CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2025

with

Independent Auditors' Report

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Independent Auditors' Report

Board of Directors
City Center West Commercial Metropolitan District
Weld County, Colorado

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Tatton and Company, CPAs
3190 South Vaughn Way, Suite 550
Aurora, CO 80014

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Tatton and Company, LLC
Aurora, CO
July 21, 2026

CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

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

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Net Position
ASSETS						
Cash and investments	$ 11,341	$ -	$ -	$ 11,341	$ -	$ 11,341
Cash and investments - restricted	2,639	254,816	-	257,455	-	257,455
Property taxes receivable	82,937	445,402	-	528,339	-	528,339
Prepaid expenses	5,626	-	-	5,626	-	5,626
Due from other District	3,351	8,899	-	12,250	-	12,250
Due from other funds	3,605	-	-	3,605	(3,605)	-
Due from developer	16,414	-	-	16,414	(16,414)	-
Total Assets	$ 125,913	$ 709,117	$ -	$ 835,030	(20,019)	815,011
LIABILITIES						
Accounts payable	$ 28,282	$ -	$ -	$ 28,282	$ -	$ 28,282
Accrued interest on bonds	-	-	-	-	45,821	45,821
Due to other funds	-	3,605	-	3,605	(3,605)	-
Current portion of long-term debt	-	-	-	-	70,000	70,000
Long-term liabilities:						
Due in more than one year	-	-	-	-	10,023,481	10,023,481
Total Liabilities	28,282	3,605	-	31,887	10,135,697	10,167,584
DEFERRED INFLOW OF RESOURCES						
Deferred property taxes	82,937	445,402	-	528,339	-	528,339
Total Deferred Inflows of Resources	82,937	445,402	-	528,339	-	528,339
FUND BALANCES/NET POSITION						
Fund Balances:						
Nonspendable:						
Prepaids	5,626	-	-	5,626	(5,626)	-
Restricted:						
Emergencies	2,639	-	-	2,639	(2,639)	-
Debt Service	-	260,110	-	260,110	(260,110)	-
Assigned						
Subsequent years' expenditures	6,429	-	-	6,429	-	6,429
Total Fund Balances	14,694	260,110	-	274,804	(268,375)	6,429
Total Liabilities, Deferred Inflows of of Resources and Fund Balances	$ 125,913	$ 709,117	$ -	$ 835,030		
Net Position:						
Restricted for:						
Emergencies					2,639	2,639
Debt service					214,289	214,289
Unrestricted					(10,097,840)	(10,097,840)
Total Net Position					$ (9,880,912)	$ (9,880,912)

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

CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

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

	General	Debt Service	Capital Projects	Total	Adjustments	Statement of Activities
EXPENDITURES						
General expenses:						
Accounting	$ 5,224	$ -	$ 12,190	$ 17,414	$ -	$ 17,414
Audit	6,900	-	-	6,900	-	6,900
Director's fees	497	-	-	497	-	497
Election	2,721	-	-	2,721	-	2,721
Insurance	4,900	-	-	4,900	-	4,900
Landscape maintenance	7,963	-	-	7,963	-	7,963
Legal	16,053	-	37,457	53,510	-	53,510
Management fees	2,766	-	6,453	9,219	-	9,219
Miscellaneous expenses	2,295	-	-	2,295	-	2,295
Snow removal	4,537	-	-	4,537	-	4,537
Treasurer's fees	1,194	5,969	-	7,163	-	7,163
Utilities	10,592	-	-	10,592	-	10,592
Debt service:						
Bond interest expense	-	553,700	-	553,700	157,481	711,181
Bond principal	-	55,000	-	55,000	(55,000)	-
Paying agent/trustee fees	-	7,262	-	7,262	-	7,262
Developer advances - Interest	-	-	-	-	22,909	22,909
Total Expenditures	65,642	621,931	56,100	743,673	125,390	869,063
GENERAL REVENUES						
Property taxes	80,930	405,114	-	486,044	-	486,044
Specific ownership taxes	5,113	16,033	-	21,146	-	21,146
Interest income	545	19,221	-	19,766	-	19,766
Total General Revenues	86,588	440,368	-	526,956	-	526,956
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,946	(181,563)	(56,100)	(216,717)	(125,390)	(342,107)
OTHER FINANCING SOURCES (USES)						
Developer advances	35,476	-	10,852	46,328	(46,328)	-
Transfers from other Districts	-	34,417	-	34,417	-	34,417
Transfer to (from) other funds	(45,248)	-	45,248	-	-	-
Total Other Financing Sources (Uses)	(9,772)	34,417	56,100	80,745	(46,328)	34,417
NET CHANGES IN FUND BALANCES	11,174	(147,146)	-	(135,972)	135,972	
CHANGE IN NET POSITION					(307,690)	(307,690)
FUND BALANCES(DEFICIT)/NET POSITION:						
BEGINNING OF YEAR - RESTATED	3,520	407,256	-	410,776	(9,983,998)	(9,573,222)
END OF YEAR	$ 14,694	$ 260,110	$ -	$ 274,804	$ (10,155,716)	$ (9,880,912)

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

CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

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

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	$ 79,336	$ 80,930	$ 1,594
Specific ownership taxes	1,750	5,113	3,363
Interest income	10	545	535
Total Revenues	81,096	86,588	5,492
EXPENDITURES			
Accounting	17,000	5,224	11,776
Audit	6,900	6,900	-
Director's fees	4,000	497	3,503
Election	2,000	2,721	(721)
Insurance	5,500	4,900	600
Landscape maintenance	33,000	7,963	25,037
Legal	18,000	16,053	1,947
Management fees	15,000	2,766	12,234
Miscellaneous expenses	1,800	2,295	(495)
Snow removal	7,500	4,537	2,963
Treasurer's fees	1,190	1,194	(4)
Utilities	23,000	10,592	12,408
Emergency Reserve	2,433	-	2,433
Total Expenditures	137,323	65,642	71,681
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(56,227)	20,946	77,173
OTHER FINANCING SOURCES (USES)			
Developer advances	55,000	35,476	(19,524)
Transfer to (from) other funds	-	(45,248)	(45,248)
Total Other Financing Sources (Uses)	55,000	(9,772)	(64,772)
NET CHANGE IN FUND BALANCE	(1,227)	11,174	12,401
FUND BALANCE:			
BEGINNING OF YEAR	4,280	3,520	(760)
END OF YEAR	$ 3,053	$ 14,694	$ 11,641

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

Note 1: Summary of Significant Accounting Policies

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

Definition of Reporting Entity

The District was organized on April 17, 2008, as a quasi-municipal organization established under the State of Colorado Special District Act. Organization of the District was preceded by the September 4, 2007, approval by the City Council of the City of Greeley (the "City") of a Consolidated Service Plan (the "Original Service Plan") for the District and City Center West Residential Metropolitan District (the "Residential District"). The Original Service Plan was superseded by the August 16, 2016 approval by the City Council of the Second Amended and Restated Service Plan for the District, the Residential District and City Center West Residential Metropolitan District No. 2 (the "Service Plan"). The District was established for the purpose of financing and constructing public improvements benefiting the inhabitants and taxpayers of the District and the Residential District as set forth in the Service Plan. It is anticipated in the Service Plan that substantially all of the public improvements will be dedicated to the City. The District currently contains approximately 55 acres of property located in the northwestern portion of the City. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows GASB Statement No. 61, The Financial Reporting Entity: Omnibus, which amended GASB Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

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

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *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 material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

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

Debt Service Fund - The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

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

On August 17, 2026, the District amended its total appropriations in the Capital Projects Fund from $0 to $56,200 primarily due to the increase in expenses over the amount budgeted.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

Fair Value of Financial Instruments

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

Deposits and Investments

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

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

Interfund Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. These amounts are eliminated in the Statement of Net Position.

Estimates

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of December 31, 2025, the District has no items that qualify for reporting in this category.

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

Long-Term Obligations

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

Property Taxes

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

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

Fund Equity

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

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

The nonspendable find balance in the General Fund in the amount of $5,626 represents prepaid expenditures.

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

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of $2,639 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of $260,110 is restricted for the payment of the costs associated with the Series 2020A and Series 2020B Bonds, as defined below. (See Note 3)

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

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

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

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

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

Net investment in capital assets - consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

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

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

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

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures ("Statement 102"). Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

Note 2: Cash and investments

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

Statement of net position:	
Cash and investments	$ 11,341
Cash and investments – restricted	257,455
	$ 268,796

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

Deposits with financial institutions	$ 13,980
Investments – COLOTRUST	60,295
Investments – Fidelity	194,521
	$ 268,796

Deposits

Custodial Credit Risk

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

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

Investments

Investment Valuation

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

Credit Risk

The District's investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

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

Interest Rate Risk

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

Colotrust

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAm by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of $1.00. COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of $1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. At December 31, 2025, the District had $60,295 invested in COLOTRUST.

Fidelity Investments Money Market Treasury Portfolio – Class III Fund

The District's funds that were included in the trust accounts at UMB Bank were invested in the Fidelity Investments Money Market Treasury Portfolio – Class III Fund ("Portfolio"). This Portfolio is a money market fund and each share is equal in value to $1.00. All investments within the Portfolio are recorded at fair value and the District records its investment in the Portfolio at NAV. The Portfolio is AAAmf rated and invests exclusively in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. The maturity of the underlying securities is 43 days or less. As of December 31, 2025, the District has $194,521 invested in the Portfolio.

Note 3: Long Term Debt

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

	Restated Balance 12/31/24	Additions	Deletions	Balance 12/31/25	Current Portion
General Obligation Bonds					
2020A G.O. Bonds	$ 7,910,000	$ -	$ 55,000	$ 7,855,000	$ 70,000
2020B G.O. Bonds	1,162,000	-	-	1,162,000	-
2020B G.O. Bonds - Accrued Interest	586,319	157,802	-	744,121	-
Total	9,658,319	157,802	55,000	9,761,121	70,000
Other					
Developer Advances - Operating	107,886	19,062	-	126,948	-
Developer Advances - Operating - Accrued Interest	19,741	11,164	-	30,905	-
Developer Advances - Capital	130,874	10,852	-	141,726	-
Developer Advances - Capital - Accrued Interest	21,036	11,745	-	32,781	-
Total	279,537	52,823	-	332,360	-
	$ 9,937,856	$ 210,625	$ 55,000	$ 10,093,481	$ 70,000

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

Limited Tax General Obligation Refunding and Improvement Bonds, Series 2020A
On April 9, 2020, the District issued its $7,995,000 Limited Tax General Obligation Refunding and Improvement Bonds, Series 2020A (the "Series 2020A Bonds"). Proceeds from the Series 2020A Bonds were used to refund the Series 2014A Senior Bonds and the Series 2014B Subordinate Bonds previously issued by the Residential District, finance public improvements related to the Development, pay capitalized interest on the Series 2020A Bonds, fund the Senior Reserve Fund and pay other costs in connection with the issuance of the Series 2020A Bonds and the Series 2020B Bonds (discussed below). The interest on the Series 2020A Bonds is 7% and is payable semi-annually on June 1 and December 1, commencing on June 1, 2020, and the Series 2020A Bonds shall mature on December 1, 2049. The Series 2020A Bonds are subject to annual mandatory sinking fund principal payments on December 1, beginning on December 1, 2023. The Series 2020A Bonds 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, in whole or partial maturities, on June 1, 2025, and on any date thereafter, upon payment of par, accrued interest and a redemption premium that ranges between 0% to 3%.

The Series 2020A Bonds are secured and payable from the Pledged Revenue from the District consisting of the moneys derived from the following sources, net of any costs of collection: (i) the Senior Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Senior Required Mill Levy; (iii) the Senior PILOT Revenues; and (iv) any other legally available moneys which the Board determines to credit to the Senior Bond Fund and from the Residential District consisting of the moneys derived from the following sources, net of any costs of collection: (i) the Residential District Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Residential District Required Mill Levy; (iii) the Residential District PILOT Revenues; and (iv) any other legally available moneys which the Residential District determines to credit to the Senior Bond Fund or the Subordinate Bonds Fund, as applicable. The Series 2020A Bonds are also secured by the Senior Reserve Fund in the Required Reserve Amount of $769,550 and the Senior Surplus Fund up to the Maximum Surplus Amount of $799,500. As of December 31, 2025, the Senior Reserve Fund has a balance of $194,522 and the Senior Surplus Fund has a balance of $0.

The occurrence or existence of any one or more of the following events shall be an Event of Default under the Series 2020A Senior Indenture: (a) The District fails or refuses to impose the Senior Required Mill Levy, to deposit with the Series 2020A Trustee all Senior Pledged Revenue or to apply the Senior Pledged Revenue as required by the Series 2020A Senior Indenture, or the Residential District fails or refuses to impose the Residential District Required Mill Levy or to apply the revenues resulting therefrom and from other sources of the Residential District Pledged Revenue as required under the Pledge Agreement; (b) The District materially defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Series 2020A Senior Indenture or the Bond Resolution, and fails to remedy the same after notice thereof pursuant to the Series 2020A Senior Indenture, or the Residential District fails in the performance of any other of its covenants in the Pledge Agreement, thereby causing an Event of Default pursuant to the Pledge Agreement, and the Residential District fails to remedy the same after notice thereof pursuant to the provisions of the Pledge Agreement; (c) Subject to the provisions of

the Series 2020A Senior Indenture, the District fails to enforce or cooperate in the enforcement of any of the Trust Estate Agreement (as defined in the Series 2020A Indenture) upon a material default thereunder by any part thereto, if such material default could result in impairing or diminishing the collection or amount of the Senior Pledged Revenue or (d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2020A Bonds. Due to the limited nature of the Senior Pledged Revenue, the failure to pay the principal of or premium, if any, or interest on the Series 2020A Bonds when due shall not, of itself, constitute an Event of Default under the Series 2020A Senior Indenture.

In the event of default, the trustee shall have the following rights and remedies 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the Series 2020A Bonds is not an available remedy for an event of default.

The following is a summary of the annual long-term debt principal and interest requirement for the Series 2020A Bonds:

Year Ending, December 31,	Principal	Interest	Total
2026	$ 70,000	$ 549,850	$ 619,850
2027	75,000	544,950	619,950
2028	90,000	539,700	629,700
2029	100,000	533,400	633,400
2030	120,000	526,400	646,400
2031-2035	815,000	2,488,150	3,303,150
2036-2040	1,340,000	2,134,650	3,474,650
2041-2045	2,075,000	1,570,100	3,645,100
2046-2049	3,170,000	651,700	3,821,700
	$ 7,855,000	$ 9,538,900	$ 17,393,900

Subordinate Limited Tax General Obligation Bonds, Series 2020B

On April 9, 2020, the District issued $1,162,000 of Subordinate Limited Tax General Obligation Bonds Series 2020B (the "Series 2020B Bonds"). The Series 2020B Bonds were issued to finance additional public improvements related to the Development. The Series 2020B Bonds mature on December 15, 2049 and bear an annual interest rate of 9% calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Subordinate Pledged Revenue available, annually on each December 15, commencing on December 15, 2020. Accrued unpaid interest will compound annually on each interest payment date. The Series 2020B Bonds discharge on December 16, 2059. The Series 2020B Bonds are subject to a mandatory sinking fund redemption commencing on December 15, 2020, from Subordinate Pledged Revenue, if any, on deposit in the subordinate bond fund. The Series 2020B Bonds are subject to redemption prior to maturity at the option of the District, as a whole or in integral multiplies of $1,000, in any order of maturity, and in whole or partial maturities, on June 1, 2025, and on any other date thereafter, upon payment of par, accrued interest and a redemption premium that ranges between 0% and 3%.

The Series 2020B Bonds are secured and payable from the Subordinate Pledged Revenue from the District consisting of the moneys derived from the following sources, net of any costs of collection: (i) the Subordinate Required Mill Levy; (ii) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Subordinate Required Mill Levy; (iii) any amount, if any, in the Senior Surplus Fund released to the District pursuant to the Series 2020A Senior Indenture; (iv) the Subordinate PILOT Revenues; and (iv) any other legally available moneys which the District determines to credit to the Subordinate and the Residential District Pledged Revenue as described above.

The occurrence or existence of any one or more of the following events shall be an Event of Default under the Series 2020B Senior Indenture: (a) The District fails or refuses to impose the Subordinate Required Mill Levy, to deposit with the Series 2020B Trustee all Subordinate Pledged Revenue or to apply the Subordinate Pledged Revenue as required by the Series 2020B Subordinate Indenture, or the Residential District fails or refuses to impose the Residential District Required Mill Levy or to apply the revenues resulting therefrom and from other sources of the Residential District Pledged Revenue as required under the Pledge Agreement; (b) The District materially defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in the Series 2020B Subordinate Indenture or the Bond Resolution, and fails to remedy the same after notice thereof pursuant to the Series 2020B Subordinate Indenture, or the Residential District fails in the performance of any other of its covenants in the Pledge Agreement, thereby causing an Event of Default pursuant to the Pledge Agreement, and the Residential District fails to remedy the same after notice thereof pursuant to the provisions of the Pledge Agreement; (c) Subject to the provisions of the Series 2020B Subordinate Indenture, the District fails to enforce or cooperate in the enforcement of any of the Trust Estate Agreements upon a material default thereunder by any part thereto, if such material default could result in impairing or diminishing the collection or amount of the Subordinate Pledged Revenue or (d) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2020B Bonds. Due to the limited nature of the Subordinate Pledged Revenue, the failure to pay the principal of or premium, if any, or interest on the Series 2020B Bonds when due shall not, of itself, constitute an Event of Default under the Series 2020B Subordinate Indenture.

In the event of default, the trustee shall have the following remedies 1) receivership, 2) suit for judgment, and 3) mandamus or other suits. Acceleration of the Series 2020B Bonds is not an available remedy for an event of default.

Due to the uncertainty of the timing of principal and interest payments on the Series 2020B Bonds, a schedule of the estimated timing of these payments is not available.

Operation Funding Agreements

On December 10, 2009, the District entered into a 2009 Operation Funding Agreement, effective as of January 1, 2009 (the "2009 OFA") with City Center West, L.P. (the "Developer"). The 2009 OFA sets forth the terms and conditions under which the Developer advanced funds to the District for operations and maintenance expenses incurred in fiscal year 2009. The repayment obligation bears interest at a rate of 8%. The Developer's obligation to advance funds expired on February 28, 2010, and the District's obligation to reimburse the Developer for such advances expires on December 31, 2049. Any amounts outstanding after December 31, 2049, will be deemed discharged and satisfied in full.

On June 2, 2014, the District entered into a 2014 Operation Funding Agreement with the Developer, which was amended by a First Amendment dated November 12, 2014, a Second Amendment dated November 2, 2015, and a Third Amendment dated November 5, 2018 (as so amended, the "2014 OFA"). On March 11, 2020, the District and Developer entered into an Amended and Restated Operation Funding Agreement, which amended and restated the 2014 OFA in its entirety, as amended by that certain First Amendment dated November 2, 2020, Second Amendment dated November 22, 2021, Third Amendment dated November 7, 2022, Fourth Amendment dated November 6, 2023, Fifth Amendment dated November 4, 2024 and Sixth Amendment dated November 21, 2025 (as so amended, the "Amended and Restated OFA"), which sets forth the terms and conditions under which the Developer will advance funds to the District for operations and maintenance expenses incurred in fiscal years 2014 through 2026 up to the Shortfall Amount. The repayment obligation bears interest at a rate of 8% per annum. The Developer's obligation to advance funds expires upon amounts sufficient to pay expenses incurred in 2014 through 2026, not to exceed the Shortfall Amount of $415,000. The District's obligation to reimburse the Developer for such advances expires on December 31, 2044. Any amounts outstanding after December 31, 2044, will be deemed discharged and satisfied in full. The District's reimbursement obligation under the Amended and Restated OFA is subordinate to the 2009 OFA..

As of December 31, 2025, the balance owed to the Developer under the Operation Funding Agreements was $126,948 for principal and $30,905 for accrued interest.

Facilities Funding and Acquisition Agreement

On March 11, 2020, the District entered into a Facilities Funding and Acquisition Agreement (the "FFAA") with the Developer with an effective date of January 1, 2020. The FFAA sets forth the terms and conditions pursuant to which the District will acquire public improvements constructed by the Developer. It is expected that a portion of the proceeds of the Series 2020A and Series 2020B Bonds will be used to reimburse the Developer for the costs of constructing public improvements and for organization expenses. As of December 31, 2025, the balance owed to the Developer under the FFAA was $141,726 for principal and $32,781 for accrued interest.

Debt Authorization

The District was organized to provide services to the same service area with the Residential District and City Center West Residential Metropolitan District No. 2 (collectively the "Districts") pursuant to the Service Plan. The Districts, in aggregate, are limited in their ability to issue Debt as set forth in the Service Plan to a total amount of $20,000,000 ("Service Plan Debt Limit"). However pursuant to the Debt Allocation IGA (defined below), the District and the Residential District are only allocated $13,000,000 of the $20,000,000 Service Plan Debt Limit. The remaining $7,000,000 of the Service Plan Debt Limit is allocated to City Center West Residential Metropolitan District No. 2.

In no event is the District authorized to issue Debt which, in aggregate with the Debt issued by the other Districts, exceeds the Service Plan Aggregate Debt Issuance Limit.

As of December 31, 2025, the amount of debt authorization remaining within the Service Plan Aggregate Debt Issuance Limit is $3,653,000, excluding refunding debt.

The District's voters have authorized the District to issue Debt in accordance with the Service Plan Aggregate Debt Issuance Limit.

In the future, the District may issue a portion or all of the remaining Service Plan Aggregate Debt Issuance Limit for purposes of providing public improvements to support development as it occurs within the Districts' service area.

On June 17, 2026, the District issued debt in the amount of $12,999,867.70.

On November 6, 2007, and May 6, 2014, the District electors voted to authorize debt issuance by power (such as water, sewer, or streets). As the actual costs of construction were not known it was not possible at the time of the elections to allocate the Service Plan Debt Issuance Limit by power. Therefore, the Service Plan Debt Issuance Limit was voted in every authorized power at the time of the respective elections resulting in the District having voter authorization in excess of the Service Plan Debt Issuance Limit and the allocated amount thereof pursuant to the Debt Allocation IGA.

With that understanding, as of December 31, 2025, the District had remaining voted debt authorization in the amount of $310,653,000 for public improvements, $40,000,000 for operation and maintenance debt, $96,508,119 for refunding debt, and $40,000,000 for intergovernmental agreements as debt. However, in no event is the District authorized to issue Debt in excess of the Service Plan Debt Issuance Limit nor the allocated amount thereof pursuant to the Debt Allocation IGA.

Note 4: Agreements

Cost Sharing Agreement

On October 28, 2011, the Developer and NCMC+BH Greeley II, LLC, ("Banner") entered into and recorded a Cost Sharing Agreement (the "Agreement"), which was acknowledged by the District and the City Center West Residential Metropolitan District (the "Residential District" and, collectively with the District, the "Districts"). Prior to the Agreement, Banner purchased a parcel of property adjacent to the development. The Agreement sets forth the terms and conditions under which the Developer or Banner will cause the installation of and share installation costs for certain infrastructure that serves both the Developer's and Banner's property. The Agreement provides that the Districts will pay the Developer's portion of costs for the portion of the infrastructure that is contemplated by the Districts' Service Plan. These costs will be paid from bond proceeds if: (i) the Districts issue and sell bonds related to the Service Plan infrastructure, (ii) funds are available from such bonds, and (iii) the Developer and Banner enter into a facility funding agreement related to the Service Plan. The Developer and Banner have not yet entered into a facility funding agreement as of December 31, 2025.

Capital Pledge Agreement

On December 1, 2014, the District entered into a Capital Pledge Agreement with the Residential District that required the District to impose ad valorem property taxes for payment of the Residential District's Series 2014A Senior Bonds, the Series 2014B Subordinate Bonds, and any Additional

Revenue Obligations (the "2014 Capital Pledge Agreement"). The lien on the pledged revenues had priority over any or all other obligations and liabilities of the District. The Residential District's Series 2014A Senior Bonds and 2014B Subordinate Bonds were refunded by the District's April 9, 2020 issuance of its Series 2020A Bonds and Series 2020B Bonds, and therefore, the 2014 Capital Pledge Agreement is no longer in effect.

On April 9, 2020, the Residential District entered into a Capital Pledge Agreement with the District, under which the Residential District agreed to pledge certain revenue to the District for the repayment of the District's Series 2020A Bonds, Series 2020B Bonds, and Additional Obligations, including revenue generated from the imposition of the Residential District Required Mill Levy, specific ownership taxes derived from the imposition of the Residential District Required Mill Levy, and revenue remitted to or collected by the Residential District that is generated from the imposition of payments in lieu of taxes (PILOTs) pursuant to recorded covenants (collectively, the "Residential District Pledged Revenue"). The lien on the Residential District Pledged Revenue has priority over any or all other obligations and liabilities of the Residential District.

Intergovernmental Agreements

On November 12, 2014, the District entered into an intergovernmental agreement with the City of Greeley, Colorado, (the "City") as required by the Service Plan. This agreement states the District will not take any action, including the issuance of any obligations or the imposition of any tax, which would constitute a material departure from the terms of the Service Plan. Any material departure from the terms of the Service Plan will entitle the City to protect and enforce its rights by such suit, action, or special proceedings as the City deems appropriate.

On June 6, 2019, the District, the Residential District and City Center West Residential District No. 2 entered into an Intergovernmental Agreement Regarding Debt Allocation (the "Debt Allocation IGA"). Pursuant to the Debt Allocation IGA, the District, the Residential District and City Center West Residential District No. 2 acknowledge that the Service Plan establishes a combined total aggregate debt limitation for all three districts of $20,000,000 (the "Service Plan Debt Limit") and that the three districts are responsible for the provision, financing, construction, operation and maintenance of public infrastructure within the collective service area of the three districts. Under the Debt Allocation IGA, the District and the Residential District are allocated $13,000,000 of the Service Plan Debt Limit and City Center West Residential District No. 2 is allocated $7,000,000 of the Service Plan Debt Limit. The three districts may agree to reallocate the Service Plan Debt Limit upon written agreement.

Inclusion Covenant (8 Acres)

On March 11, 2020, the District, the Residential District, and BV Retail Land Holdings, LLLP ("BV Retail"), entered into an Inclusion Covenant (8 Acres), under which BV Retail covenanted that upon the occurrence of a triggering event, certain property it owns will be included into either the District or Residential District, as applicable, and that if such property is not included into one of the districts after a triggering event, or not included within 5 years of the effective date of the Inclusion Covenant (8 Acres), it will be subject to a covenant imposing a payment in lieu of taxes that is equivalent to the debt service mill levy imposed by the District.

A portion of the 8 acres, approximately 2.3 acres was included into the boundaries of the District in August, 2022. The remaining approximately 5.7 acres has not yet been included into the boundaries of the District. Since 5 years since the effective date of the Inclusion Covenant occurred in 2025 and the remaining 5.7 acres is not yet included into the boundaries of the District, the payment in leiu of taxes is now in effect against the 5.7 acres.

Inclusion Agreement for 8-Acre Parcel

On March 11, 2020, the District, the Residential District, and BV Retail Land Holdings, LLLP ("BV Retail"), entered into an Inclusion Agreement for 8-Acre Parcel, under which BV Retail agreed that upon the occurrence of a triggering event, certain property it owns will be included into either the District or Residential District. The Inclusion Agreement for 8-Acre Parcel also provides that, in the event such property becomes tax exempt, it will be subject to a covenant imposing a payment in lieu of taxes that is equivalent to the mill levies imposed by the District or Residential District, as applicable, and that if such property is not included into either the District or Residential District within 5 years of the effective date of the Inclusion Covenant (8 Acres), such property would be subject to a covenant imposing a payment in lieu of taxes that is equivalent to the debt service mill levy imposed by the District.

Exclusion/Inclusion Agreement for 20-Acre Parcel

On March 11, 2020, the District, the Residential District, and the Developer entered into an Exclusion/Inclusion Agreement for 20-Acre Parcel, under which the Developer agreed that, to the extent any property that it owns within the 20 acre parcel becomes residential property, such property shall be included into the Residential District, or, that such property will be excluded from the District and subsequently included into the Residential District, as applicable, and that such property will thereafter be subject to the Residential District's mill levies.

Consent Agreement Regarding Exclusion/Inclusion Agreement for 20-Acre Parcel

On October 5, 2021, the District, the Residential District, and La Salle Investors, LLC entered into a Consent Agreement Regarding Exclusion/Inclusion Agreement for 20-Acre Parcel (the "Consent Agreement") under which La Salle agreed to perform the obligations of the Developer under the Exclusion/Inclusion Agreement for 20-Acre Parcel to ensure that property classified as "residential" would remain or be included into the Residential District, and that property classified as "commercial" would remain or be included into the District. The Consent Agreement recognizes that La Salle had purchased certain property from the Developer (the "La Salle Property"), which, as of the date of the Consent Agreement, was classified as "commercial," and thus in the District. However, to the extent that La Salle obtained City zoning approval to use the La Salle Property as "residential" property, La Salle would Petition the District to exclude the La Salle Property from the District and also petition the Residential District to include the La Salle Property into the Residential District. The Consent Agreement further recognizes the parties' intent that the La Salle Property be subject to the mill levy of the District or Residential District, but not both.

Note 5: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 6: Tax, Spending and Debt Limitations

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

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

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.

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

On November 6, 2007, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

On May 6, 2025, a majority of the District's eligible electors authorized the district to waive the property tax revenue limit as set forth in 29-1-1702, C.R.S. for all future property tax years pursuant to the provisions of 29-1-1704, C.R.S.

Note 7: Risk Management

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

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

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

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

1) Long-term liabilities such as bonds/developer advances and accrued bonds/developer advance interest payable are not due and payable in the current period and, therefore, are not in the funds.

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

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

2) governmental funds report developer advances as revenue; and

3) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

Note 9: Subsequent Events

On June 17, 2026, the District issued its General Obligation Tax Convertible Capital Appreciation Refunding Bonds, Series 2026A ("Series 2026A Bonds") in the initial amount of $10,504,867.70, convertible to $11,530,000 and its Subordinate General Obligation Limited Tax Refunding and Improvement Bonds, Series 2026B ("Series 2026B Bonds") in the amount of $2,495,000 made pursuant to the terms of the Indenture of Trusts by and among the District and BOK, NA dated June 17, 2026. The proceeds from the Series 2026A Bonds were used to refund the Series 2020A Bonds, fund the Senior Surplus Fund in the initial amount of $1,047,575 and pay other costs in connection with the issuance of the Series 2026A Bonds. The proceeds from the Series 2026B Bonds were used to refund the Series 2020B Bonds, finance additional public improvements related to the Development and pay other costs in connection with the issuance of the Series 2026B Bonds.

Note 10: Restatement

Net position as of December 31, 2024 was restated to correctly reflect Capital Developer Advances and the related accrued interest under the FFAA. The effect of the restatement is as follows:

Net position, December 31, 2024 as originally reported	$ (9,556,038)
Developer Advances	(15,626)
Additional accrued interest under the FFAA	(1,558)
Net Position, December 31, 2024, restated.	$ (9,573,222)

SUPPLEMENTARY INFORMATION

CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

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

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	$ 394,915	$ 405,114	$ 10,199
Specific ownership taxes	9,500	16,033	6,533
Interest income	17,500	19,221	1,721
Total Revenues	421,915	440,368	18,453
EXPENDITURES			
Bond interest expense	553,700	553,700	-
Bond principal	55,000	55,000	-
Paying agent/trustee fees	7,500	7,262	238
Treasurer's fees	5,924	5,969	(45)
Total Expenditures	622,124	621,931	193
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,209)	(181,563)	18,646
OTHER FINANCING SOURCES (USES)			
Transfers from other Districts	34,417	34,417	-
Total Other Financing Sources (Uses)	34,417	34,417	-
NET CHANGE IN FUND BALANCE	(165,792)	(147,146)	18,646
FUND BALANCE:			
BEGINNING OF YEAR	425,880	407,256	(18,624)
END OF YEAR	$ 260,088	$ 260,110	$ 22

CITY CENTER WEST COMMERCIAL METROPOLITAN DISTRICT

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

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest income	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Accounting	-	12,200	12,190	10
Legal	-	37,500	37,457	43
Management fees	-	6,500	6,453	47
Total Expenditures	-	56,200	56,100	100
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(56,200)	(56,100)	100
OTHER FINANCING SOURCES (USES)				
Developer advances	-	10,952	10,852	(100)
Bond proceeds	-	-	-	-
Transfer to (from) other funds	-	45,248	45,248	-
Total Other Financing Sources (Uses)	-	56,200	56,100	(100)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE:				
BEGINNING OF YEAR	-	-	-	-
END OF YEAR	$ -	$ -	$ -	$ -