87,950	472,950	2042	865,000	182,400	1,047,400	2042	1,250,000	270,350	1,520,350
2043	395,000	76,400	471,400	2043	905,000	147,800	1,052,800	2043	1,300,000	224,200	1,524,200
2044	410,000	60,600	470,600	2044	965,000	111,600	1,076,600	2044	1,375,000	172,200	1,547,200
2045	425,000	44,200	469,200	2045	1,005,000	73,000	1,078,000	2045	1,430,000	117,200	1,547,200
2046	680,000	27,200	707,200	2046	820,000	32,800	852,800	2046	1,500,000	60,000	1,560,000
Total	\$ 6,790,000	\$ 3,221,750	\$ 10,011,750	Total	\$ 13,585,000	\$ 8,110,250	\$ 21,695,250	Total	\$ 20,375,000	\$ 11,332,000	\$ 31,707,000

**FLATIRON MEADOWS METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND
PROPERTY TAXES COLLECTED
DECEMBER 31, 2024**

Year Ended December 31,	Assessed Valuation	Percent Change	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Total	Levied	Collected	
2020	\$ 24,554,278	7.2%	5.560	50.104	55.664	\$ 1,366,790	\$ 1,362,025	99.65 %
2021	28,178,668	14.8%	4.893	50.771	55.664	1,568,537	1,568,441	99.99
2022	35,251,144	25.1%	3.951	51.713	55.664	1,962,220	1,921,094	97.90
2023	36,637,988	3.9%	3.839	53.156	56.995	2,088,182	2,088,103	100.00
2024	48,401,300	32.1%	2.935	56.277	59.212	2,865,938	2,865,321	99.98
Estimated for Year Ending December 31, 2025	\$ 48,905,661	1.0%	2.044	27.910	29.954	\$ 1,464,920		

Note:

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

Source: Boulder County Assessor and Treasurer.

**FLATIRON MEADOWS METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT
DECEMBER 31, 2024
UNAUDITED**

Property Class	2024 Actual Valuation		2024 Assessed Valuation	
	Total	Percent	Total	Percent
Residential	\$ 755,530,618	99.39%	\$ 47,606,248	97.34%
State Assessed	3,370,492	44.34%	940,367	1.92%
Vacant	1,151,172	15.14%	321,177	0.66%
Oil and Gas	116,704	1.54%	35,205	0.07%
Commercial	6,961	0.09%	1,942	0.00%
Natural Resources	2,400	0.03%	696	0.00%
Agricultural	100	0.00%	26	0.00%
Total	<u>\$ 760,178,447</u>	<u>100.00%</u>	<u>\$ 48,905,661</u>	<u>100.00%</u>

**FLATIRON MEADOWS METROPOLITAN DISTRICT
TOP TEN TAXPAYERS IN THE DISTRICT
DECEMBER 31, 2024
UNAUDITED**

Taxpayer Name	2024 Assessed Valuation	Percentage of Taxpayer / Assessed Valuation
Valuation Year - 2024		
Public Service Co of Colorado - Xcel	\$ 940,367	1.94%
HT Flatiron LP	140,895	0.29%
Homeowner #1	127,213	0.26%
FIM LLC	104,701	0.22%
Homeowner #2	95,991	0.20%
Homeowner #3	95,850	0.20%
Homeowner #4	93,820	0.19%
Homeowner #5	93,539	0.19%
Homeowner #6	92,601	0.19%
Homeowner #7	92,594	0.19%
Total	\$ 1,877,571	3.88%
2024 Assessed Valuation:	\$ 48,401,300	