POUDRE TECH METROPOLITAN DISTRICT
AND
WATER VALLEY METROPOLITAN DISTRICT NOS. 1&2

SUPPLEMENT TO 2024 CONSOLIDATED ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Consolidated Service Plan for Poudre Tech Metropolitan District and Water Valley Metropolitan District Nos. 1&2 (collectively the "**Districts**"), the Districts are required to provide an annual report to the Town of Windsor with regard to the following matters:

For the year ending December 31, 2024, the Districts make the following supplemental report:

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

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

   The Audit Report for Poudre Tech Metropolitan District for the fiscal year ending December 31, 2024 ("**2024 Audit)**" is attached hereto as **Exhibit A**.

Service Plan Requirements

1. **Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

   The Audit Report for Poudre Tech Metropolitan District for the fiscal year ending December 31, 2024 ("**2024 Audit)**" is attached hereto as **Exhibit A**.

EXHIBIT A
2024 Audit

POUDRE TECH METROPOLITAN DISTRICT

Weld County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

POUDRE TECH METROPOLITAN DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Poudre Tech Metropolitan District
Weld County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Poudre Tech 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, business-type activities, and each major fund of the District, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

We have applied certain limited procedures to the budgetary comparison schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the budgetary comparison schedules because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are 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 listed in the table of contents is presented for purposes of additional analysis and are 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 listed in the table of contents 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, including continuing disclosure annual financial information, included in the report. The other information comprises the continuing disclosure annual financial information but 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.

DMC Auditing and Consulting, LLC

Bailey, Colorado
November 5, 2025

BASIC FINANCIAL STATEMENTS

POUDRE TECH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Investments	$1,202,654	$1,231,786	$2,434,440
Cash and Investments - Restricted	140,233	1,890,233	2,030,466
Receivables	8,960	- 413,261	422,221
Lease Receivable	104,499	-	104,449
Due from Other Funds	-	248,623	248,623
Due from Other Governments	726,239	82,814	809,053
Prepaid Expenses	57,219	-	57,219
Capital Assets, not being depreciated	254,769	11,573,559	11,828,328
Capital Assets, being depreciated, net	7,953,095	5,190,282	13,143,377
Total Assets	10,447,618	20,630,558	31,078,176
Liabilities			
Accounts Payables	220,377	263,046	483,423
Unearned Revenue	-	23,445	23,445
Due to Other Funds	248,623	-	248,623
Due to Others	60,000	-	60,000
Accrued Interest Payable	184,076	69,375	253,451
Current Portion of Noncurrent Liabilities	1,001,773	278,425	1,280,198
Noncurrent Liabilities:			
Due in More Than One Year	20,942,437	14,521,575	35,464,012
Total Liabilities	22,657,286	15,155,866	37,813,152
Deferred Inflows of Resources			
Deferred Inflow - Leases	79,255	-	79,255
Total Deferred Inflows of Resources	79,255	-	79,255
Net Position			
Net Investment in Capital Assets	(13,014,500)	2,242,266	(10,772,234)
Restricted for:			
Emergency Reserves	117,100	-	117,100
Debt Service	20,383	-	20,383
Unrestricted	588,094	3,232,426	3,820,520
Total Net Position	$(12,288,923)	$5,474,692	$(6,814,231)

See accompanying Notes to Basic Financial Statements

POUDRE TECH METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

		Program Revenue			Net Revenues (Expenses) and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Primary Government							
Government Activities							
General Government	$ 567,347	$ -	$3,274,841	$ -	$ 2,707,494	$ -	$ 2,707,494
Public Works and Parks and Recreation	2,926,273	573,236	-	-	(2,353,037)	-	(2,353,037)
Interest and Related Costs on Long-Term Debt	505,935	-	-	1,241,488	735,553	-	735,553
Total Governmental Activities	3,999,555	573,236	3,274,841	1,241,488	1,090,010	-	1,090,010
Business-Type Activities							
Nonpotable Water Services	7,034,172	3,187,648	210,438	1,137,500	-	(2,498,586)	(2,498,586)
Total Business-Type Activities	7,034,172	3,187,648	210,438	1,137,500	-	(2,498,586)	(2,498,586)
Total Governmental and Business-Type Activities	$11,033,727	$3,760,884	$3,485,279	$2,378,988	$ 1,090,010	$(2,498,586)	(1,408,576)
General Revenues							
Net Investment Income					13,985	45,868	59,853
Other Income					53,248	9,100	62,348
Total General Revenues					67,233	54,968	122,201
Change in Net Position					1,157,243	(2,433,618)	(1,286,375)
Net Position, Beginning of Year, as Originally Stated					(14,420,654)	7,728,881	(6,691,773)
Restatement, Correction of Error					974,488	189,429	1,163,917
Net Position, Beginning of Year, as Restated					(13,446,166)	7,918,310	(5,527,856)
Net Position - End of Year					$(12,288,923)	$ 5,474,692	$(6,814,231)

See accompanying Notes to Basic Financial Statements

POUDRE TECH METROPOLITAN DISTRICT
BALANCE SHEET GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General	Debt Service	Total Governmental Funds
Assets			
Cash and Investments	$1,202,654	$ -	$1,202,754
Cash and Investments - Restricted	117,100	23,133	140,133
Receivables	8,960	-	8,960
Lease Receivable	104,449	-	104,449
Due from Other Funds	2,750	-	2,750
Due from Other Governments	726,239	-	726,239
Prepaid Expenses	57,219	-	57,219
Total Assets	$2,219,371	$23,133	$2,242,504
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	$220,377	$ -	$220,377
Due to Others	60,000	-	60,000
Due to Other Funds	248,623	2,750	251,373
Due to Other Governments	-	-	-
Total Liabilities	529,000	2,750	531,750
Deferred Inflows of Resources			
Deferred Inflow - Leases	79,255	-	79,255
Total Deferred Inflows of Resources	79,255	-	79,255
Fund Balances			
Nonspendable			
Prepaid Expenses	57,219	-	57,219
Restricted for:			
Emergency Reserves	117,100	-	117,100
Debt Service	-	20,383	20,383
Unassigned	1,436,797	-	1,436,797
Total Fund Balances	1,611,116	20,383	1,631,499
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$2,219,371	$23,133	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources; and; therefore, are not reported in the fund financial statements.	
Capital Assets, not being depreciated	254,769
Capital Assets, being depreciated, net	7,953,095
Long-term liabilities, including bonds payables, are not due and payables in the current periods and; therefore, are not recorded as liabilities in the funds.	
Bonds Payable	(18,660,000)
Bond Premium	(1,241,653)
Accrued Bond Interest	(46,557)
Loan Payable	(730,922)
Accrued Loan Interest	(633)
Lease Payable	(1,070,019)
Accrued Lease Interest	(5,409)
Developer Advances Payable	(241,616)
Accrued Developer Advance Interest	(131,477)
Net Position of Governmental Activities	$(12,288,923)

See accompanying Notes to Basic Financial Statements

POUDRE TECH 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			
Water Valley No. 1 Service Fees	$ 963,572	$285,232	$1,248,804
Water Valley No. 2 Service Fees	2,311,269	956,256	3,267,525
Recreation Fees (Pool & W-Club)	573,236	-	573,236
Net Investment Income	269	13,716	13,985
Other Income	53,248	-	53,248
Total Revenues	3,901,594	1,255,204	5,156,798
Expenditures			
General & Administrative			
Admin Staff and Management	165,155	-	165,155
Accounting and Audit	101,320	-	101,320
Legal Services	79,842	-	79,842
Insurance	66,129	-	66,129
Office Rent and Overhead	128,674	-	128,674
Other Expenses	26,227	-	26,227
Operations and Maintenance			
Utilities	288,799	-	288,799
Operations Staff	218,849	-	218,849
Landscape Contract	374,945	-	374,945
Landscape Repairs and Maintenance	391,870	-	391,870
Security	138,362	-	138,362
W-Club			
Rent and Common Area Maintenance	15,245	-	368,328
Admin Staff and Management	564,417	-	564,417
Repairs and Maintenance	212,788	-	221,615
Capital Projects	188,504	-	128,060
Debt Service			
Principal - Operating Line of Credit	190,000	-	190,000
Interest - Operating Line of Credit	80,326	-	80,326
Principal – Leases	284,807	-	284,807
Interest – Leases	68,276	-	68,276
Principal – Financed Purchase	6,886	-	6,886
Interest – Financed Purchase	1,941	-	1,941
Bond Principal - Series 2020	-	660,000	660,000
Bond Interest - Series 2020	-	578,488	578,488
Paying Agent Fees	-	2,750	2,750
Total Expenditures	3,593,362	1,241,238	4,834,600
Excess of Revenues Over (Under) Expenditures	308,232	13,966	322,198
Other Financing Sources (Uses)			
Financed Purchase Proceeds	60,444	-	60,444
Net Change in Fund Balances	368,676	13,966	382,642
Fund Balances, Beginning of Year, as Originally Stated	1,078,410	6,417	1,084,827
Restatement, Correction of Error	164,030	-	164,030
Fund Balances, Beginning of Year, as Restated	1,242,440	6,417	1,248,857
Fund Balances - End of Year	$1,611,116	$ 20,383	$1,631,499

See accompanying Notes to Basic Financial Statements

POUDRE TECH 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	$ 382,642
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation and amortization the allocation of the cost of any depreciable asset over the estimated useful life of the asset or lease term.	
Capital Outlay	259,475
Depreciation	(424,608)
Amortization	(323,888)
Loss on Asset Disposal	25,362
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 governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is as follows:	
Financed Purchase Proceeds	(60,444)
Repayment of Bond Principal	660,000
Repayment of Note Principal	190,336
Lease Principal Payment	284,807
Financed Purchase Principal	6,886
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.	
Amortization of Bond Premium	153,050
Accrued Bond Interest - Change in Liability	1,650
Accrued Loan Interest - Change in Liability	929
Accrued Interest on Lease Payable - Change in Liability	1,046
Changes in Net Position of Governmental Activities	$1,157,243

See accompanying Notes to Basic Financial Statements

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Water Valley No. 1 Service Fees	$923,817	$963,572	$ 39,755
Water Valley No. 2 Service Fees	2,222,073	2,311,269	89,196
RainDance No. 1 – Revenue Share	450,000	-	(450,000)
Recreation Fees (Pool & W-Club)	435,000	573,236	138,236
Developer Advance - Office Overhead	60,000	-	(60,000)
Net Investment Income	-	269	269
Other Income	-	53,248	53,248
Total Revenues	4,090,890	3,901,594	(189,296)
Expenditures			
General & Administrative			
Admin Staff and Management	45,000	165,155	(120,155)
Accounting and Audit	113,000	101,320	11,680
Legal Services	75,000	79,842	(4,842)
Insurance	60,000	66,129	(6,129)
Office Rent and Overhead	92,000	128,674	(36,674)
Other Expenses	99,000	26,227	72,773
Operations and Maintenance			
Utilities	253,000	288,799	(35,799)
Operations Staff	-	218,849	(218,849)
Landscape Contract	420,000	374,945	45,055
Landscape Repairs and Maintenance	703,500	391,870	311,630
Security	150,000	138,365	11,638
W-Club			
Rent and Common Area Maintenance	360,000	15,245	(344,755)
Admin Staff and Management	220,000	564,417	(344,417)
Repairs and Maintenance	900,000	221,615	678,385
Capital Projects	335,000	188,504	146,496
Debt Service			
Principal - Operating Line of Credit	190,000	190,000	-
Interest - Operating Line of Credit	80,000	80,326	(326)
Principal – Leases	-	284,807	(284,807)
Interest – Leases	-	68,276	(68,276)
Principal – Financed Purchase	-	6,886	(6,886)
Interest – Financed Purchase	-	1,941	(1,941)
Total Expenditures	4,095,500	3,593,362	502,138
Excess of Revenues Over (Under) Expenditures	(4,610)	308,232	312,842
Other Financing Sources (Uses)			
Financed Purchase Proceeds	-	60,444	60,444
Net Change in Fund Balance	(4,610)	368,676	373,286
Fund Balances, Beginning of Year, as Originally Stated	893,233	1,078,410	185,177
Restatement, Correction of Error	-	164,030	164,030
Fund Balances, Beginning of Year, as Restated	893,233	1,242,440	349,207
Fund Balances - End of Year	$888,623	$1,611,116	$722,493

See accompanying Notes to Basic Financial Statements

POUDRE TECH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2024

	Enterprise Fund
Assets	
Cash and Investments	$1,231,786
Cash and Investments - Restricted	1,890,233
Accounts Receivable	413,261
Due from Other Funds	248,623
Due from Other Governments	82,814
Noncurrent Assets:	
Capital Assets, not being depreciated	11,573,559
Capital Assets, being depreciated, net	5,190,282
Total Assets	20,630,558
Liabilities	
Accounts Payable	263,046
Prepaid Water Fees	23,445
Accrued Interest Payable	69,375
Current Portion Bonds and Notes Payables	278,425
Noncurrent Liabilities:	
Due in More Than One Year	14,521,575
Total Liabilities	15,155,866
Net Position	
Net Investment in Capital Assets	2,242,266
Unrestricted	3,232,426
Total Net Position	$5,474,692

See accompanying Notes to Basic Financial Statements

POUDRE TECH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2024

	Enterprise Fund
Operating Revenues	
Water Service Fees	$2,347,848
Water Meter Sales	839,800
Other Operating Revenues	9,100
Total Revenues	3,196,748
Operating Expenses	
General & Administrative	
Admin Staff and Management	103,581
Legal Services, Consulting and Studies	18,587
Collection Costs	42,158
Other Expenses	78,376
Operations and Maintenance	
Water System Manager & Field Staff	250,000
Maintenance Staff	90,325
Utilities	202,219
Repairs and Maintenance	400,930
Ditch Delivery Expenses	50,608
Depreciation	296,112
Total Operating Expenses	1,532,896
Operating Income (Loss)	1,663,852
Nonoperating Revenues (Expenses)	
Net Investment Income	45,868
Capital Revenues (Expenses)	
System Development Fees	1,137,500
Raindance Metro District No. 1 Pledge Revenue	210,438
Gain (Loss) on Disposal of Assets	(30,044)
Raindance Metro District No. 1 Capital Projects	(4,624,857)
Loan Interest	(846,375)
Total Capital Revenues (Expenses)	(4,107,470)
Change in Net Position	(2,443,618)
Net Position - Beginning of Year	7,728,881
Net Position - Restatement	189,429
Net Position - Beginning of Year, as Restated	7,918,310
Net Position - End of Year	$5,474,692

See accompanying Notes to Basic Financial Statements

POUDRE TECH METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2024

	Enterprise Fund
Cash Flows from Operating Activities	
Cash from Customers	$3,844,416
Cash Payments to Employees	(353,581)
Cash Payments to Suppliers	(1,231,434)
Net Cash Provided (Used) by Operating Activities	2,259,401
Cash Flows from Noncapital Financing Activities	
Due to General Fund	(248,623)
Cash Flows from Capital and Related Financing Activities	
Payment of Loan Interest	(846,375)
Receipt of System Development Fees	1,137,500
Receipt from Other Districts	210,438
Payment to Other Districts	(4,624,857)
Acquisition of Capital Assets	(1,340,708)
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,464,002)
Cash Flows from Investing Activities	
Investment Income	45,868
Net Increase in Cash and Investments	(3,407,356)
Cash and Investments Beginning of Year	6,529,375
Cash and Investments End of Year	$3,122,019
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Net Operating Income (Loss)	$1,663,852
Depreciation	296,112
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
(Increase) Decrease in Accounts Receivable	638,295
Increase (Decrease) in Accounts Payable	(330,503)
Increase (Decrease) in Due to Others	(17,728,)
Increase (Decrease) in Prepaid Assessments	9,373
Net Cash Provided (Used) by Operating Activities	$2,259,401

See accompanying Notes to Basic Financial Statements

NOTE 1 DEFINITION OF REPORTING ENTITY

Poudre Tech Metropolitan District (the District), a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court for the Town of Windsor, Weld County, Colorado, in 1994, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide water and wastewater services, street construction, installation of safety control devices and construction and maintenance of parks and recreation facilities. The District is the Operating District organized in conjunction with two other related Financing Districts – Water Valley Metropolitan District Nos. 1 and 2 (Water Valley 1 and Water Valley 2). The District serves as the Operating District which is responsible for managing the construction and operation of facilities and improvements needed for Water Valley 1 and Water Valley 2. The Financing Districts are responsible for providing the tax base needed to support financing of capital improvements.

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.

On November 19, 2015, the District created its Water Activity Enterprise to provide nonpotable water services and to acquire water or water rights.

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. Both statements distinguish between governmental activities, which are normally supported by property taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 intergovernmental revenues. 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.

The District reports the following major proprietary fund:

The Enterprise Fund accounts for activities related to nonpotable water services.

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 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 Enterprise Fund's 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.

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 or business-type 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset nor materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the District may operate and maintain, are recorded as construction in progress. Construction in progress is not being depreciated and is not included in the calculation of Net Investment in Capital Assets component of the District's net position.

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

Alleyways	20 to 75 Years
Nonpotable Water	15 to 50 Years
Equipment	5 to 25 Years
Parks and recreation	10 to 50 Years

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Water Rights

The cost of water rights includes acquisition cost and may also include legal and engineering costs related to the development and augmentation of those rights. Since the rights have perpetual lives, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

Adoption of New Accounting Standard

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The District adopted the requirements of this guidance effective January 1, 2022, and has elected to apply the provisions of this standard beginning on the period of adoption.

Leases

The District determines if an arrangement is a lease at inception. Leases are included as right- to-use lease assets and lease liabilities in the statements of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term, and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease receivables are recognized by the District at the start of each lease term, measured at the present value of expected leas payments minus any provision for uncollectible amounts. A corresponding deferred inflow of resources is also recognized. Interest revenue is recognized over the lease term.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statement of net position. The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and if it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position 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, *deferred lease revenue is* deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

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

Fund Balance

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

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

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

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

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 balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CORRECTION OF ERROR (RESTATEMENT)

During fiscal year 2024, error corrections resulted in adjustments to and restatements of beginning net position and fund balances as follows:

	Reporting Units Affected by Adjustments to a Restatement of Beginning Balances			
	Funds		Government-Wide	
	General Fund	Enterprise Fund	Governmental Activities	Business-Type Activities
12/31/2023, as previously reported	$ 1,078,410	$ 7,728,881	$ (14,420,654)	$ 7,728,881
Error Correction, Water Valley No. 2	164,030	-	164,030	-
Error Correction, Capital Assets, not being depreciated	-	-	77,125	-
Error Correction, Capital Assets, being depreciated	-	189,429	733,333	189,429
12/31/2023, as restated	$ 1,242,440	$ 7,918,310	$ (13,446,166)	$ 7,918,310

The following items required a restatement of beginning balances:

- $164,030 of operating taxes collected by Water Valley Metropolitan District No. 2 in 2023 were not remitted the District or recognized as a receivable. See Note 10, District Operations Agreement.
- $77,125 of donated land, as listed in Weld County Property Records, was not previously recorded.
- A building valued at $880,000 by the Weld County Assessor and depreciation of $146,667, was not previously recorded.
- Equipment valued at $321,000 and depreciation of $131,571, was not previously recorded.

NOTE 4 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	$ 2,434,440
Cash and Investments - Restricted	2,030,466
Total Cash and Investments	$ 4,464,906

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

Deposits with Financial Institutions	$ 4,441,773
Investments	23,133
Total Cash and Investments	$ 4,464,906

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 of $4,499,230 and a carrying balance of $4,441,773.

NOTE 4 CASH AND INVESTMENTS (CONTINUED)

Investments

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

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

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

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

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

At December 31, 2024, the District had the following investments:

Investment	Maturity	Balance
U.S. Treasury Money Market Fund	Weighted-Average Under 60 Days	$ 23,133

U.S. Treasury Money Market Fund

The money at U.S. Bank is invested in the First American Funds - Y Class Treasury Obligation Fund. The First American Fund is a money market fund that is managed by U.S. Bancorp Asset Management, Inc. and each share is equal in value to $1.00. The fund is AAAm rated and invests in high quality short-term U.S. Treasury obligations, including repurchase agreements secured by U.S. Treasury obligations. The average maturity of the underlying securities is 60 days or less.

NOTE 5 INTERFUND BALANACES AND TRANSFERS

At December 31, 2024, the Debt Service Fund temporarily subsidized $2,750 on behalf on the General Fund and the Enterprise Fund temporarily subsidized negative cash balance of the General Fund in the amount of $248,623, which were repaid shortly after year end.

NOTE 6 LEASE RECEIVABLE

The District entered into a lease receivable agreement as a sublease of office space with Raindance Metropolitan District (RDMD) and Water Valley Master Association (WVMA) in November, 2024. The sublease shall terminate on September 30, 2027 concurrently with the termination of the Office Space lease describe in Note 8. The monthly rent started at $1,730 for RDMD and $865 for WVMA. An interest rate of 6% was used. In 2024, the District received $10,376. At December 31, 2024, the lease deferred inflows of resources were $79,255.

Future minimum rental payments to be received under the sublease are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	$48,795	$4,264	$32,305
2026	30,767	2,508	33,275
2027	24,887	626	25,513
Total	$104,449	$7,398	$91,093

NOTE 7 CAPITAL ASSETS

The following is an analysis of the changes in the District's capital assets for the year ended December 31, 2024:

	Balance at December 31, 2023, *As Restated*	Additions	Reductions/ Reclassifications	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 254,769	$ -	$ -	$ 254,769
Total Capital Assets, Not Being Depreciated	254,769	-	-	254,769
Capital Assets, Being Depreciated:				
Streets	1,886,203	-		1,886,203
Parks and Recreation	5,958,077	199,031	23,542	6,133,566
Buildings	880,000	-	-	880,000
Equipment	604,257	60,444	70,971	593,730
Right-to-Use Asset	1,544,154	-	-	1,544,154
Total Capital Assets, Being Depreciated	10,872,691	259,475	94,513	11,037,653
Less Accumulated Depreciation for:				
Streets	(733,119)	(74,402)	-	(807,521)
Parks and Recreation	(841,004)	(226,960)	(23,542)	(1,044,422)
Buildings	(146,667)	(29,333)	-	(176,000)
Equipment	(437,721)	(43,189)	(45,609)	(435,301)
Right-to-Use Asset	(297,426)	(323,888)	-	(621,314)
Total Accumulated Depreciation	(2,445,937)	(697,772)	(69,151)	(3,084,558)
Total Capital Assets, Being Depreciated, Net	8,416,754	(438,297)	25,362	7,030,255
Governmental Capital Assets, Net	8,671,523	(438,297)	25,362	8,207,864

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2023, *As Restated*	Additions	Reductions/ Reclassifications	Balance at December 31, 2024
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	264,342	518,217	-	782,559
Water Rights	10,791,000	-	-	10,791,000
Total Capital Assets, Not Being Depreciated	11,055,342	518,217	-	11,573,559
Capital Assets, Being Depreciated:				
Nonpotable Water	5,677,377	822,491	35,578	6,464,290
Equipment	433,918	-	-	433,918
Total Capital Assets, Being Depreciated	6,111,295	822,491	35,578	6,898,208
Less Accumulated Depreciation for:				
Nonpotable Water System	(1,216,452)	(252,720)	(5,534)	(1,463,638)
Equipment	(200,896)	(43,392)	-	(244,288)
Total Accumulated Depreciation	(1,417,348)	(296,112)	(5,534)	(1,707,926)
Total Capital Assets, Being Depreciated, Net	4,693,947	526,379	30,044	5,190,282
Business-Type Capital Assets, Net	15,749,289	1,044,596	30,044	16,763,841
Total Capital Assets, Net	$ 24,420,812	$ 606,299	$ 55,406	$24,971,705

In December 2024, the District's water rights were valued by an independent third-party appraiser at $35,068,600.

NOTE 8 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's 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
Governmental Activities					
Refunding and Improvement Bonds - Series 2020	$19,320,000	$ -	$ (660,000)	$18,660,000	$ 675,000
Bond Premium - Series 2020	1,394,703	-	(153,050)	1,241,653	-
North Valley Bank - Line of Credit	921,258	-	(190,336)	730,922	-
Developer Advance - Operations	175,000	-	-	175,000	-
Developer Advance - Capital	66,616	-	-	66,616	-
Lease Payable - Office	182,514	-	(42,709)	139,805	46,912
Lease Payable - W-Club	1,118,754	-	(242,098)	876,656	266,087
Financed Purchase - Equipment	-	60,444	(6,886)	53,558	13,774
Total Governmental Activities	23,178,845	60,444	(1,295,079)	21,944,210	1,001,773
Business-Type Activities					
Water Revenue Refunding and Improvement Loan Series 2023	14,800,000	-	-	14,800,000	278,425
Total	$37,978,845	$60,444	$(1,295,079)	$36,744,210	$1,280,198

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

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

North ValleyBank Line of Credit

The District maintains two lines of credit with an available balance of $1,050,000 and variable interest rates to temporarily finance operations. At December 31, 2024, the remaining balance on these line of credit was $730,922 and accrues interest at a variable rate of 8.50% per annum. The District reduced the balance by $190,336 during year ending December 31, 2024

Unlimited Property Tax Supported Revenue Refunding and Improvement Bonds, Series 2020

On September 3, 2020, the District issued $21,015,000 Unlimited Property Tax Supported Revenue Refunding and Improvement Bonds Series 2020 with an interest rate of 2.125% - 4.000% (Series 2020 Bonds). Proceeds from the sale of the Series 2020 Bonds were used for the purpose of refunding the Series 2010A and 2010B Bonds. A portion of the proceeds of the Series 2020 Bonds were also used to (a) purchase a municipal bond insurance policy, and (b) fund the costs of issuing the Series 2020 Bonds. Interest on the Series 2020 Bonds is payable semi-annually to the extent that Pledged Revenue is available on June 1 and December 1 each year, commencing June 1, 2021. Principal on the Series 2020 Bonds is paid on December 1.

Series 2020 Bonds maturing on or after December 1, 2031 are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $1,000, in any order of maturity, and in whole of partial maturities, on December 1, 2030, and on any date thereafter, upon payment of par plus accrued interest, and without any redemption premium.

The Series 2020 Bonds are not secured by property lying within the District or the Taxing Districts but, rather, by, among other things, the obligation of the Taxing Districts under the Capital Pledge Agreement to certify the Required Mill Levy and pay or cause to be paid to the Trustee, on behalf of the District, for payment of the Series 2020 Bonds.

The Series 2020 Bonds will mature as follows:

Year ending December 31,	Principal	Interest	Total
2025	$675,000	$558,687	$1,233,687
2026	715,000	538,438	1,253,438
2027	740,000	516,987	1,256,987
2028	830,000	494,788	1,324,788
2029	1,130,000	469,887	1,599,887
2030-2034	6,575,000	1,762,588	8,337,588
2035-2039	7,995,000	597,475	8,592,475
Total	$18,660,000	$4,938,850	$23,598,850

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Water Revenue Refunding and Improvements Loan, Series 2023

On October 17, 2023, the District entered into a Loan Agreement with Independent Financial Bank dba Independent Financial to obtain a loan in the amount of $14,800,000 (Series 2023 Loan). The maturity date of the Series 2023 Loan is October 17, 2028. The Series 2023 Loan has a fixed rate of 5.625%. Interest is paid quarterly on March 1, June 1, September 1 and December 1. Principal is paid on June 1 and December 1 of each year through the maturity date, commencing June 1, 2025. The proceed from the Series 2023 Loan were used to (i) pay off the balance of principal and accrued interest of an existing loan (2022 Loan Agreement with PWCB), (ii) pay for the costs of issuing the Series 2023 Loan, and (iii) finance certain public improvements.

The obligation of the Enterprise under the Series 2023 Loan is not payable from property taxes of the District, but rather from income and revenues from the use or operation of the nonpotable water system, including fees and charges.

The Series 2023 Loan will mature as follows:

Year Ending December 31,	Principal	Estimated Interest	Total
2025	278,425	838,800	1,117,225
2026	294,530	822,619	1,117,149
2027	311,567	805,503	1,117,070
2028	13,915,478	629,240	14,544,718
Total	$ 14,800,000	$ 3,096,162	$ 17,896,162

Unused lines of credit

The Series 2020 Bonds and Series 2023 Loan do not have any unused lines of credit.

Collateral

For the Series 2020 Bonds and Series 2023 Loan, no assets have been pledged as collateral.

Events of default

For the Series 2020 Bonds - events of default occur if the District fails (a) to pay the principal of, premium if any, or interest on the Bonds when due, (b) defaults in the performance or

Events of default (Continued)

For the Series 2023 Loan, events of default are provided for in the Loan Agreement dated October 17, 2023.

Termination Events

The Series 2020 Bonds and Series 2023 Loan do not have termination provisions.

Acceleration

The Series 2020 Bonds and Series 2023 Loan are not subject to acceleration.

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 4, 2003, the District's voters authorized the issuance of indebtedness in an amount not to exceed $156,000,000. At December 31, 2024, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on November 4, 2003	Authorization Used for Series 2010 Bonds	Authorization Used for Series 2020 Bonds	Authorized but Unissued
Streets	$ 27,750,000	$ 10,860,289	$ -	$ 16,889,711
Traffic and Safety Controls	2,250,000	291,690	-	1,958,310
Water	13,500,000	5,174,100	-	8,325,900
Sewer	15,000,000	2,510,579	-	12,489,421
Parks and Recreation	17,250,000	-	-	17,250,000
Television Relay and Translation	2,250,000	-	-	2,250,000
Debt Refunding	78,000,000	1,422,701	-	76,577,299
Total	$ 156,000,000	$ 20,259,359	$ -	$ 135,740,641

The Series 2020 Bonds constitutes a financing of District indebtedness at a lower interest rate than the interest rate on the Series 2010A and 2010B Bonds; therefore, the issuance of the Series 2020 Bonds did not require electoral authorization.

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

District's service area; however, as of the date of this audit, the amount and timing of any future debt issuances are not determinable.

Financed Purchase

On July 15, 2024, the District entered into a financed purchase agreement with Advance Exercise for the acquisition of five treadmills. Payments are made monthly in the amount of $1,471 for a period of four years, with interest at 8.2% annum. In 2024, the District paid $8,827 including principal and interest of $6,886 and $1,941, respectively

The financed purchase payments to maturity are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 13,774	$ 3,881	$ 17,655
2026	14,946	2,708	17,654
2027	16,218	1,436	17,654
2028	8,620	207	8,827
Total	$ 53,558	$ 8,232	$ 61,790

NOTE 9 LEASES PAYABLE

On October 1, 2022, the District entered into an office lease agreement with Pelican Point Business Park, LLC ("Landlord") to lease a portion of that certain building (the "Building") located on real property commonly known as Building number 3 in The Pelican Point Business Park with an address of 1601 Pelican Lakes Point Unit 100, Windsor, CO 80550. The portion of the Building being leased to the District is approximately 2,121 square feet of floor area. The commencement date is October 1, 2022 and shall terminate on September 30, 2027.

The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 46,912	$ 6,930	$ 53,842
2026	51,386	4,072	55,458
2027	41,507	1,015	42,522
Total	$ 139,805	$ 12,017	$ 151,822

Right-to-use asset acquired through the outstanding lease is shown below:

	Governmental Activities
Right-to-Use - Lease Office Building	$ 216,510
Less: Lease Assets Accumulated Amortization	(91,178)
Total	$ 125,332

On January 1, 2023, the District entered into a lease agreement with Marina One, LLC ("Landlord") to lease a portion of that certain building (the "Building") located on real property commonly known as The Water Valley Wellness Center with an address of 1870 Marina Drive, Windsor, CO 80550 (the "Property"). The portion of the Building being leased is approximately 19,495 square feet of floor area. The commencement date is January 1, 2023 and shall terminate December 31, 2027.

The future minimum lease obligations and net present value of these minimum lease payments are as follows:

Years Ending December 31,	Principal	Interest	Total
2025	$ 266,087	$ 44,147	$ 310,234
2026	291,612	27,928	319,540
2027	318,957	10,170	329,127
Total	$ 876,656	$ 82,245	$ 958,901

Right-to-use asset acquired through the outstanding lease is shown below:

	Governmental Activities
Right-to-Use - Lease Water Valley Wellness Center	$ 1,327,644
Less: Lease Assets Accumulated Amortization	(530,136)
Total	$ 797,508

NOTE 10 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2024, the District had net investments in capital assets calculated as follows:

	Governmental Activities	Business-Type Activities
Capital Assets, Net	$ 8,207,864	$ 16,763,841
Outstanding Long-Term Debts Used to Acquire Capital Assets	(19,980,711)	(14,800,000)
Bond Premium, Net	(1,241,653)	-
Net Investment in Capital Assets	$ (13,014,500)	$ 2,242,266

The restricted component of net position includes assets that are restricted for use as imposed by external parties such as creditors, grantors or contributors, or as imposed by laws and regulations of other governments, or as imposed by law through constitutional provisions or enables legislation. The District had restricted net position as of December 31, 2024 as follows:

	Governmental Activities
Restricted Net Position	
Emergency Reserves	$ 117,100
Total Restricted Net Position	$ 117,100

The District's unrestricted net position as of December 31, 2024 totaled $3,820,520.

NOTE 11 PRIMARY AGREEMENTS

District Operating Agreement

The District and Water Valley 1 and Water Valley 2 (collectively, the Taxing Districts) have entered into a District Operating Agreement dated January 30, 2014. The purpose of the District Operating Agreement is to set forth the rights and obligations of the Taxing Districts to fully fund and of the District to provide operations on behalf of all the Districts. Based on the integrated nature of the public improvements, it is most efficient and cost effective to combine the operations, maintenance, and administration and to have the District provide those services for the benefit of all the Districts. The agreement shall be interpreted consistent with the Service Plan.

NOTE 11 PRIMARY AGREEMENTS (CONTINUED)

Capital Pledge Agreement

The District entered into a Capital Pledge Agreement in October 2010, as amended on January 31, 2014, and again on April 21, 2015, pursuant to which Water Valley 1 and Water Valley 2 are obligated to impose an ad valorem property tax levy without limitation as to the rate to pay the principal and accrued interest payable on the District's Unlimited Property Tax Supported Revenue Refunding and Improvement Bonds, Series 2010 A, B and C in the aggregate principal amount of $25,675,000 issued pursuant to a 2010 Indenture of Trust with UMB Bank (2010 Bonds).

The First Amendment, dated January 31, 2014, made changes to the allocation between Water Valley 1 and Water Valley 2's required debt service on the 2010 Bonds. The Districts later determined that the changes were not necessary, and therefore, the Capital Pledge Agreement was amended for a second time on April 21, 2015, to reinstate the original definitions and allocations.

The Third Amendment, dated September 1, 2020, made changes to provide for the payment of the Series 2020 Bonds, to remove UMB as a party to the agreement, and add U.S. Bank as a party to the agreement.

Infrastructure Acquisition and Reimbursement Agreements

On June 14, 2016, the District entered into an Infrastructure Acquisition and Reimbursement Agreement with Pelican Farms Investments, LLC (the Developer). The Developer has incurred certain costs related to public infrastructure for the benefit of the District and expects to incur additional costs. The District has agreed to: (i) reimburse the Developer for all District Eligible Costs to the extent constituting Repayment Obligations (as defined in the agreement);
(ii) acquire any such public infrastructure constructed for the benefit of the District from the Developer that is not being dedicated to other governmental entities, and (iii) to reimburse the Developer for any costs incurred by the Developer for public infrastructure that is being dedicated to other governmental entities.

On September 19, 2017, the District entered into an Infrastructure Acquisition and Reimbursement Agreement with Eagle Crossing Development, Inc. (Eagle Crossing). Eagle Crossing has expended funds on behalf of the District previously and intends to make future payments for costs related to the provision of public infrastructure in the nature of capital costs in furtherance of the District's permitted purposes, including but not limited to: organization of the District, engineering, architectural, surveying, construction planning and other related costs, during the period when the District is unable to pay for such costs. The District and Eagle Crossing established the terms and conditions under which the District will reimburse Eagle Crossing for such costs and acquire such public infrastructure that will either be owned by the District or dedicated to other governmental entities.

NOTE 11 PRIMARY AGREEMENTS (CONTINUED)

Donation Agreement

In June 2017, the District received a donation of land from The Evangelical Lutheran Good Samaritan Society through a quitclaim deed for 10 dollars ($10.00). The donated land shall not be used for any residential or commercial development, but shall be used for any public purpose, in the sole discretion of the District, for the benefit of the District, Water Valley 1, Water Valley 2, and the general public of Windsor, Colorado. If at any time the above condition is defaulted upon, title to the donated land shall automatically revert back to The Evangelical Lutheran Good Samaritan Society.

On September 1, 2022, the District received a donation of land from Frye Farm Investments, LLC through quick claim deed. The donated land shall not be used for any residential or commercial development, but shall be perpetually used for any charitable/public purpose, in the sole discretion of the District, for the benefit of the District, Water Valley 1, Water Valley 2, and the general public. If at any time the above condition is defaulted upon, title to the donated land shall automatically revert back to the Town of Windsor.

NOTE 12 RELATED PARTIES

The developer of the property which constitutes the District is Trollco Inc., a Colorado corporation (the Developer). Certain members of the Board of Directors of the District are officers, employees of, or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer and may have conflicts of interest in dealing with the District.

NOTE 13 RISK MANAGEMENT

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

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years. The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 14 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. At December 31, 2024, the District determined and calculated its required emergency reserve to be approximately $117,100. Funding of the Districts' operations primarily come from transfers of tax revenues from the Financing Districts.

The District's management has taken steps it believes are necessary to comply 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

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

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Pledged Revenue Water Valley No. 1	$285,232	$285,232	$ -
Pledged Revenue Water Valley No. 2	956,256	956,256	-
Net Investment Income	-	13,716	13,716
Total Revenues	1,241,488	1,255,204	13,716
Expenditures			
Debt Service:			
Bond Principal - Series 2016	660,000	660,000	-
Bond Interest - Series 2016	578,488	578,488	-
Paying Agent Fees	3,000	2,750	250
Total Expenditures	1,241,488	1,241,238	250
Excess of Revenues Over (Under) Expenditures	-	13,966	13,966
Fund Balances - Beginning of Year	-	6,417	6,417
Fund Balances - End of Year	$ -	$ 20,383	$ 20,383

POUDRE TECH METROPOLITAN DISTRICT
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues				
Water Service Fees	$2,180,979	$2,345,112	$2,347,848	$ 2,736
Water Meter Sales	330,000	839,800	839,800	-
Other Operating Revenues	-	9,100	9,100	-
Total Revenues	2,510,979	3,194,012	3,196,748	2,736
Operating Expenses				
General & Administrative				
Admin Staff and Management	190,000	103,581	103,581	-
Legal Services, Consulting and Studies	10,000	18,587	18,587	-
Collection Costs	-	25,810	42,158	(16,348)
Other Expenses	870	16,948	78,376	(61,428)
Operations and Maintenance				-
Water System Manager & Field Staff	250,000	-	250,000	(250,000)
Maintenance Staff	380,000	105,000	90,325	14,675
Utilities	150,000	200,000	202,219	(2,219)
Repairs and Maintenance	840,755	578,765	400,930	177,835
Meter Installation	-	786,177	-	786,177
Ditch Delivery Expenses	100,000	50,608	50,608	-
Total Operating Expenses	1,921,625	1,885,476	1,236,784	648,692
Operating Income (Loss)	589,354	1,308,536	1,959,964	651,428
Nonoperating Revenue (Expenses)				
Net Investment Income	-	45,868	45,868	-
Capital Revenues (Expenses)				
System Development Fees	375,000	1,137,500	1,137,500	-
Raindance Metro District No. 1 Pledge Revenue	282,125	282,125	210,438	(71,687)
Developer Advance	250,000	250,000	-	(250,000)
Capital Projects	-	(521,951)	(1,340,708)	(818,757)
Gain (Loss) on Disposal of Assets	-	-	(30,044)	(30,044)
Raindance Metro District No. 1 Capital Projects	-	(6,196,198)	(4,624,857)	1,571,341
Developer Repayment	(250,000)	(250,000)	-	250,000
Loan Interest	(846,375)	(846,375)	(846,375)	-
Total Capital Revenue (Expenses)	(189,250)	(6,144,899)	(5,494,046)	650,853
Net Income Budgetary Basis	$ 400,104	$(4,790,495)	(3,488,214)	$1,302,281
Reconciliation to GAAP Basis				
Depreciation			(296,112)	
Capital Outlay			1,340,708	
Change in Net Position, *GAAP Basis*			$(2,443,618)	

POUDRE TECH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2024

Year Ending December 31,	$21,015,000 Series 2020 Unlimited Property Tax Supported Revenue Refunding and Improvement Bonds Dated September 3, 2020 Principal due December 1 Interest Rate 2.125% to 4.000% Payable June 1 and December 1		
	Principal	Interest	Total
2025	$ 675,000	$ 558,687	$ 1,233,687
2026	715,000	538,438	1,253,438
2027	740,000	516,987	1,256,987
2028	830,000	494,788	1,324,788
2029	1,130,000	469,887	1,599,887
2030	1,195,000	435,988	1,630,988
2031	1,275,000	400,137	1,675,137
2032	1,310,000	361,888	1,671,888
2033	1,360,000	309,487	1,669,487
2034	1,435,000	255,088	1,690,088
2035	1,505,000	197,687	1,702,687
2036	1,550,000	167,588	1,717,588
2037	1,600,000	121,087	1,721,087
2038	1,650,000	73,088	1,723,088
2039	1,690,000	38,025	1,728,025
Total	$ 18,660,000	$ 4,938,850	$ 23,598,850

POUDRE TECH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2024

	$14,800,000 Water Revenue Refunding and Improvements Loan, 2023 Dated October 17, 2023 Principal due June 1 and December 1, Commencing June 1, 2025 Interest Rate 5.625% Payable March 1, June 1, September 1 and December 1 Estimated		
Year ending December 31,	**Principal**	**Interest**	**Total**
2025	$ 278,425	$ 838,800	$ 1,117,225
2026	294,530	822,619	1,117,149
2027	311,567	805,503	1,117,070
2028	13,915,478	629,240	14,544,718
Total	$14,800,000	$3,096,162	$17,896,162

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION AS REQUIRED BY THE UNLIMITED PROPERTY TAX SUPPORTED REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 2020

TABLE II
History of Water Valley Metropolitan District No. 1's Assessed Valuation and Mill Levies

Levy/ Collection Year	Assessed Valuation [1]	Percent Change	General Fund	Debt Service Fund	Total Mill Levy
2015/2016	$ 42,796,050	--	13.300	25.700	39.000
2016/2017	47,810,900	11.72 %	30.430	8.570	39.000
2017/2018	43,490,270	(9.04)	20.070	18.930	39.000
2018/2019	34,982,840	(19.56)	17.644	23.495	41.139
2019/2020	34,942,180	(0.12)	17.813	24.130	41.943
2020/2021	34,496,110	(1.28)	17.618	24.325	41.943
2021/2022	34,197,090	(0.87)	21.773	20.170	41.943
2022/2023	35,771,360	4.60	22.128	20.650	42.778
2023/2024	44,128,720	23.36	20.340	17.110	37.450

[1] The decline in assessed valuation beginning in levy year 2017 and 2018 is primarily due to decline in oil and gas assessed valuation resulting from a decline in production of oil from wells within Water Valley Metropolitan District No. 1.

Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, and County Assessor.

TABLE III
History of Water Valley Metropolitan District No. 2's Assessed Valuation and Mill Levies

Levy/ Collection Year	Assessed Valuation [1]	Percent Change	General Fund	Debt Service Fund	Total Mill Levy
2015/2016	$ 84,359,680	--	15.975	23.025	39.000
2016/2017	81,309,260	(3.62)%	20.907	18.093	39.000
2017/2018	57,038,740	(29.85)	11.554	27.446	39.000
2018/2019	65,477,360	14.79	15.155	25.984	41.139
2019/2020	63,277,390	(3.36)	15.412	26.531	41.943
2020/2021	63,402,150	0.20	14.943	27.000	41.943
2021/2022	67,032,590	5.73	22.824	19.119	41.943
2022/2023	75,337,090	12.39	23.458	19.320	42.778
2023/2024	91,247,780	21.12	21.960	16.184	38.144

[1] The decline in assessed valuation beginning in levy year 2017 is primarily due to decline in oil and gas assessed valuation resulting from a decline in production of oil from wells within Water Valley Metropolitan District No. 2.

Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, and County Assessor.

Table VI
Historical Property Tax Collections in Water Valley Metropolitan District No. 1

Levy/ Collection Year	Total Taxes Levied	Total Taxes Collection	Percent of Levy Collected
2015/2016	$ 1,669,045	$ 1,668,329	99.96 %
2016/2017	1,864,625	1,863,857	99.96
2017/2018	1,696,121	1,696,162	100.00
2018/2019	1,439,159	1,438,325	99.94
2019/2020	1,465,580	1,459,313	99.57
2020/2021	1,446,870	1,446,870	100.00
2021/2022	1,434,329	1,461,992	101.93
2022/2023	1,530,227	1,533,779	100.23

Source: State of Colorado Department of Local Affairs Division of Property Taxation Annual Reports for 2015 - 2024 and the County Treasurer's Office.

Table VII
Historical Property Tax Collections in Water Valley Metropolitan District No. 2

Levy/ Collection Year	Total Taxes Levied	Total Taxes Collection	Percent of Levy Collected
2015/2016	$ 3,290,028	$ 3,294,992	100.15 %
2016/2017	3,171,061	3,103,222	97.86
2017/2018	2,224,511	2,230,812	100.28
2018/2019	2,693,673	2,692,820	99.97
2019/2020	2,654,043	2,596,192	97.82
2020/2021	2,659,276	2,659,039	99.99
2021/2022	2,811,548	2,817,559	100.21
2022/2023	3,222,770	3,219,067	99.89

Source: State of Colorado Department of Local Affairs Division of Property Taxation Annual Reports for 2015 - 2024 and the County Treasurer's Office.