CORNERSTAR METROPOLITAN DISTRICT
Arapahoe County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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FI$CAL FOCUS PARTNERS LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cornerstar Metropolitan District
Arapahoe County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Cornerstar 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 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 thereof, and the respective budgetary comparisons for the general fund and the special revenue 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.

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Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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 to those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary and Selected Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary and other information (together, the information) as identified in the table of contents on pages 24 - 28 is presented for the purposes of additional analysis and legal compliance and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information – Continuing Disclosure Obligation

The continuing disclosure obligation information on page 29 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Fiscal Focus Partners, LLC

Arvada, Colorado
July 29, 2026

BASIC FINANCIAL STATEMENTS

CORNERSTAR METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 1,495,198
Cash and Investments - Restricted	4,379,487
Accounts Receivable	121,365
Prepaid Insurance	11,502
Receivable from County Treasurer	11,381
Property Tax Receivable	2,584,042
Capital Assets:	
Capital Assets Not Being Depreciated	1,222,504
Capital Assets Net of Depreciation	15,737,944
Total Assets	25,563,423
LIABILITIES	
Accounts Payable	25,339
Accrued Bond Interest	134,758
Noncurrent Liabilities:	
Due Within One Year	409,000
Due in More Than One Year	31,185,234
Total Liabilities	31,754,331
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	2,584,042
Total Deferred Inflows of Resources	2,584,042
NET POSITION	
Net Investment in Capital Assets	(7,028,254)
Restricted for:	
Emergency Reserve	21,000
Debt Service	2,711,644
Aurora Regional Improvements	1,034
Net Position - Unrestricted	(4,480,374)
Total Net Position	$ (8,774,950)

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	$ 474,300	$ 121,365	$ -	$ -	$ (352,935)
Public Works - General Government	1,139,319	-	-	-	(1,139,319)
Interest on Long-Term Debt and Related Costs	1,672,220	-	-	-	(1,672,220)
Total Governmental Activities	$ 3,285,839	$ 121,365	$ -	$ -	(3,164,474)
General Revenues:					
Property Taxes					2,418,196
Specific Ownership Taxes					141,218
Interest Income					270,894
Total General Revenues					2,830,308
CHANGES IN NET POSITION					(334,166)
Net Position - Beginning of Year					(8,440,784)
NET POSITION - END OF YEAR					$ (8,774,950)

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Special Revenue	Debt Service 2017A	Debt Service 2017B	Total Governmental Funds
ASSETS					
Cash and Investments	$ 1,495,198	$ -	$ -	$ -	$ 1,495,198
Cash and Investments - Restricted	21,000	1,034	3,850,907	506,546	4,379,487
Receivable from County Treasurer	2,448	-	7,466	1,467	11,381
Accounts Receivable	121,365	-	-	-	121,365
Prepaid Insurance	11,502	-	-	-	11,502
Property Tax Receivable	556,958	44,970	1,657,244	324,870	2,584,042
Total Assets	$ 2,208,471	$ 46,004	$ 5,515,617	$ 832,883	$ 8,602,975
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 25,339	$ -	$ -	$ -	$ 25,339
Total Liabilities	25,339	-	-	-	25,339
DEFERRED INFLOWS OF RESOURCES					
Deferred Property Tax	556,958	44,970	1,657,244	324,870	2,584,042
Unearned Revenue	-	-	-	-	-
Prepaid Owner Fees	-	-	-	-	-
Total Deferred Inflows of Resources	556,958	44,970	1,657,244	324,870	2,584,042
FUND BALANCES					
Nonspendable:					
Prepaid Expense	11,502	-	-	-	11,502
Restricted for:					
Emergency Reserves	21,000	-	-	-	21,000
Debt Service	-	-	3,858,373	508,013	4,366,386
Aurora Regional Improvements	-	1,034	-	-	1,034
Committed to:					
Operations and Maintenance	121,365	-	-	-	121,365
Assigned to:					
Subsequent Year's Expenditures	89,141	-	-	-	89,141
Capital Projects	-	-	-	-	-
Unassigned	1,383,166	-	-	-	1,383,166
Total Fund Balances	1,626,174	1,034	3,858,373	508,013	5,993,594
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,208,471	$ 46,004	$ 5,515,617	$ 832,883	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	16,960,448
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Bond Interest Payable	(134,758)
Bonds Payable	(31,055,000)
Unamortized Bond Discount	161,543
Developer Advance Payable	(700,777)
Net Position of Governmental Activities	$ (8,774,950)

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Special Revenue	Debt Service 2017A	Debt Service 2017B	Total Governmental Funds
REVENUES					
Property Taxes	$ 475,176	$ 44,978	$ 1,586,095	$ 311,947	$ 2,418,196
Specific Ownership Taxes	30,376	-	92,639	18,203	141,218
Interest Income	72,512	1,157	173,168	24,057	270,894
Operation Fee - Acadia at Cornerstar Apts	105,183	-	-	-	105,183
Operation Fee - Cornerstar Healthcare Plaza	16,182	-	-	-	16,182
Total Revenues	699,429	46,135	1,851,902	354,207	2,951,673
EXPENDITURES					
Current:					
Accounting	51,889	-	-	-	51,889
Auditing	7,900	-	-	-	7,900
County Treasurer's Fee	7,157	677	23,889	4,698	36,421
Detention Pond Maintenance	28,559	-	-	-	28,559
Directors' Fees	1,500	-	-	-	1,500
District Management	25,987	-	-	-	25,987
Dues and Membership	767	-	-	-	767
Election	2,823	-	-	-	2,823
Electricity	36,210	-	-	-	36,210
Grounds - Repair and Maintenance	7,642	-	-	-	7,642
Insurance	10,240	-	-	-	10,240
Irrigation Repairs	20,815	-	-	-	20,815
Janitorial and Porter	14,100	-	-	-	14,100
Landscape Improvements	11,849	-	-	-	11,849
Landscape Maintenance - Contract	51,887	-	-	-	51,887
Legal	49,035	-	-	-	49,035
Miscellaneous	1,518	-	-	-	1,518
Payroll Taxes	115	-	-	-	115
Property Management	14,050	-	-	-	14,050
Sidewalk and Concrete Repairs	16,615	-	-	-	16,615
Site Lighting	7,670	-	-	-	7,670
Snow Removal	64,312	-	-	-	64,312
Street Repair and Maintenance	19,048	-	-	-	19,048
Street Sweeping	6,600	-	-	-	6,600
Water	15,335	-	-	-	15,335
Debt Service:					
Bond Interest	-	-	1,362,363	267,225	1,629,588
Bond Principal	-	-	225,000	45,000	270,000
Paying Agent Fees	-	-	3,000	1,500	4,500
Total Expenditures	473,623	677	1,614,252	318,423	2,406,975
EXCESS OF REVENUES OVER EXPENDITURES	225,806	45,458	237,650	35,784	544,698
OTHER FINANCING SOURCES (USES)					
Repay Developer Advance	-	(45,000)	-	-	(45,000)
Total Other Financing Uses	-	(45,000)	-	-	(45,000)
NET CHANGE IN FUND BALANCES	225,806	458	237,650	35,784	499,698
Fund Balances - Beginning of Year	1,400,368	576	3,620,723	472,229	5,493,896
FUND BALANCES - END OF YEAR	$ 1,626,174	$ 1,034	$ 3,858,373	$ 508,013	$ 5,993,594

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds	$ 499,698
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.	
Depreciation Expense	(1,139,319)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.	
Bond Principal	270,000
Repay Developer Advance	45,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Amortization of Bond Discount	(10,586)
Accrued Interest on Bonds Payable - Change in Liability	1,041
Changes in Net Position of Governmental Activities	$ (334,166)

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property Taxes	$ 475,504	$ 475,504	$ 475,176	$ (328)
Specific Ownership Taxes	31,234	31,234	30,376	(858)
Interest Income	55,000	55,000	72,512	17,512
Operation Fee - Acadia at Cornerstar Apts	50,708	50,708	105,183	54,475
Operation Fee - Cornerstar Healthcare Plaza	7,801	7,801	16,182	8,381
Total Revenues	620,247	620,247	699,429	79,182
EXPENDITURES				
Accounting	52,000	52,000	51,889	111
Auditing	8,000	7,900	7,900	-
Contingency	3,082	-	-	-
County Treasurer's Fee	7,133	7,160	7,157	3
Detention Pond Maintenance	6,000	6,000	28,559	(22,559)
Directors' Fees	1,600	1,600	1,500	100
District Management	32,000	21,000	25,987	(4,987)
Dues and Membership	1,500	767	767	-
Election	5,000	4,000	2,823	1,177
Electricity	30,000	30,000	36,210	(6,210)
Floral	10,400	10,400	-	10,400
Grounds - Repair and Maintenance	3,000	3,000	7,642	(4,642)
Grounds Maintenance - Contingency	15,000	15,148	-	15,148
Insurance	12,000	10,240	10,240	-
Irrigation Repairs	4,500	5,000	20,815	(15,815)
Janitorial and Porter	30,000	30,000	14,100	15,900
Landscape Improvements	12,000	12,000	11,849	151
Landscape Maintenance - Contract	65,000	65,000	51,887	13,113
Legal	25,000	25,000	49,035	(24,035)
Miscellaneous	2,500	2,500	1,518	982
Payroll Taxes	150	150	115	35
Property Management	20,000	20,000	14,050	5,950
Seasonal Decor	20,000	20,000	-	20,000
Sidewalk and Concrete Repairs	5,000	5,000	16,615	(11,615)
Site Lighting	50,000	150,000	7,670	142,330
Snow Removal	61,281	61,281	64,312	(3,031)
Storm drainage	2,000	2,000	-	2,000
Street Repair and Maintenance	175,000	175,000	19,048	155,952
Street Sweeping	22,120	22,120	6,600	15,520
Striping	8,734	8,734	-	8,734
Water	25,000	25,000	15,335	9,665
Total Expenditures	715,000	798,000	473,623	324,377
NET CHANGE IN FUND BALANCE	(94,753)	(177,753)	225,806	403,559
Fund Balance - Beginning of Year	1,499,078	1,459,430	1,400,368	(59,062)
FUND BALANCE - END OF YEAR	$ 1,404,325	$ 1,281,677	$ 1,626,174	$ 344,497

See accompanying Notes to Basic Financial Statements.

CORNERSTAR METROPOLITAN DISTRICT
SPECIAL REVENUE FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 45,064	$ 44,978	$ (86)
Interest Income	100	1,157	1,057
Total Revenues	45,164	46,135	971
EXPENDITURES			
Contingency	324	-	324
County Treasurer's Fee	676	677	(1)
Total Expenditures	1,000	677	323
EXCESS OF REVENUES OVER EXPENDITURES	44,164	45,458	1,294
OTHER FINANCING SOURCES (USES)			
Repay Developer Advance	(47,500)	(45,000)	2,500
Total Other Financing Sources (Uses)	(47,500)	(45,000)	2,500
NET CHANGE IN FUND BALANCE	(3,336)	458	3,794
Fund Balance - Beginning of Year	4,602	576	(4,026)
FUND BALANCE - END OF YEAR	$ 1,266	$ 1,034	$ (232)

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Cornerstar Metropolitan District (the District), previously known as Commons at Arapahoe Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (State) was organized by Court Order in August 25, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statues), State of Colorado. The District's service area is located entirely within the City of Aurora (City), Arapahoe County, Colorado. The District was established to provide financing for the design, acquisition, installation and construction of water, sanitation, streets, safety protection, park and recreation facilities, public transportation, fire protection, television relay, security, and mosquito control, as limited by the Service Plan. The District also provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct 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.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 150 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and city of Aurora sales taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

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

The Special Revenue Fund is used to account for revenues earned and expenditures incurred in connection with Aurora Regional Improvements.

The Debt Service Fund - Series 2017A accounts for the resources accumulated and payments made for principal, interest, and other costs related to the Series 2017A Bond.

The Debt Service Fund - Series 2017B accounts for the resources accumulated and payments made for principal, interest, and other costs related to the Series 2017B Bond.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

The District has amended its annual budget for the year ended December 31, 2025.

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets component of the District's net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

Parks and Recreation	30 Years
Streets, Streetscape, and Storm Drainage	30 Years
System to Transport	30 Years

Deferred Inflow/Outflow of Resources

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

Equity

Net Position

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

Fund Balance

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Adoption of New Accounting Standards

In December 2023, the Government Accounting Standards Board (GASB) issued GASB Statement No. 102, Certain Risk Disclosures. This standard requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

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

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:		
Cash and Investments	$	1,495,198
Cash and Investments - Restricted		4,379,487
Total Cash and Investments	$	5,874,685

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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

Deposits with Financial Institutions	$	3,227
Investments		5,871,458
Total Cash and Investments	$	5,874,685

Deposits with Financial Institutions

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

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

As of December 31, 2025, the District’s cash deposits had a bank balance and a carrying balance of $3,227.

Investments

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

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

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

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

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers’ acceptances of certain banks
- Commercial paper

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted-Average Under 60 Days	$ 5,871,458
		$ 5,871,458

CSAFE

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

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

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

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2025, follows:

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 1,222,504	$ -	$ -	$ 1,222,504
Total Capital Assets, Not Being Depreciated	1,222,504	-	-	1,222,504
Capital Assets, Being Depreciated:				
Parks and Recreation	404,674	-	-	404,674
System to Transport	454,780	-	-	454,780
Streets, Streetscape and Storm Drainage	33,320,130	-	-	33,320,130
Total Capital Assets, Being Depreciated	34,179,584	-	-	34,179,584
Less Accumulated Depreciation for:				
Parks & Recreation	166,367	13,489	-	179,856
System to Transport	236,676	15,160	-	251,836
Streets, Streetscape and Storm Drainage	16,899,278	1,110,670	-	18,009,948
Total Accumulated Depreciation	17,302,321	1,139,319	-	18,441,640
Total Capital Assets, Being Depreciated, Net	16,877,263	(1,139,319)	-	15,737,944
Governmental Activities Capital Assets, Net	$ 18,099,767	$ (1,139,319)	$ -	$ 16,960,448

Depreciation expense was charged to the public works – general government function/program of the District for the year ended December 31, 2025, in the amount of $1,139,319.

NOTE 5 LONG-TERM OBLIGATIONS

The District's outstanding long-term obligations at December 31, 2025, were as follows:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable					
General Obligation Bonds					
Series 2017A	$ 26,235,000	$ -	$ 225,000	$ 26,010,000	$ 305,000
General Obligation Bonds					
Series 2017B	5,090,000	-	45,000	5,045,000	60,000
Subtotal Bonds Payable	31,325,000	-	270,000	31,055,000	365,000
Other Debts					
ARI Fund	745,777	-	45,000	700,777	44,000
Subtotal Other Debts	745,777	-	45,000	700,777	44,000
Bond Premium/Discount					
Bond Discount - Series 2017A	(119,152)	-	(7,301)	(111,851)	-
Bond Discount - Series 2017B	(52,977)	-	(3,285)	(49,692)	-
Subtotal Bond Premium / Discount	(172,129)	-	(10,586)	(161,543)	-
Total Long-Term Obligations	$ 31,898,648	$ -	$ 304,414	$ 31,594,234	$ 409,000

The detail of the District's long-term obligations is as follows:

2017A and 2017B General Obligation Refunding Bonds

On April 4, 2017, the District issued General Obligation (Limited Tax Convertible to Unlimited Tax) Refunding Bonds Series 2017A and 2017B, in the respective amounts of $32,745,000 and $5,220,000. The proceeds from the sale of the 2017A Bonds were used to (i) prepay the District's Special Revenue Refunding Loan 2012, (ii) fund the 2017A Reserve Fund, and (iii) pay the costs of issuance. The Special Revenue Refunding Loan 2012 was paid in full on June 1, 2017. The proceeds from the sale of the 2017B Bonds were used to (i) purchase the cancellation of the District's Taxable Subordinate Limited Tax Bonds, Series 2013; (ii) fund the 2017B Reserve Fund, and (iii) pay the costs of issuance. As part of the Tender and Purchase Agreement dated December 16, 2016, the bond holder of the Taxable Subordinate Limited Tax Bonds Series 2013 agreed to accept $4,750,000 in full settlement of the bond and forgave all accrued interest.

The 2017A Bonds bear interest at rates ranging from 3.50% to 5.25%, payable semi-annually on June 1 and December 1, beginning on June 1, 2017. Annual mandatory sinking fund principal payments are due on December 1. The 2017A Bonds mature on December 1, 2047.

The 2017B Bonds bear interest at 5.25% payable semi-annually on June 1 and December 1, beginning on June 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning December 1, 2020. The 2017B Bonds mature on December 1, 2047.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2017A and 2017B General Obligation Refunding Bonds (Continued)

The 2017A Bonds are secured by and payable solely from 2017A Pledged Revenue, net of any costs of collection, consisting of the following:

(a) TIF Revenues;
(b) Property taxes derived from the 2017A Required Mill Levy;
(c) Specific Ownership Tax revenues attributable to the 2017A Required Mill Levy;
(d) Any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2017A Bond Fund.

The 2017A Indentures defines TIF Revenues as (a) all Pledged Sales Tax Revenues, as defined in the Public Finance Agreement; (b) all Pledged Use Tax Revenues, as defined in the Public Finance Agreement; and (c) any interest earned on the Pledged Sales Tax Revenues and Pledged Use Tax Revenues while on deposit with Aurora Urban Renewal Authority (AURA) in the Pledged Revenue Fund (as defined in the Public Finance Agreement). The Public Finance Agreement was terminated on September 30, 2023.

The 2017A Bonds are further secured by the 2017A Reserve Fund of $1,285,344, and by amounts, if any, accumulated in the 2017A Surplus Fund. Excess 2017A Pledged Revenue, if any, is to be accumulated in the 2017A Surplus Fund in accordance with the 2017A Indenture up to the 2017A Maximum Surplus Amount of $850,000.

The 2017B Bonds are secured by and payable solely from 2017B Pledged Revenue, net of any costs of collection, consisting of the following:

(a) Property taxes derived from the 2017B Required Mill Levy;
(b) Specific Ownership Tax revenues attributable to the 2017B Required Mill Levy;
(c) Any other legally available moneys which the District determines, in its absolute discretion, to credit to the 2017B Bond Fund.

The 2017B Bonds are further secured by the 2017B Reserve Fund of $234,638, and by amounts, if any, accumulated in the 2017B Surplus Fund. Excess 2017B Pledged Revenue, if any, is to be accumulated in the 2017B Surplus Fund in accordance with the 2017B Indenture up to the 2017B Maximum Surplus Amount of $150,000.

Prior to the Conversion Date, 2017A Pledged Revenue that is not needed to pay debt service on the 2017A Bonds in any year will be deposited to and held in the 2017A Surplus Fund, up to the 2017A Maximum Surplus Amount. Prior to the Conversion Date, 2017B Pledged Revenue that is not needed to pay debt service on the 2017B Bonds in any year will be deposited to and held in the 2017B Surplus Fund, up to the 2017B Maximum Surplus Amount. On the Conversion Date, the 2017A Surplus Fund and the 2017B Surplus Fund will be terminated and any moneys therein may be applied to any legal purpose of the District.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

2017A and 2017B General Obligation Refunding Bonds (Continued)

The Conversion Date is the first date of which (a) the TIF Term has expired; (b) the Senior Debt to Assessed Value Ratio Test has been met; (c) no amounts of principal or interest on the 2017A Bonds are due but unpaid; and (d) no amount of principal or interest on the 2017B Bonds are due but unpaid. The Senior Debt to Assessed Value Ratio Test is met when the ratio derived by dividing the outstanding principal amount of all Senior Debt by the most recent final assessed valuation of the District Area is equal to or less than 50%. The current year Senior Debt to Assessed Ratio is calculated based on the outstanding debt at the end of the current year and the assessed valuation for the subsequent year. The Conversion Date, if it occurs, will occur simultaneously for the 2017A Bonds and the 2017B Bonds. As of December 31, 2025, the Senior Debt to Assessed Ratio is 77.55%.

The District's 2017A and 2017B General Obligation Refunding Bond will mature as follows:

	Bonded Debt		
Year Ending December 31,	Principal	Interest	Total
2026	$ 365,000	$ 1,617,101	$ 1,982,101
2027	380,000	1,600,226	1,980,226
2028	485,000	1,582,637	2,067,637
2029	510,000	1,557,681	2,067,681
2030	625,000	1,531,437	2,156,437
2031-2035	4,250,000	7,104,786	11,354,786
2036-2040	6,945,000	5,747,311	12,692,311
2041-2045	10,490,000	3,578,135	14,068,135
2046-2047	7,005,000	595,349	7,600,349
Total	$ 31,055,000	$ 24,914,663	$ 55,969,663

Authorized Debt

Pursuant to the First Amendment to the Service Plan, the District is permitted to issue bond indebtedness of up to $120,000,000 (Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt in excess of the Service Plan Debt Issuance Limit, with the exception that such limit is not applicable to refunding's of the debt authorized to be issued under the Service Plan, as amended.

The District has voter authorization in excess of the Service Plan Debt Issuance Limit as at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer, or streets). Therefore, the Service Plan Debt Issuance Limit was voted in every power relative to debt for public improvements. With that understanding, On November 7, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $660,000,000 at an interest rate not to exceed 18% per annum. At December 31, 2025, the District had authorized but unissued indebtedness of $580,035,000.

NOTE 6 NET POSITION

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2025, the District has net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 16,960,448
Current Portion of Outstanding Long Term Obligations	(409,000)
Noncurrent Portion of Outstanding Long Term Obligations	(23,579,702)
Net Investment in Capital Assets	$ (7,028,254)

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, laws, and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2025, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	$ 21,000
Debt Service Reserve	2,711,644
ARI Fund	1,034
Total Restricted Net Position	$ 2,733,678

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

NOTE 7 RELATED PARTY

During 2025, some members of the Board of Directors were employed by DLC Management Corporation, which is the property manager for the District and the Cornerstar Shopping Center. Conflicts of interest in dealing with the District may exist as a result of these relationships.

On November 13, 2024, the District entered into a Property Management Agreement with DLC Management Corporation to provide management, oversight, and bidding of all maintenance contracts necessary to maintain the District Maintained Property in good condition, order, and repair. Under the terms of this agreement, the Manager shall provide the following services: general property management, contract management, and assistance with financial matters. The District agreed to reimburse the manager for all expenses incurred in connection with the provision of services, provided that anticipated costs are approved by the District in the annual budget. The District agreed to pay the manager a management fee equal to five percent of the actual costs incurred by the District for repairs and maintenance to the property that are procured or managed by the manager. For the year ended December 31, 2025, the District recorded $51,545 in maintenance and operation expense reimbursements and $14,050 in management fees as expenditures under the agreement.

Advance and Reimbursement Agreement

On November 29, 2007, the District entered into an Advance and Reimbursement Agreement for construction, maintenance, and operation costs with the PCCP CS Alberta Cornerstar Colorado, LLC (the Developer), as amended on May 22, 2009. Under the terms of this agreement the Developer agreed to provide advances to the District for the purpose of funding construction, operations, and maintenance costs of the District. On August 10, 2012, the District adopted a Resolution Regarding Reimbursement of Funds Advanced for and on behalf of the District recognizing certain advances. On June 24, 2013, the District entered into a Termination, Acknowledgement and Release Agreement, where the Developer has agreed to forgive all remaining amounts due pursuant to the Reimbursement Agreement and Reimbursement Resolution, exclusive of the $1,291,897 Regional Improvement Costs and to terminate the Reimbursement Agreement, in return for the proceeds received by the Developer from the issuance by the District of the 2013 Bonds and other bonds previously issued. It was the intent of the Parties that upon issuance of the 2013 Bonds, the only remaining liability of the District under the Reimbursement Agreement and the Reimbursement Resolution shall be to reimburse the Developer for Regional Improvement Costs from funds available from the District's imposition of the ARI mill levy. As of December 31, 2025, the obligation under this agreement is $700,777.

NOTE 8 AGREEMENTS

Aurora Regional Improvement Authority Establishment Agreement

In November 2008, the District entered into the Aurora Regional Improvement Authority No. 5 Establishment Agreement (IGA), as amended, between the District and unrelated metropolitan districts, to form the Aurora Regional Improvement Authority No. 5 (the Authority). Pursuant to the Service Plan, the District is required to impose the Aurora Regional Improvement (ARI) Mill Levy upon the taxable property within the District. This mill levy is 1.000 mill in the first year of collection of a debt service mill levy and continuing through the 20th year, which for this purpose begins the first year that the District certifies a debt service mill levy. The levy increases to 5.000 mills for year 21 through 40 or the date of repayment for the debt incurred for public improvement other than regional improvements, whichever occurs first. For the 10 years subsequent to the period where the 5.000 mills is imposed, the ARI mill levy is the average of the debt service mill levy for the previous 10 years.

As of December 31, 2025, the District has collected $540,705, net of collection costs, under the ARI mill levy. The agreement was amended on September 13, 2012, November 15, 2018, October 9, 2019, November 9, 2022, and June 27, 2023 in order to include additional parties.

On September 13, 2012, and on November 12, 2012, the District entered into a Project Committee Agreement with the members of the Authority for the purpose of exercising certain functions, services, or financing facilities and other improvements as permitted in accordance with the provisions of the Agreement (collectively, Agreements). The November 12, 2012 Agreement authorized the approval of an ARI Master Plan in which the District is authorized to use revenues from its ARI Mill Levy for Regional Improvements totaling $1,291,897, as such revenues are available.

The District provided notice of withdrawal from the Aurora Regional Improvement Authority No. 5 on May 8, 2026.

Operations Fee

Effective November 15, 2018, the District adopted a resolution to impose an Operations Fee against each Out of District Lot, to fund Operations Costs. The Operations Fee shall be due and payable each year, in full, within forty-five (45) days of the date of the Operations Fee invoice Date. The Operations Fee shall be collected on the basis of a calendar year, commencing on January 1 of any given year. The collection of the Operations Fee may not occur within 150 days of the end of the current fiscal period as detailed in Note 2.

The annual Operations Fee to be charged against each Out of District Lot for each year shall be equal to such lot's Proportionate Share of all of the Operation Costs (including any operations reserve or capital reserve as determined by the Board of The Districts) incurred by the District in such year, plus an administrative fee of 10%.

The District recognized Operations Fee revenue of $121,365 for the year ended December 31, 2025. As of December 31, 2025, the Operations Fee revenue had not yet been collected and the amount due of $121,365 is reported as a Committed Fund Balance.

NOTE 9 RISK MANAGEMENT

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

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

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

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

Annual operating revenue is limited to a 5.25% increase; such increase is determined based on a prior assessment period and adjusted for allowable exclusions and exemptions from qualified property tax revenues.

The District's management believes it is in compliance with the provisions of Section 29-1-1702, C.R.S. However, this section of the C.R.S. is complex and subject to interpretation.

SUPPLEMENTARY INFORMATION

CORNERSTAR METROPOLITAN DISTRICT
DEBT SERVICE FUND – SERIES 2017A
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 1,587,368	$ 1,586,095	$ (1,273)
Specific Ownership Taxes	95,242	92,639	(2,603)
Interest Income	150,000	173,168	23,168
Total Revenues	1,832,610	1,851,902	19,292
EXPENDITURES			
County Treasurer's Fee	23,811	23,889	(78)
Paying Agent Fees	3,000	3,000	-
Bond Interest	1,362,363	1,362,363	-
Bond Principal	225,000	225,000	-
Contingency	1,826	-	1,826
Total Expenditures	1,616,000	1,614,252	1,748
NET CHANGE IN FUND BALANCE	216,610	237,650	21,040
Fund Balance - Beginning of Year	3,680,248	3,620,723	(59,525)
FUND BALANCE - END OF YEAR	$ 3,896,858	$ 3,858,373	$ (38,485)

CORNERSTAR METROPOLITAN DISTRICT
DEBT SERVICE FUND – SERIES 2017B
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 312,236	$ 311,947	$ (289)
Specific Ownership Taxes	18,733	18,203	(530)
Interest Income	20,000	24,057	4,057
Total Revenues	350,969	354,207	3,238
EXPENDITURES			
County Treasurer's Fee	4,684	4,698	(14)
Paying Agent Fees	1,500	1,500	-
Bond Interest	267,225	267,225	-
Bond Principal	45,000	45,000	-
Contingency	1,591	-	1,591
Total Expenditures	320,000	318,423	1,577
NET CHANGE IN FUND BALANCE	30,969	35,784	4,815
Fund Balance - Beginning of Year	488,739	472,229	(16,510)
FUND BALANCE - END OF YEAR	$ 519,708	$ 508,013	$ (11,695)

OTHER INFORMATION

CORNERSTAR METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

The Year Ending	$32,745,000 General Obligation Refunding Bonds Series 2017A Dated April 4, 2017 Interest Rate Varying from 3.50% to 5.25% Interest Payable June 1 and December 1 Principal Payable December 1			$5,220,000 General Obligation Refunding Bonds Series 2017B Dated April 4, 2017 Interest Rate of 5.25% Interest Payable June 1 and December 1 Principal Payable December 1			Total		
December 31,	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	$ 305,000	$ 1,352,238	$ 1,657,238	$ 60,000	$ 264,863	$ 324,863	$ 365,000	$ 1,617,101	$ 1,982,101
2027	315,000	1,338,513	1,653,513	65,000	261,713	326,713	380,000	1,600,226	1,980,226
2028	405,000	1,324,337	1,729,337	80,000	258,300	338,300	485,000	1,582,637	2,067,637
2029	425,000	1,303,581	1,728,581	85,000	254,100	339,100	510,000	1,557,681	2,067,681
2030	520,000	1,281,800	1,801,800	105,000	249,637	354,637	625,000	1,531,437	2,156,437
2031	550,000	1,255,150	1,805,150	110,000	244,125	354,125	660,000	1,499,275	2,159,275
2032	655,000	1,226,962	1,881,962	130,000	238,350	368,350	785,000	1,465,312	2,250,312
2033	690,000	1,193,394	1,883,394	135,000	231,525	366,525	825,000	1,424,919	2,249,919
2034	805,000	1,158,031	1,963,031	160,000	224,437	384,437	965,000	1,382,468	2,347,468
2035	850,000	1,116,775	1,966,775	165,000	216,037	381,037	1,015,000	1,332,812	2,347,812
2036	980,000	1,073,212	2,053,212	190,000	207,375	397,375	1,170,000	1,280,587	2,450,587
2037	1,030,000	1,022,987	2,052,987	200,000	197,400	397,400	1,230,000	1,220,387	2,450,387
2038	1,175,000	970,200	2,145,200	230,000	186,900	416,900	1,405,000	1,157,100	2,562,100
2039	1,235,000	908,512	2,143,512	240,000	174,825	414,825	1,475,000	1,083,337	2,558,337
2040	1,395,000	843,675	2,238,675	270,000	162,225	432,225	1,665,000	1,005,900	2,670,900
2041	1,465,000	770,437	2,235,437	285,000	148,050	433,050	1,750,000	918,487	2,668,487
2042	1,645,000	693,525	2,338,525	320,000	133,087	453,087	1,965,000	826,612	2,791,612
2043	1,730,000	607,162	2,337,162	335,000	116,287	451,287	2,065,000	723,449	2,788,449
2044	1,925,000	516,337	2,441,337	370,000	98,700	468,700	2,295,000	615,037	2,910,037
2045	2,025,000	415,275	2,440,275	390,000	79,275	469,275	2,415,000	494,550	2,909,550
2046	2,240,000	308,962	2,548,962	430,000	58,800	488,800	2,670,000	367,762	3,037,762
2047	3,645,000	191,362	3,836,362	690,000	36,225	726,225	4,335,000	227,587	4,562,587
Total	$ 26,010,000	$ 20,872,427	$ 46,882,427	$ 5,045,000	$ 4,042,236	$ 9,087,236	$ 31,055,000	$ 24,914,663	$ 55,969,663

CORNERSTAR METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Prior Year Assessed Valuation for Current Year Property Tax Levy Debt Service	Total Mills Levied				Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	ARI	Total	Levied	Collected	
2021	$ 37,792,604	6,474,799	14.000	45.694	1.022	60.716	$ 2,551,768	$ 2,498,310	97.91 %
2022	33,888,044	7,189,645	14.000	49.818	1.027	64.845	2,498,802	2,498,834	100.00
2023	34,778,558	6,777,687	14.000	41.415	1.013	56.428	2,191,360	2,192,031	100.03
2024	37,205,461	7,760,592	14.000	43.749	1.077	58.826	2,470,908	2,288,381	92.61
2025	33,964,544	7,761,082	14.000	47.236	1.080	62.316	2,420,172	2,418,196	99.92
Estimated for Year Ending December 31, 2026	$ 32,762,225	7,282,330	17.000	51.301	1.123	69.424	$ 2,584,042		

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

Source: Arapahoe Assessor and Treasurer.

CORNERSTAR METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION
DECEMBER 31, 2025
(UNAUDITED)

2025 VALUATION OF CLASSES IN THE DISTRICT AND THE EXCLUSION ADJUSTED TAXING AREA

Class	District Assessed Valuation	District Percent of Assessed Valuation	Excluded Property Assessed Valuation	Exclusion Adjusted Taxing Area Assessed Valuation	Exclusion Adjusted Percent of Valuation
Valuation Year - 2025					
Commercial	$ 29,170,440	89.04%	$ 91,070	$ 29,261,510	73.07%
Residential	2,843,750	8.68%	7,000,000	9,843,750	24.58%
Vacant	605,975	1.85%	-	605,975	1.51%
State Assessed	142,060	0.43%	191,260	333,320	0.84%
Total	$ 32,762,225	100.00%	$ 7,282,330	$ 40,044,555	100.00%

	Fiscal Years Ended December 31,				
	2021	2022	2023	2024	2025
Debt Outstanding	$ 33,615,000	$ 32,475,000	$ 31,585,000	$ 31,325,000	$ 31,055,000
Assessed Value	41,077,689	41,556,245	44,966,053	41,725,626	40,044,555
Ratio of Debt Assessed Value	81.83%	78.15%	70.24%	75.07%	77.55%