

STATE OF COLORADO
CITY OF LOVELAND, COUNTY OF LARIMER
PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1
2026 BUDGET RESOLUTION

The Board of Directors of the Ponderosa Ridge Metropolitan District No. 1 (the “District”), City of Loveland, Larimer County, Colorado held an organizational meeting on Tuesday, January 27, 2026, at the hour of 3:15 P.M., via video conference at https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTM5ZDJmMDgtYzBmZS00ZDA0LWl5Y2UtM2E3ODI3NjgzNGU0%40thread.v2/0?context=%7b%22Tid%22%3a%228e55246b-90b1-4bef-9dbd-02c674817a7b%22%2c%22Oid%22%3a%225a42d8a9-2247-4f6b-af5b-e267a38bc68b%22%7d, Meeting ID: 250 018 490 183 51, Passcode: 4SL36x9L and via telephone conference at Dial-In: 1-312-625-6668, Phone Conference ID: 176 832 573#.

The following members of the District’s Board of Directors (the “Board”) were present:

| | |
|------------|---------------------|
| President: | Roger E. Clark |
| Treasurer: | Leigh Lutz |
| Secretary: | Robert G. Taylor II |

Also present were: Shannon Smith Johnson, Icenogle Seaver Pogue, P.C.; and Shelby Clymer, CliftonLarsonAllen LLP.

Ms. Johnson reported that proper notice was made to allow the Board to conduct a public hearing on the 2026 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is an organizational meeting of the Board and that a notice of organizational meeting was posted in the designated public place within the boundaries of the District no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director Clark introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2026 TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1, CITY OF LOVELAND, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2026 AND ENDING ON THE LAST DAY OF DECEMBER 2026.

WHEREAS, the Board has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget is fifty thousand dollars (\$50,000.00) or less, due and proper notice was made by posting in three public places within the District's boundaries a notice indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District's increased property tax revenues resulting from a request to the Division pursuant to Section 29-1-302(1), C.R.S.; and the Affidavit of Posting evidencing the same is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Tuesday, January 27, 2026 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information then available to the Board, including regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local

Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1, CITY OF LOVELAND, LARIMER COUNTY, COLORADO:

Section 1. Summary of 2026 Revenues and 2026 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2026, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B is approved and adopted as the budget of the District for fiscal year 2026. The District's accountant has made a good faith effort and used the best information available at the time of preparation of the budget to provide the District with alternative scenarios, if applicable, showing a proposed budget and mill levies for fiscal year 2026. Due to the significant possibility that the final assessed valuation provided by the Larimer County Assessor's Office differs from the preliminary assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation, and/or any applicable revenue caps or limitations, including making any appropriate temporary property tax credit or temporary mill levy reduction, without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

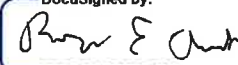
Section 4. Budget Certification. That the budget shall be certified by the Secretary or an Assistant Secretary, if applicable, of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

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The foregoing Resolution was seconded by Director Taylor II.

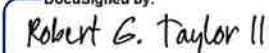
RESOLUTION APPROVED AND ADOPTED THIS 27TH DAY OF JANUARY 2026.

PONDEROSA RIDGE METROPOLITAN DISTRICT
NO. 1

DocuSigned by:

B77315CC70EA4D7...

By: Roger E. Clark
Its: President

ATTEST:

DocuSigned by:

2D5D420A15C9421...

By: Robert G. Taylor II.
Its: Secretary

STATE OF COLORADO
CITY OF LOVELAND, COUNTY OF LARIMER
PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1

I, Robert G. Taylor II., hereby certify that I am a director and the duly elected and qualified Secretary of the Ponderosa Ridge Metropolitan District No. 1, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at an organizational meeting of the Board of Directors of the Ponderosa Ridge Metropolitan District No. 1 held on January 27, 2026, via video conference at https://teams.microsoft.com/j/19%3ameeting_ZTM5ZDJmMDgtYzBmZS00ZDA0LWI5Y2UtM2E3ODI3NjgzNGU0%40thread.v2/0?context=%7b%22Tid%22%3a%228e55246b-90b1-4bef-9dbd-02c674817a7b%22%2c%22Oid%22%3a%225a42d8a9-2247-4f6b-af5b-e267a38bc68b%22%7d, Meeting ID: 250 018 490 183 51, Passcode: 4SL36x9L and via telephone conference at Dial-In: 1-312-625-6668, Phone Conference ID: 176 832 573#, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2026; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 27th day of January 2026.

DocuSigned by:
Robert G. Taylor II
2D5D420A15C9421...

Robert G. Taylor II., Secretary

[SEAL]



EXHIBIT A

Affidavit
Notice as to Proposed 2026 Budget

**NOTICE AS TO PROPOSED 2026 BUDGET AND HEARING
PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1**

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the **PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1** (the “District”) for the year of 2026. A copy of such proposed budget has been filed in the office of CliftonLarsonAllen LLP, 2001 16th Street, Suite 1700, Denver, Colorado, where the same is open for public inspection. Such proposed budget will be considered at a hearing at the meeting of the District to be held at 3:15 P.M., on Tuesday, January 27, 2026.

The location and additional information regarding the meeting will be available on the meeting notice posted herewith at least 24-hours in advance of the meeting.

Any interested elector within the District may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2026 budget.

**BY ORDER OF THE
BOARD OF DIRECTORS OF THE DISTRICT:**

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

EXHIBIT B

Budget Document
Budget Message

PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1
 GENERAL FUND
 2026 BUDGET
 WITH 2025 ESTIMATED
 For the Years Ended and Ending December 31,**

1/20/26

| | ESTIMATED 2025 | BUDGET 2026 |
|---|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - |
| REVENUES | | |
| Total revenues | - | - |
| Total funds available | - | - |
| EXPENDITURES | | |
| Total expenditures | - | - |
| Total expenditures and transfers out requiring appropriation | - | - |
| ENDING FUND BALANCES | \$ - | \$ - |

See summary of significant assumptions.

**PONDEROSA RIDGE METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/20/26

| ESTIMATED 2025 | BUDGET 2026 |
|-------------------|----------------|
|-------------------|----------------|

ASSESSED VALUATION

Certified Assessed Value

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

MILL LEVY

Total mill levy

| | |
|-------|-------|
| 0.000 | 0.000 |
|-------|-------|

PROPERTY TAXES

Budgeted property taxes

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

BUDGETED PROPERTY TAXES

General

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

See summary of significant assumptions.

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

Services Provided

Ponderosa Ridge Metropolitan District No. 1 (the "District"), a quasi-municipal corporation, was organized in 2025, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located entirely within the City of Loveland (the "City"), Larimer County Colorado.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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

Revenues

The District has no budgeted revenues for 2026.

Expenditures

The District has no budgeted expenditures for 2026.

Debt and Leases

The District has no general obligation debt, nor any capital or operating leases.

This information is an integral part of the accompanying budget.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Ponderosa Ridge Metropolitan District No. 1, City of Loveland, Larimer County, Colorado on this 27th day of January 2026.

DocuSigned by:
Robert G. Taylor II
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Robert G. Taylor II., Secretary

SEAL

