

**REGULAR BOARD MEETING AGENDA AND NOTICE**  
**WEDNESDAY, NOVEMBER 19, 2025 – 5:30 PM**

**Please join my meeting from your computer, tablet, or smartphone.**

<https://video.cloudoffice.avaya.com/join/590205827>

**You can also dial in using your phone.**

United States: +1 (213) 463-4500

**Access Code:** 590-205-827

Board of Director	Title	Term
Elizabeth Douglass	President	May 2027
Lanny Hoel	Secretary	May 2027
Martin Lempecki	Treasurer	May 2029
Edith Coffman	Assistant Secretary	May 2027
Jennifer Thoe	Assistant Secretary	May 2029

NOTICE IS HEREBY GIVEN that a Meeting of the Board of Directors of ARABIAN ACRES METROPOLITAN DISTRICT, Teller County, Colorado has been scheduled pursuant to emergency rules and regulations for Wednesday, November 19, 2025, at 5:30 p.m. via tele/videoconference for the purpose of addressing those matters in the agenda set forth below.

**AGENDA**

**Management Team**

Lynn Willow, ORC

WSDM – Managers

**1) ADMINISTRATIVE MATTERS**

- a) Call to Order & Declaration of Quorum
- b) Confirm any Potential Conflicts of Interest
- c) Discussion and Approval of the Agenda
- d) Consider Approval of Meeting Minutes from November 4, 2025 (enclosed)
- e) Tree Removal status

**2) OPERATIONS**

- a) ORC Report
- b) Water Loss Data Report

**3) FINANCIAL MATTERS**

- a) Review of Billing and Collection Status
- b) Conduct a Public Hearing on the 2025 Amended and 2026 Budget
  - i) Review and consider adoption of the 2025 Amended and 2026 Budget Resolution and Mill Levy Certification (enclosed)
- c) Review and accept October 31, 2025, Unaudited Financial Status (enclosed)
- d) Review and Approve the Payment of Claims through November 19, 2025(enclosed)

**4) MANAGEMENT MATTERS**

**5) LEGAL MATTERS**

- a) Review and Water Augmentation rights to Pond #2

- b) Review and consider adoption of the 2025 Annual Administrative Resolution (enclosed)
- c) Review and consider approval of 2026 WSDM – Managers engagement letter (under separate cover)
- d) Review and consider approval of 2025 Audit engagement letter (enclosed)

**6) PUBLIC COMMENT** - Comments will be limited to 3 minutes. Please remain respectful of the Board of Directors as well as of your fellow residents.

**7) EXECUTIVE SESSION §24-6-402(4)(B) C.R.S.** – To receive legal advice regarding Pond #2 Augmentation Water Rights

**8) ADJOURNMENT**

- a) THE NEXT REGULARLY SCHEDULED MEETING IS SCHEDULED FOR DECEMBER 17, 2025, AT 5:30 PM



*\*Page intentionally left blank\**

**MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING  
ARABIAN ACRES METROPOLITAN DISTRICT  
TUESDAY, NOVEMBER 4, 2025, at 12:00 P.M.  
Via Telephone and Video Conference Call**

Pursuant to posted notice, the special meetings of the Board of Directors of the Arabian Acres Metropolitan District was held on November 4, 2025, at 12:00 pm, via tele/videoconference: <https://video.cloudoffice.avaya.com/join/590205827>.

Attendance:

In attendance were Directors:

Elizabeth Douglass	President
Lanny Hoel	Secretary
Martin Lempecki	Treasurer
Edith Coffman	Assistant Secretary
Jennifer Thoe	Assistant Secretary

Also in attendance were:

Rebecca Harris	WSDM Managers
Jason Downie	Susemihl, McDermot, & Downie, P.C.

**MINUTES**

**1. ADMINISTRATIVE MATTERS**

- a. Call to Order & Declaration of Quorum: President Douglass called the meeting to order at 12:01 p.m. and confirmed a quorum was present.
- b. Confirm any Potential Conflicts of Interest: The Directors each confirmed no potential conflicts of interest.
- c. Discussion and Approval of the Agenda: After discussion Director Coffman moved to approve the agenda as presented; seconded by President Douglass. Motion passed unanimously.
- d. Consider Approval of Meeting Minutes from October 15, 2025: Board inquired about the status of the past due Core and Main invoice. Ms. Harris noted she has not received an answer from them to waive late fees. Director Lempecki moved to approve the Regular Board Meeting from October 15, 2025; seconded by President Douglass. Motion passed unanimously.

**2. LEGAL MATTERS:**

- a. Review and consider acceptance to engage Water Attorney: Board discussed and reviewed the engagement letter with Garver Brown. After discussion President Douglass moved to approve the engagement letter as presented; seconded by Director Lempecki. Motion passed unanimously
- b. Board discussed what scope of work they would like to received from legal counsel. After discussion Director Lempecki moved to direct Mr. Downie to receive legal opinion and recommendations from Mr. Brown and present to the Board; seconded by President Douglass. Motion passed unanimously.

**3. PUBLIC COMMENT:** No public comment

4. **EXECUTIVE SESSION:** No executive session.
5. **ADJOURNMENT:** President Douglass moved to adjourn the meeting at 12:31 p.m., seconded by Director Lempecki. The motion passed unanimously.

DRAFT

\_\_\_\_\_  
Submitted by: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 4, 2025, SPECIAL MEETING MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

\_\_\_\_\_  
Edith Coffman

\_\_\_\_\_  
Elizabeth Douglass

\_\_\_\_\_  
Lanny Hoel

\_\_\_\_\_  
Martin Lempecki

\_\_\_\_\_  
Jennifer Thoe

DRAFT



*\*Page intentionally left blank\**

**ARABIAN ACRES METROPOLITAN DISTRICT  
2026 BUDGET  
GENERAL FUND**

	2024 ACTUAL	2025 ACTUAL	2025 PROJECTED	2025 BUDGET	2026 BUDGET
<b>GENERAL FUND: BEGINNING BALANCE</b>	<b>\$ 601,849</b>	<b>\$ 763,160</b>	<b>\$ 763,160</b>	<b>\$ 597,314</b>	<b>765,363</b>
<b>REVENUES</b>					
CAPITAL IMPROVEMENT FEE	\$ 111,956	\$ 59,310	\$ 77,463	\$ 77,463	80,028
CORA REQUESTS					
GRANT FUNDS	\$ 1,160				
INTEREST INCOME		\$ 3,898	\$ 4,000		
LATE FEES		\$ 2,637	\$ 2,700		
RESTITUTION	\$ 201				
TAP FEE	\$ 8,000	\$ 8,000	\$ 16,000		
WATER SERVICE FEE	\$ 101,586	\$ 73,739	\$ 103,284	\$ 103,284	106,704
WATER USAGE	\$ 93,742	\$ 53,786	\$ 80,000	\$ 80,000	80,000
TOTAL REVENUES	<b>\$ 316,645</b>	<b>\$ 201,370</b>	<b>\$ 283,447</b>	<b>\$ 260,747</b>	<b>266,732</b>
TOTAL FUNDS AVAILABLE	<b>\$ 918,494</b>	<b>\$ 964,531</b>	<b>\$ 1,046,607</b>	<b>\$ 858,061</b>	<b>1,032,095</b>
<b>EXPENSES</b>					
AUDIT	\$ 8,625	\$ 9,050	\$ 9,050	\$ 9,056	9,700
BANK SERVICE CHARGES	\$ 67	\$ 53	\$ 100	\$ 100	100
CHEMICALS & SUPPLIES			\$ 2,000	\$ 2,000	2,000
DIRECTOR FEES	\$ 4,700	\$ 4,800	\$ 6,300	\$ 6,000	6,000
DISTRICT MANAGEMENT	\$ 49,047	\$ 30,161	\$ 52,161	\$ 66,000	66,000
DUES, FEES, SUBSCRIPTIONS	\$ 3,557	\$ 2,910	\$ 2,910	\$ 3,100	3,100
ELECTION - TABOR/BOD		\$ 736	\$ 736	\$ 10,000	500
ENGINEERING			\$ -	\$ 1,000	1,000
INSURANCE		\$ 12,471	\$ 12,471	\$ 14,840	14,000
LEGAL	\$ 9,637	\$ 5,262	\$ 10,000	\$ 10,000	10,000
LOCATES			\$ 500	\$ 1,000	1,000
OFFICE EXPENSE	\$ 3,526				
ORC FEES	\$ 42,583	\$ 29,167	\$ 48,000	\$ 48,000	50,400
OTHER (TROUT HAVEN EXCLUSIONS)	\$ 2,414		\$ -	\$ -	-
POSTAGE & COPIES	\$ 2,687	\$ 1,669	\$ 3,000	\$ 2,000	3,000
REPAIRS & MAINTENANCE	\$ 17,033	\$ 26,756	\$ 40,000	\$ 40,000	40,000
UTILITIES	\$ 8,612	\$ 5,808	\$ 10,000	\$ 10,000	10,000
WATER BILLING	\$ 1,200		\$ 3,000	\$ 3,000	3,000
WATER DISTRIBUTION/ PURCHASE			\$ -	\$ 10,000	10,000
WATER SHARES		\$ 553	\$ 553	\$ 700	700
WATER TESTING	\$ 1,646	\$ 2,167	\$ 3,000	\$ 2,000	2,000
CONTINGENCY				\$ 50,000	50,000
TOTAL EXPENSES	<b>\$ 155,334</b>	<b>\$ 131,563</b>	<b>\$ 203,781</b>	<b>\$ 288,796</b>	<b>282,500</b>
OTHER FINANCING SOURCES					
TRANSFERS OUT - DEBT SERVICE		\$ 59,310	\$ 77,463	\$ 77,463	80,028
TRANSFERS OUT - CAPITAL FUND					
<b>GENERAL FUND: ENDING BALANCE</b>	<b>\$ 763,160</b>	<b>\$ 773,658</b>	<b>\$ 765,363</b>	<b>\$ 491,802</b>	<b>669,567</b>
EMERGENCY RESERVE: State Required at 3%	\$ 4,660	\$ 3,947	\$ 6,113	\$ 8,664	8,475



**ARABIAN ACRES METROPOLITAN DISTRICT  
2025 BUDGET  
DEBT SERVICE FUND**

	2024 ACTUAL	2025 ACTUAL	2025 PROJECTED	2025 BUDGET	2026 BUDGET
<b>DEBT SERVICE FUND: BEGINNING BALANCE</b>	<b>\$ 342,397</b>	<b>\$ 342,558</b>	<b>\$ 342,558</b>	<b>\$ 417,365</b>	<b>403,855</b>
REVENUE					
INTEREST INCOME	\$ 31,188	\$ 18,311	\$ 20,000	\$ 5,000	5,000
MISCELLANEOUS					
PROPERTY TAX REVENUE	\$ 158,984	\$ 150,727	\$ 150,272	\$ 159,900	\$ 168,302
SPECIFIC OWNERSHIP TAX	\$ 15,172	\$ 9,948	\$ 11,193	\$ 11,193	\$ 11,781
STATE SENIOR/ VETERAN FUNDS		\$ 6,216	\$ 6,216		
TRANSFERS IN FROM GENERAL FUND		\$ 59,310	\$ 77,463	\$ 77,463	80,028
TOTAL REVENUE	<b>\$ 205,344</b>	<b>\$ 244,512</b>	<b>\$ 265,144</b>	<b>\$ 253,556</b>	<b>265,111</b>
EXPENSES					
2007 BOND INTEREST	\$ 40,750	\$ 18,250	\$ 36,500	\$ 36,500	32,250
2007 BOND PRINCIPAL	\$ 85,000		\$ 85,000	\$ 85,000	90,000
NATIONAL RURAL WATER INTEREST	\$ 421	\$ 103	\$ 103	\$ 103	-
NATIONAL RURAL WATER PRINCIPAL	\$ 10,669	\$ 8,214	\$ 8,214	\$ 8,214	-
CO WATER RESOURCES & POWER DEV AUTHORITY INTEREST	\$ 7,459	\$ 2,438	\$ 4,832	\$ 4,832	4,803
CO WATER RESOURCES & POWER DEV AUTHORITY PRINCIPAL	\$ 21,237	\$ 17,586	\$ 35,216	\$ 35,216	35,216
CWCD METER LOAN	\$ 35,041	\$ 23,688	\$ 23,688	\$ 23,688	23,688
TREASURER COLLECTION FEE	\$ 4,606	\$ 4,524	\$ 4,794	\$ 4,797	\$ 5,049
TRUSTEE FEES			\$ 500	\$ 500	500
CONTINGENCY		\$ 250	\$ 5,000	\$ 5,000	5,000
TOTAL EXPENSES	<b>\$ 205,183</b>	<b>\$ 75,053</b>	<b>\$ 203,847</b>	<b>\$ 203,850</b>	<b>\$ 196,506</b>
<b>DEBT SERVICE: ENDING BALANCE</b>	<b>\$ 342,558</b>	<b>\$ 512,017</b>	<b>\$ 403,855</b>	<b>\$ 467,070</b>	<b>\$ 472,460</b>
ASSESSED VALUATION	\$ 7,570,310	\$ 7,614,290	\$ 7,614,290	\$ 7,614,290	\$ 8,166,040
MILL LEVY	21.000	21.00	21.00	21.00	20.610
Not to exceed 5.25% limit					5.25%

## **BUDGET MESSAGE**

(Pursuant to § 29-1-103(1) (e), C.R.S.)

### Arabian Acres Metropolitan District

The attached 2026 Budget for Arabian Acres Metropolitan District includes these important features:

- The primary sources of revenue for the District are tax revenues, fees, rates, penalties, and charges.
- No increase in commercial and residential rates and fees.
- Continued maintenance of the system to ensure ongoing levels of service to existing customers.
- Transfer of operating money into a CD to earn interest for a continued planned pipeline replacement project.
- Payment of debt obligations.

The Budgetary basis of the accounting timing measurement method used is:

- ☐ Cash basis
- ☒ Modified accrual basis
- ☐ Encumbrance basis
- ☐ Accrual basis

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the district's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within 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. Expenditures, other than the interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The services to be provided/ delivered during the budget year are the following:

- Potable water to customers.
- Contracted legal and management services, including state-required reporting, financial and accounting reports, billing and other services.
- Contracted Operator in Responsible Charge (ORC) to operate including required monitoring, testing, repair and other operational activities as well as payroll and other employment training and expenses.



*\*Page intentionally left blank\**

## Arabian Acres Metropolitan District

11/12/25

## Balance Sheet

Accrual Basis

As of October 31, 2025

	Oct 31, 25
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
ECB Checking	
Capital Improvement Reserve	49,549.84
ECB Checking - Other	456,493.39
Total ECB Checking	506,043.23
COLOTRUST 4001	323,470.81
COLOTRUST Reserve 8002	37,487.40
COLOTRUST-Capital Reserve 8003	278,399.56
Vectra Bank Savings - 8858	500.00
Vectra Bank CD 8684	150,484.04
Total Checking/Savings	1,296,385.04
Accounts Receivable	
Accounts Receivable	33,724.59
Total Accounts Receivable	33,724.59
Other Current Assets	
Property Tax Receivable	8,852.54
Total Other Current Assets	8,852.54
Total Current Assets	1,338,962.17
Fixed Assets	
Construction in Progress	2,515,552.23
Total Fixed Assets	2,515,552.23
Other Assets	
Capital Assets	1,263,742.90
Equipment	702,641.49
Land	101,000.00
Water Rights	172,588.00
Accumulated Depreciation	-793,205.00
Total Other Assets	1,446,767.39
<b>TOTAL ASSETS</b>	<b>5,301,281.79</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	14,394.20
Total Accounts Payable	14,394.20
Other Current Liabilities	
Accrued Interest	7,427.30
Deferred Revenue-Property Taxes	8,852.54
Total Other Current Liabilities	16,279.84
Total Current Liabilities	30,674.04
Long Term Liabilities	
DWRF 1.5 Million Loan	940,066.68
2007 Bonds Payable	730,000.00
CWCB Meter Loan 400K	133,331.42
Total Long Term Liabilities	1,803,398.10
<b>Total Liabilities</b>	<b>1,834,072.14</b>

Arabian Acres Metropolitan District  
Balance Sheet  
As of October 31, 2025

	Oct 31, 25
Equity	
Opening Balance Equity	215,933.51
Retained Earnings	3,018,836.61
Net Income	232,439.53
Total Equity	3,467,209.65
TOTAL LIABILITIES & EQUITY	5,301,281.79

UNAUDITED

# Arabian Acres Metropolitan District

## Profit & Loss Budget vs. Actual

### January through October 2025

General Fund				TOTAL		
	Sep 25	Oct 25	Jan - Oct 25	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Capital Improvement Fees	6,613.80	6,970.00	72,893.82	77,463.00	-4,569.18	94.1%
Late Fee Revenue	300.00	255.00	3,192.03			
Water Service Fee	9,206.64	9,437.50	92,383.37	103,284.00	-10,900.63	89.45%
Water Tap Fees	0.00	0.00	8,000.00			
Water Usage	10,060.60	8,873.84	72,720.04	80,000.00	-7,279.96	90.9%
<b>Total Income</b>	<b>26,181.04</b>	<b>25,536.34</b>	<b>249,189.26</b>	<b>260,747.00</b>	<b>-11,557.74</b>	<b>95.57%</b>
<b>Gross Profit</b>	<b>26,181.04</b>	<b>25,536.34</b>	<b>249,189.26</b>	<b>260,747.00</b>	<b>-11,557.74</b>	<b>95.57%</b>
<b>Expense</b>						
Contingency	0.00	0.00	0.00	50,000.00	-50,000.00	0.0%
Engineering	0.00	0.00	0.00	1,000.00	-1,000.00	0.0%
Audit	0.00	0.00	9,050.00	9,056.00	-6.00	99.93%
Bank Service Charges	0.00	59.00	111.56	100.00	11.56	111.56%
Directors Fees	500.00	400.00	5,200.00	6,000.00	-800.00	86.67%
District Managment Fee	4,578.30	3,917.00	38,655.95	66,000.00	-27,344.05	58.57%
Dues Fees and Subscriptions	0.00	0.00	2,910.18	3,100.00	-189.82	93.88%
Election Expense	0.00	0.00	735.70	10,000.00	-9,264.30	7.36%
Insurance Expense-Operating	0.00	0.00	12,471.00	14,840.00	-2,369.00	84.04%
Legal	1,867.40	3,098.10	10,227.15	10,000.00	227.15	102.27%
Locates	0.00	0.00	0.00	1,000.00	-1,000.00	0.0%
ORC Fees-Operating	3,645.87	4,297.87	37,110.70	48,000.00	-10,889.30	77.31%
Postage and Copies-Operating	167.44	414.25	2,250.70	2,000.00	250.70	112.54%
Chemicals and Supplies	750.00	0.00	750.00	2,000.00	-1,250.00	37.5%
Repairs and Maintenance	1,850.00	4,012.42	30,768.27	40,000.00	-9,231.73	76.92%
Utilities	543.55	256.07	6,607.98	10,000.00	-3,392.02	66.08%
Water Billing	0.00	0.00	0.00	3,000.00	-3,000.00	0.0%
Water Distribution Purchases	0.00	0.00	0.00	10,000.00	-10,000.00	0.0%
Water Shares	0.00	0.00	553.00	700.00	-147.00	79.0%
Water Testing	23.00	23.00	2,236.00	2,000.00	236.00	111.8%
<b>Total Expense</b>	<b>13,925.56</b>	<b>16,477.71</b>	<b>159,638.19</b>	<b>288,796.00</b>	<b>-129,157.81</b>	<b>55.28%</b>
<b>Net Ordinary Income</b>	<b>12,255.48</b>	<b>9,058.63</b>	<b>89,551.07</b>	<b>-28,049.00</b>	<b>117,600.07</b>	<b>-319.27%</b>
<b>Other Income/Expense</b>						
<b>Other Income</b>						
Interest Income - Operating	0.00	0.00	0.01			
Interest Income	0.00	484.04	4,382.24			
<b>Total Other Income</b>	<b>0.00</b>	<b>484.04</b>	<b>4,382.25</b>			
<b>Other Expense</b>						
Transfer to Debt Service Fund	6,613.80	6,970.00	72,893.82	77,463.00	-4,569.18	94.1%
Interest Expense	2,394.24	0.00	2,394.24			
<b>Total Other Expense</b>	<b>9,008.04</b>	<b>6,970.00</b>	<b>75,288.06</b>	<b>77,463.00</b>	<b>-2,174.94</b>	<b>97.19%</b>
<b>Net Other Income</b>	<b>-9,008.04</b>	<b>-6,485.96</b>	<b>-70,905.81</b>	<b>-77,463.00</b>	<b>6,557.19</b>	<b>91.54%</b>
<b>Net Income</b>	<b>3,247.44</b>	<b>2,572.67</b>	<b>18,645.26</b>	<b>-105,512.00</b>	<b>124,157.26</b>	<b>-17.67%</b>

# Arabian Acres Metropolitan District

## Profit & Loss Budget vs. Actual

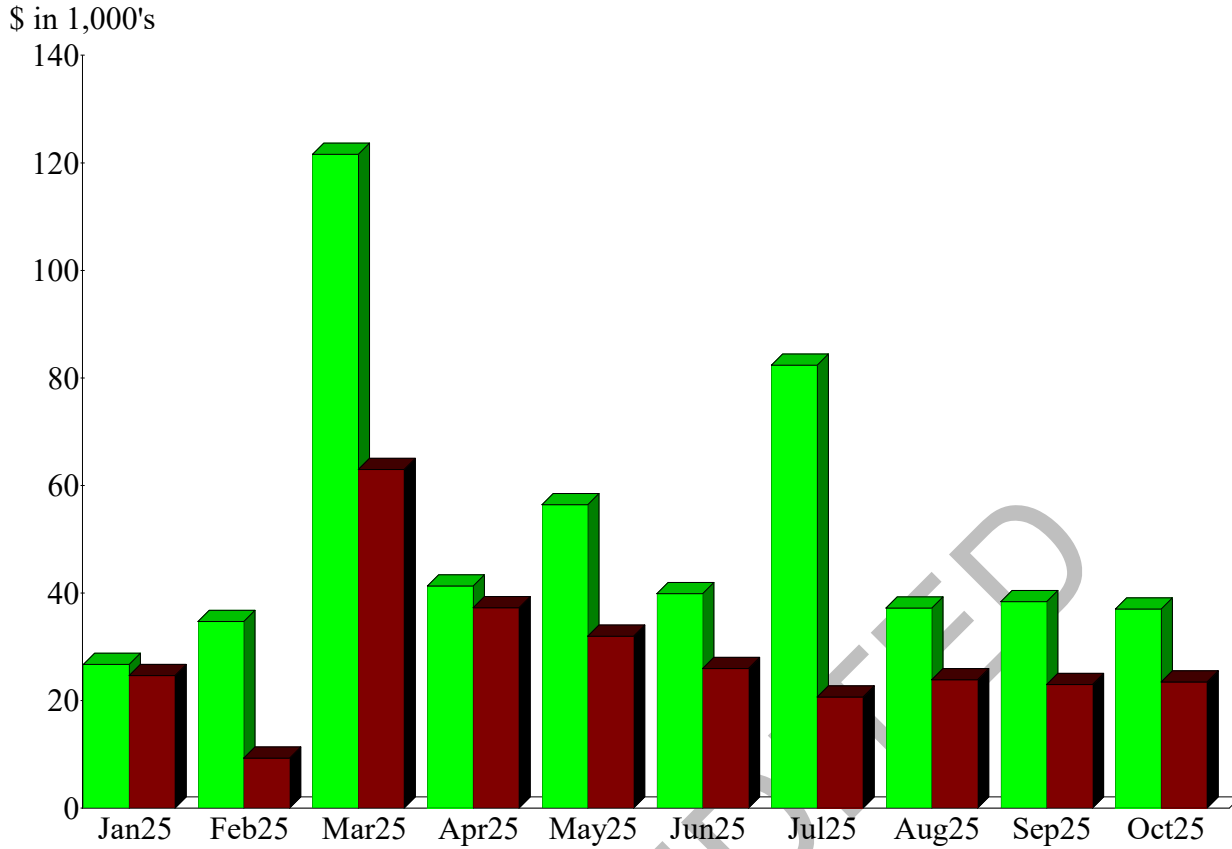
### January through October 2025

#### Debt Service Fund

				TOTAL		
				Sep 25	Oct 25	Jan - Oct 25
				Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Transfer in From General Fund	6,613.80	6,970.00	72,893.82	77,463.00	-4,569.18	94.1%
Property Tax Revenue	2,093.91	474.18	151,201.46	159,900.00	-8,698.54	94.56%
Specific Ownership Tax	1,199.28	1,278.08	11,225.70	11,193.00	32.70	100.29%
Restitution	0.00	18.44	18.44			
State Senior/ Veteran Funds	0.00	0.00	6,216.48			
<b>Total Income</b>	<b>9,906.99</b>	<b>8,740.70</b>	<b>241,555.90</b>	<b>248,556.00</b>	<b>-7,000.10</b>	<b>97.18%</b>
<b>Gross Profit</b>	<b>9,906.99</b>	<b>8,740.70</b>	<b>241,555.90</b>	<b>248,556.00</b>	<b>-7,000.10</b>	<b>97.18%</b>
<b>Expense</b>						
Contingency	0.00	0.00	0.00	5,000.00	-5,000.00	0.0%
Treasurer Collection Fee	65.26	14.93	4,538.45	4,797.00	-258.55	94.61%
<b>Total Expense</b>	<b>65.26</b>	<b>14.93</b>	<b>4,538.45</b>	<b>9,797.00</b>	<b>-5,258.55</b>	<b>46.33%</b>
<b>Net Ordinary Income</b>	<b>9,841.73</b>	<b>8,725.77</b>	<b>237,017.45</b>	<b>238,759.00</b>	<b>-1,741.55</b>	<b>99.27%</b>
<b>Other Income/Expense</b>						
<b>Other Income</b>						
Interest Income	2,296.54	2,271.14	20,582.01	5,000.00	15,582.01	411.64%
<b>Total Other Income</b>	<b>2,296.54</b>	<b>2,271.14</b>	<b>20,582.01</b>	<b>5,000.00</b>	<b>15,582.01</b>	<b>411.64%</b>
<b>Other Expense</b>						
CO Water Resources/Power Princ.	0.00	0.00	0.00	35,216.00	-35,216.00	0.0%
CO Water Resource/Power Int.	0.00	0.00	2,438.21	4,832.00	-2,393.79	50.46%
Bond Interest	0.00	0.00	18,250.00	35,000.00	-16,750.00	52.14%
Bond Principal Payment	0.00	0.00	0.00	85,000.00	-85,000.00	0.0%
National Rural Water Interest	0.00	0.00	-821.09	103.00	-924.09	-797.18%
Interest Expense - CWCD	0.00	0.00	23,688.07	23,688.00	0.07	100.0%
Trustee Fees	0.00	0.00	250.00	500.00	-250.00	50.0%
<b>Total Other Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>43,805.19</b>	<b>184,339.00</b>	<b>-140,533.81</b>	<b>23.76%</b>
<b>Net Other Income</b>	<b>2,296.54</b>	<b>2,271.14</b>	<b>-23,223.18</b>	<b>-179,339.00</b>	<b>156,115.82</b>	<b>12.95%</b>
<b>Net Income</b>	<b>12,138.27</b>	<b>10,996.91</b>	<b>213,794.27</b>	<b>59,420.00</b>	<b>154,374.27</b>	<b>359.8%</b>

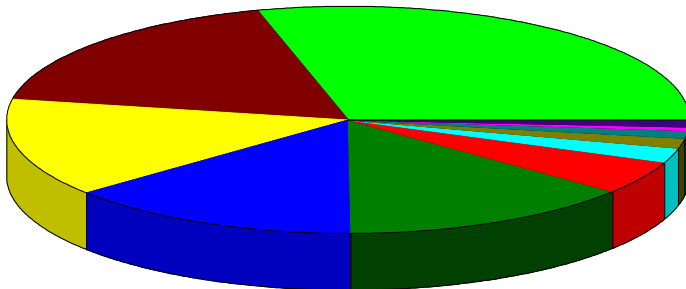
# Income and Expense by Month January through October 2025

Income  
Expense



## Income Summary January through October 2025

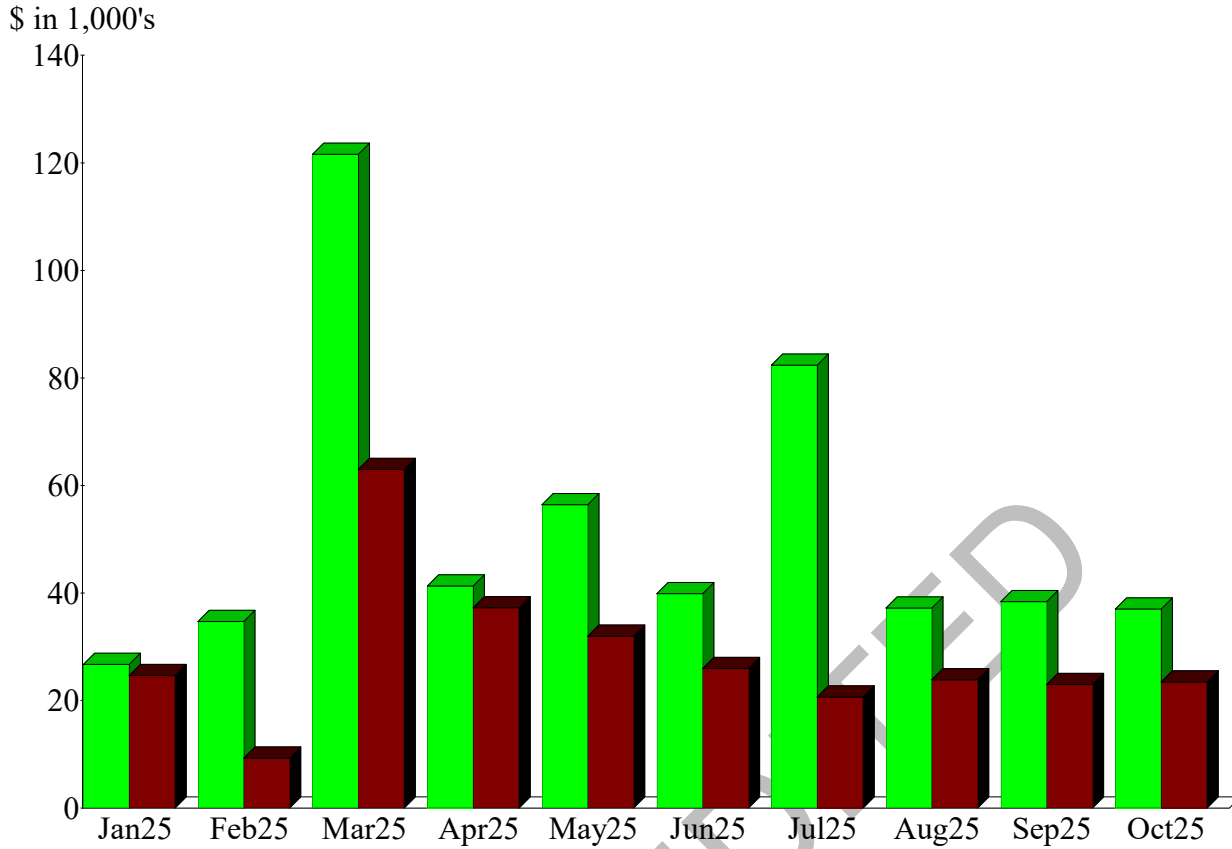
Property Tax Revenue	29.32%
Water Service Fee	17.91
Transfer in From General Fund	14.13
Capital Improvement Fees	14.13
Water Usage	14.10
Interest Income	4.84
Specific Ownership Tax	2.18
Water Tap Fees	1.55
State Senior/ Veteran Funds	1.21
Late Fee Revenue	0.62
Other	0.01
Total	\$515,709.42





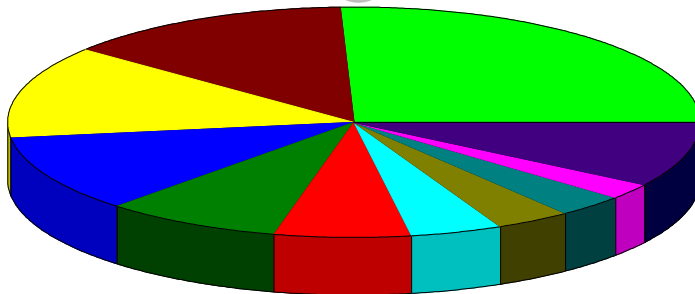
# Income and Expense by Month January through October 2025

Income  
Expense



## Expense Summary January through October 2025

Transfer to Debt Service Fund	25.73%
District Management Fee	13.65
ORC Fees-Operating	13.10
Repairs and Maintenance	10.86
Interest Expense - CWCD	8.36
Bond Interest	6.44
Insurance Expense-Operating	4.40
Legal	3.61
Audit	3.19
Utilities	2.33
Other	8.31
<b>Total</b>	<b>\$283,269.89</b>





*\*Page intentionally left blank\**

# Arabian Acres Metropolitan District

## Payment Request

11/19/2025

### General Fund Account

Company	Invoice	Date	Amount	Comments
Edith Coffman	11/19/2025	11/19/2025	\$ 100.00	
Lanny Hoel	11/19/2025	11/19/2025	\$ 100.00	
Elizabeth Douglass	11/19/2025	11/19/2025	\$ 100.00	
Jennifer Thoe	11/19/2025	11/19/2025	\$ 100.00	
Martin Lempecki	11/19/2025	11/19/2025	\$ 100.00	
Edith Coffman	110425EC	11/4/2025	\$ 100.00	Special Meeting
Lanny Hoel	110425LH	11/4/2025	\$ 100.00	Special Meeting
Elizabeth Douglass	110425ED	11/4/2025	\$ 100.00	Special Meeting
Jennifer Thoe	110425JT	11/4/2025	\$ 100.00	Special Meeting
Martin Lempecki	110425ML	11/4/2025	\$ 100.00	Special Meeting
Capital One	11/7/2025	11/7/2025	\$ 40.49	Autopay
Colorado Analytical Laboratories	251023029	11/6/2025	\$ 1,283.00	
Core Electric Coop	40032202	10/22/2025	\$ 192.01	ACH
Core Electric Coop	40045402	10/22/2025	\$ 112.80	ACH
Core Electric Coop	40299901	10/22/2025	\$ 79.71	ACH
Core Electric Coop	43071702	10/22/2025	\$ 19.45	ACH
Core Electric Coop	43183502	10/22/2025	\$ 154.14	ACH
El Paso County Public Health	EHS202128011	10/31/2025	\$ 23.00	
El Paso County Public Health	EHS202127738	9/30/2025	\$ 23.00	
El Paso County Public Health	EHS202127276	8/31/2025	\$ 23.00	
Front Range Winwater Works	089108 01	10/10/2025	\$ 1,863.12	
J.A. Excavation & Septic's LLC	103125-1	10/31/2025	\$ 647.87	Sildona Trl Project
J.A. Excavation & Septic's LLC	103125	10/31/2025	\$ 3,350.00	Paid by the 15th
K&A Excavating	AAWD112025-1	11/7/2025	\$ 49,300.00	
K&A Excavating	AAWD112025-2	11/7/2025	\$ 680.00	
Mailing Services Inc	20952	10/10/2025	\$ 156.78	
Susemihl, McDermott & Downie	37666	10/31/2025	\$ 3,098.10	
UNCC	225100064	10/31/2025	\$ 7.75	
WSDM Managers	1079	10/31/2025	\$ 4,145.34	
<b>Total:</b>			<b>\$ 66,199.56</b>	

### Debt Service Fund

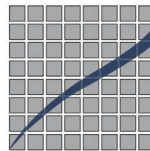
Company	Invoice	Date	Amount	Comments
Zions Bank	Bond Principal	10/14/2025	\$ 85,000.00	Pay From ColoTrust - Due 12/1/25
Zions Bank	Bond Interest	10/14/2025	\$ 18,250.00	Pay From ColoTrust - Due 12/1/25
<b>Total:</b>			<b>\$ 103,250.00</b>	

ECB Checking before Withdraw: \$ 509,893.81  
 Payables: \$ (66,199.56)  
 Bank Balance after Withdraw: \$ 443,694.25

Total Payables  
**\$ 66,199.56**



*\*Page intentionally left blank\**



**BiggsKofford**  
CERTIFIED PUBLIC ACCOUNTANTS

November 10, 2025 ("Effective Date")

Board of Directors  
**Arabian Acres Metropolitan District**  
Teller County, Colorado

Thank you for engaging BiggsKofford LLP ("Firm", "we", "us", or "our"). We know selecting your auditor is an important decision and we appreciate the trust you have placed in us.

This letter ("Agreement") will document the scope of the engagement, our responsibilities, your responsibilities, the billing terms, and the legal terms and conditions to which we both agree.

Our acceptance of this engagement is subject to our satisfactorily completing our normal engagement acceptance procedures. We will notify you promptly if we become aware of anything during our acceptance or continuance procedures or review of audit documentation that results in our not being able to continue this engagement.

---

**Objective and Scope of the Audit of the Financial Statements**

---

We will audit the financial statements of the business-type activities, including the related notes to the financial statements, of Arabian Acres Metropolitan District (the "Client", "you", or "your") as of and for the year ended December 31, 2025 (collectively, the "Financial Statements").

The objectives of our audit 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 opinion about whether your financial statements are fairly presented in all material respects, in conformity with accounting principles generally accepted in the United States of America ("US GAAP"). 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 auditing standards generally accepted in the United States of America ("US GAAS") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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. 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 controls.

US GAAP provides for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A") to supplement the Client's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic Financial Statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Client's RSI in accordance with US GAAS. These limited procedures will consist of inquiries of management regarding 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 obtained during our audit of the basic Financial Statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited: You have informed us that the MD&A will be omitted—our report will be modified accordingly.

Also, the following supplementary information accompanying the Financial Statements will be subjected to the auditing procedures applied in our audit of the Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic Financial Statements or to the basic Financial Statements themselves, and other additional procedures in accordance with US GAAS, and our auditor's report will provide an opinion on it in relation to the basic Financial Statements as a whole: schedule of revenues and expenditures – budget and actual for enterprise funds; and enterprise fund reconciliation of amounts from US GAAP basis to budgetary basis; as applicable.

In connection with our audit of the basic Financial Statements, we will read any other information included with the Financial Statements 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.

---

### **Responsibilities of the Auditor**

---

We will conduct our audit in accordance with US GAAS. Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with US GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, based on an understanding of the entity and its environment, the applicable financial reporting framework, and the entity's system of internal control, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of the entity's system of internal control 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the Financial Statements that we have identified during the audit.
- 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, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Client's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with US GAAS.

Our work will be based primarily upon selected tests of evidence supporting the amounts and disclosures in the financial statements and, therefore, will not include a detailed check of all of Client's transactions for the period. Also, an audit is not designed to detect errors or fraud that are immaterial to the Financial Statements. However, we will inform you of any material errors or fraud that come to our attention. We will also inform you of possible illegal acts that come to our attention, unless they are clearly inconsequential. In addition, during the course of our audit, financial statement misstatements relating to accounts or disclosures may be identified, either through our audit procedures or through communication by your employees to us, and we will bring these misstatements to your attention as proposed adjustments. At the conclusion of our audit, we will communicate to those charged with governance all uncorrected misstatements.

---

### **Independence**

---

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA"). We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities since performing those procedures or taking such action would impair our independence.

## **Responsibilities of Client Management and Identification of the Applicable Financial Reporting Framework**

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the Financial Statements in accordance with US GAAP, including the selection and application of accounting principles;
- For the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Client's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter;
- 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;
- For identifying and ensuring Client complies with the laws and regulations applicable to its activities;
- To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the Financial Statements, including information relevant to disclosures;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. We may also request representations from your attorneys and they may bill you for responding to this inquiry.
- For the prevention and detection of fraud, including the design and implementation of programs and controls to prevent and detect fraud;
- For informing us of your knowledge of any allegations of fraud or suspected fraud affecting Client received in communications from employees, former employees, regulators, or others; and
- For informing us of any events encountered subsequent to the period under audit that may require adjustment to or note disclosure in the Financial Statements.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning the representations made to us in connection with the audit.

You are responsible for performing the following in connection with our non-attest services for the Client, which include preparing the Financial Statements:

- Making all management decisions and performing all management functions;
- Establishing and maintaining internal controls, including monitoring ongoing activities;
- Designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee our services;
- Evaluating the adequacy and results of the services performed; and
- Accepting responsibility for the results of the services.

---

### **Reporting**

We will issue a written report upon completion of our audit of the Financial Statements. Our report will be addressed to the Board of Directors of the Client. We cannot provide assurance that an unmodified report will be issued. Circumstances may arise in which it is necessary for us to report known departures from US GAAP, add emphasis-of-matter or other-matter paragraphs, or withdraw from the engagement. If, for any reason, we are unable to complete the audit of your Financial Statements, we will not issue a final report or opinion.

---

### **Engagement Administration, Fees, and Other**

We estimate that our fees for these services will be \$9,700. Our fees are based on the complexity of the work to be performed, our professional time, the value of our services to the Client, and our directly billed out-of-pocket expenses. The fees are not contingent on the results of our services.

Our fee estimate and completion of our work are dependent on availability, quality, and completeness of the information you provide to us; timely completion of information requests and responses to inquiries; and the assumption that unexpected circumstances will not be encountered during the engagement.

Our fees will be impacted if any of the aforementioned factors are not met. Interim billings will be submitted as work progresses and as expenses are incurred. Fees incurred in excess of the agreed-upon scope will be billed at our standard hourly rates. All invoices must be paid within 30 days of being tendered to you.

Our invoices for the estimated fees will be rendered when we begin final field work and are payable on presentation. Any remaining balance will be due upon delivery of your financial statements.

This Agreement was drafted under the assumption that WSDM District Managers is the manager for Client. In the event this is not the case, the terms of this Agreement are subject to revision. This Agreement is valid for 30 days from the date of this letter and is subject to revision or withdrawal if an executed copy is not received by us within that timeframe.

We are confident in the value we provide. If at any point you feel the value received does not align with our services, we welcome the opportunity to discuss and address your concerns.

---

**Acknowledgement and Acceptance of Agreement Including Terms and Conditions**

---

Each party acknowledges that it has read and agrees to all the terms contained herein, including the **Terms and Conditions for Attest Services** attached, which are expressly incorporated herein by reference.

Each party and its signatory below represent that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

We appreciate the opportunity to be of service to you. If you agree to the terms of our engagement, **PLEASE SIGN THIS AGREEMENT AND THE TERMS AND CONDITIONS ATTACHED** and return them to us.

**AGREED TO AND ACKNOWLEDGED BY:**

*BiggsKofford LLP*

BiggsKofford LLP

**CONFIRMED AND AGREED ON BEHALF OF ARABIAN ACRES METROPOLITAN DISTRICT BY:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



## TERMS AND CONDITIONS FOR ATTEST SERVICES

1. Alternative Practice Structure. BiggsKofford LLP and BiggsKofford Advisors LLC practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. BiggsKofford LLP provides attest services to its clients. BiggsKofford Advisors LLC is not a licensed CPA firm and does not provide audit or attest services. You have engaged BiggsKofford LLP ("Firm") to provide the services described in the Agreement.
2. Use of Leased Employees, Subcontractors and Third-Party Products. In performing our engagement pursuant to this Agreement, we will lease professional and administrative staff, who are employed by BiggsKofford Advisors LLC or its related entities. These individuals will be under the direct control and supervision of BiggsKofford LLP, which is solely responsible for the performance of the engagement. Additionally, the professional staff of BiggsKofford LLP and BiggsKofford Advisors LLC and their related entities are subject to the standards governing the accounting profession, including the requirement to maintain the confidentiality of client information.

We may, in our sole discretion, use affiliates of ours ("Affiliated Entities") or qualified third-party service providers (together with our Affiliated Entities, "Subcontractors"), located within or outside the United States, to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Confidential Information and Personal Information (as such terms are defined below) to them. Such recipients are bound by confidentiality obligations. You acknowledge and agree that our use of Subcontractors may involve the processing, input, disclosure, movement, transfer, and storage of your information and data, including Confidential Information and Personal Information, outside of the United States and outside of our technology infrastructure. We will be responsible to you for the performance of our Subcontractors, solely as related to the services performed under this Agreement, subject to all limitations and disclaimers herein.

We also may provide services to you using third-party software, or products (collectively, "Third-Party Product(s)"). You acknowledge that the use of a Third-Party Product may involve the processing, input, transfer, or storage of information provided to us, including your Confidential Information and Personal Information, which may result in the access, transfer, storage or processing of such information and data outside of the United States. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information as described herein for purposes related to providing services to you.

You acknowledge that the use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control. We will not be liable for any damage relating to such limitations, delays, delivery failures, interruptions, errors, or other problems. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data resulting from the use of a Third-Party Product.

3. Ownership of Workpapers. The workpapers for the engagement performed pursuant to this Agreement are the property of the Firm. For the purposes of this Agreement, the term "workpaper" shall mean the confidential and proprietary records of the Firm's procedures performed, relevant evidence obtained, other service-related workpapers, and conclusions reached.
4. Third Party Discovery. In the event we are required by government regulation, subpoena or other legal process or formal inquiry, to produce our documents, communications, or our personnel as witnesses with respect to our engagement with you, you will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our reasonable professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to and cooperating with such requests.
5. Expenses and Timely Payment. In addition to our professional fees, you will reimburse us for all out-of-pocket expenses reasonably and necessarily incurred in performing the services pursuant to the Agreement.

If Client fails to pay any undisputed invoice within 60 days of the invoice date, Client shall pay interest on the overdue amount at a rate of 1.5% per month (or the maximum rate permitted by applicable law, whichever is higher) from the original due date until payment is received in full. Client will reimburse Company for all

reasonable costs of collection. Company reserves the right to suspend the performance of services if payment is more than 60 days overdue, without waiving any other rights or remedies available at law or equity.

6. Indemnification and Limitation of Liability. You will indemnify, defend and hold harmless the Firm, its affiliates, officers, directors, employees, subcontractors and other representatives (the "Firm Indemnitees"), on demand, from and against any and all losses, incurred by any of the Firm Indemnitees, arising from or in connection with, any Claims based on, attributable to or caused by: (a) the reliance on any representations (including financial statements, tax advice, or other advice by the Firm Indemnitees) by anyone not specifically identified in a writing signed or issued by such Firm Indemnitee as someone permitted to rely upon such representations; (b) any inaccurate or false information or other misrepresentation provided by your management to any Firm Indemnitee relating to the Services; (c) any misappropriation, fraudulent acts, illegal acts, or any breach of this Agreement, by you, your officers, directors, employees, contractors, agents, or anyone acting on your behalf; or (d) any unauthorized use of deliverables or other output of the Services.

THE CLIENT AND THE FIRM AGREE THAT NO CLAIM ARISING OUT OF OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS AGREEMENT SHALL BE COMMENCED MORE THAN ONE YEAR AFTER THE DATE OF THE WORK PRODUCT IS ISSUED BY THE FIRM OR THE DATE OF THE TERMINATION OF THIS AGREEMENT IF NO WORK PRODUCT HAS BEEN ISSUED.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, REGULATIONS, AND PROFESSIONAL STANDARDS, IN NO EVENT WILL WE, OUR AFFILIATED ENTITIES, OR ANY OF OUR OR THEIR PARTNERS, EMPLOYEES, SUBCONTRACTORS, AGENTS OR OTHER REPRESENTATIVES BE LIABLE FOR ANY OF THE FOLLOWING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STATUTE, STRICT LIABILITY, OR OTHERWISE: (A) SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY NATURE, INCLUDING, BUT NOT LIMITED TO, BUSINESS INTERRUPTION OR LOSS OF PROFITS, REVENUE, CONTRACTS, OPPORTUNITIES, GOODWILL, REPUTATION, PRODUCTIVITY, FACILITIES, DATA OR EQUIPMENT, EVEN IF SUCH DAMAGES WERE FORESEEABLE; OR (B) DIRECT DAMAGES IN AN AGGREGATE AMOUNT GREATER THAN THE AMOUNT BILLED BY US PURSUANT TO THE AGREEMENT IN THE TWELVE MONTHS PRIOR TO THE DATE THE CLAIM AROSE FOR THE INDIVIDUAL SERVICES THAT GAVE RISE TO THE CLAIM.

7. Dispute Resolution - Mediation & Arbitration.

i. Any dispute arising out of or relating to the Agreement, or breach thereof, shall first be submitted for good faith mediation administered by the American Arbitration Association ("AAA") and its Accounting and Related Services Arbitration Rules and Mediation Procedures (the "Rules"). The Parties agree to discuss their differences in good faith and to attempt, with facilitation by the mediator, to reach a consensual resolution of the dispute. The mediation will be treated as a settlement discussion and shall be confidential. The mediator may not testify for any Party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceeding. Each Party shall bear its own costs in the mediation. Absent an agreement to the contrary, the fees and expenses of the mediator shall be shared equally by the Parties. Mediation shall occur at a location designated by the Parties within 50 miles of Colorado Springs, Colorado.

ii. If the matter is not resolved by mediation within sixty (60) days following the Parties' first appearance before the mediator, then the Parties shall have an additional sixty (60) days to file a written demand for arbitration administered by the AAA under its Rules. If the Parties fail to file the written demand for arbitration within such sixty (60) day period, the Parties agree that any potential claims shall be waived.

iii. The arbitration will be conducted before a single arbitrator selected from the AAA's Panel of Accounting Professionals and Attorneys and shall occur at a location designated by the Parties within 50 miles of Colorado Springs, Colorado. The arbitrator shall be a fit and impartial person and shall have at least ten (10) years' experience in commercial litigation, accounting or a similar field connected to the subject matter of the dispute. The arbitrator, with the aforementioned requisite qualifications, shall be selected pursuant to the Rules.

iv. The arbitrator shall issue his or her final award in a written and reasoned decision to be provided to each Party. The arbitrator shall apply a burden of proof standard requiring clear and convincing evidence on

claims by either party. In his or her decision, the arbitrator will declare one Party the prevailing Party. The arbitrator shall have no authority to award non-monetary or equitable relief of any sort. The arbitrator shall not have authority to award damages that are punitive in nature, or that are not measured by the prevailing Party's actual compensatory loss.

v. Any discovery sought in connection with the arbitration must be expressly approved by the arbitrator only upon a showing of substantial need by the Party seeking discovery.

vi. All aspects of the arbitration shall be treated as confidential. The Parties and the arbitrator may disclose the existence, content or result of the arbitration only as expressly provided by the Rules.

vii. The award reached as a result of the arbitration will be binding on the Parties and confirmation of the arbitration award may be sought in any court having jurisdiction.

8. Governing Law. The Agreement, and all claims or causes of action (whether in contract, tort, statute or otherwise) that may be based upon, arise out of, or relate to this Agreement, or the facts and circumstances relating to its negotiation, execution or performance, shall be governed by the laws of Colorado, without giving effect to any provisions relating to conflict of laws that would require the laws of another jurisdiction to apply.
9. No third-party reliance. Any deliverable issued as part of this Agreement is intended only for the Client. Unless otherwise specifically agreed to by Firm, no third party is entitled to rely in any manner or for any purpose on any report, opinion, work product, deliverable, or other services of Firm in connection with this agreement. You will obtain our written consent, and provide us a copy for review, prior to providing any Firm deliverable to a third party.
10. Confidentiality and Data Privacy. We will treat your Confidential Information with the same degree of care as we treat our own confidential and proprietary information of a similar nature, but in no event will such standard of care be less than a commercially reasonable standard of care. Except as authorized by this Agreement or as required by law or regulation, we will not disclose your confidential information to any third party without your consent.

Confidential information does not include information that (1) is or becomes publicly available other than as the result of a disclosure in breach hereof, (2) becomes available to us on a nonconfidential basis from a source that we believe is not prohibited from disclosing such information to us, (3) is already known by us without any obligation of confidentiality with respect thereto, or (4) is developed by us independently of any disclosures made to us hereunder;

The term "Personal Information" means any personal information or data, as may be defined by applicable privacy, data protection, or cybersecurity laws, that directly or indirectly identifies a natural person. Each party agrees to transmit Personal Information consistent with applicable laws and any other obligations the respective party may have.

The Client consents to the Firm and its Affiliated Entities using Confidential Information and Personal Information provided by or on behalf of the Client to: (i) improve the quality and scope of our services; and/or (ii) develop or perform internal data analysis and business analytics. The Firm and its Affiliated Entities will not use or disclose such Confidential Information or Personal Information in a way that would permit the Client or an individual to be identified by third parties.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to the Firm of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

Our Privacy Policy is available on our website (the "Privacy Policy"), and the Privacy Policy is hereby incorporated by reference into the Agreement. The Privacy Policy may be amended from time to time in our sole discretion and without prior notice to you. You acknowledge that you have read and understand the Privacy Policy and agree to the practices described therein.

11. Retention of Records. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and non-financial records related to this Agreement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records necessary for us to comply with applicable law and/or professional standards or to exercise our rights under this Agreement. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies. Upon request, we will return all your original records to you.
12. Disclaimer of Warranties. YOU AGREE THAT WE ARE NOT RESPONSIBLE FOR DETERMINING THE APPROPRIATENESS OR SUITABILITY OF THE TYPE OF SERVICES PROVIDED PURSUANT TO THIS AGREEMENT FOR YOUR PURPOSES. YOU ACKNOWLEDGE THAT THE SERVICES DO NOT INCLUDE, AND WE SHALL NOT BE RESPONSIBLE FOR PROVIDING, ANY PROCEDURES DESIGNED TO DISCOVER SIGNIFICANT ERRORS, FRAUD, DEFALCATIONS OR OTHER IRREGULARITIES, SHOULD ANY EXIST.
13. Termination. Unless otherwise terminated consistent with these terms, our Agreement ends upon the completion of the Services for which we have been engaged. We may immediately terminate the Agreement and withdraw from providing any further Services if: (a) we become aware of any information, including, but not limited to, actual, alleged, or suspected fraud, misconduct, or other noncompliance with laws and regulations, which causes us, in our sole judgment, to have reasonable doubt as to the integrity of you, your management, owners, or those charged with governance; (b) you fail to timely provide us with information we request; (c) we are unable to complete the services pursuant to the Agreement or are unable to form an opinion for reasons beyond our control; or (d) we are unable to complete our services in accordance with professional standards and ethical obligations.

Upon the conclusion of the Agreement or if we withdraw or it is terminated for any reason, you will pay our fees for work performed and expenses incurred through the effective date of such withdrawal or termination. We may withhold any work product until all invoices have been paid.
14. Force Majeure. Neither the Firm nor the Client shall be responsible for any delay or failure in its performance resulting from acts beyond its reasonable control (each, a "Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages.
15. Survival. The parties agree that those provisions of this Agreement which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, dispute resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Agreement.
16. Non-solicitation. During the term of this Agreement and for a period of 24 months following its termination for any reason, Client agrees not to directly or indirectly solicit, hire, retain, or encourage to leave, any person who is, or was during the term of the Agreement, an employee, contractor, or consultant of the Firm or one of its Affiliated Entities. You agree to compensate us for any damage we may incur, including replacing our personnel, lost revenue and/or impairing our independence. This provision shall not apply to general solicitations of employment not specifically directed toward employees of the Firm, or to former employees of the Firm whose employment has been terminated for a period of six (6) months or longer.
17. Assignment. You may not assign the Agreement, or your rights or obligations under the Agreement, without our consent.
18. Marketing. We may mention your name and provide a general description of the Agreement in our client lists and marketing materials.
19. Notices. All notices sent to the other party must be in writing.

20. Additional Services. If you request that we perform any services outside the scope of this Agreement, they will be the subject of a separate engagement document. In the event a separate engagement document is not issued, these terms and conditions will apply to those services.

21. Entire Agreement. The Agreement, which includes these Terms and Conditions, constitutes the entire agreement between the Firm and the Client and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Agreement, including any separate nondisclosure agreement executed between the parties.

Any term of this Agreement that would be prohibited by or impair our independence under applicable law or regulation shall not apply, to the extent necessary only to avoid such prohibition or impairment. If any term or provision of this Agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Agreement may be amended or modified only in writing signed by both parties.

**CONFIRMED AND AGREED ON BEHALF OF ARABIAN ACRES METROPOLITAN DISTRICT BY:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date