DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT

Denver County, Colorado

FINANCIAL STATEMENTS
DECEMBER 31, 2025

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Haynie

INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Denver Gateway Meadows Metropolitan District

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Denver Gateway Meadows Metropolitan 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 Denver Gateway Meadows Metropolitan District as of December 31, 2025 and the respective changes in financial position and the 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. Our responsibilities under those standards are further described in the Auditors' 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Denver Gateway Meadows Metropolitan 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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Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Denver Gateway Meadows Metropolitan 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 Denver Gateway Meadows Metropolitan 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 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 opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Denver Gateway Meadows Metropolitan District's financial statements as a whole. The supplementary information section is presented for purposes of additional analysis and is not a required part of the 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Sincerely,

Haynie

Littleton, Colorado
July 16, 2026

BASIC FINANCIAL STATEMENTS

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2025

	Governmental Activities
ASSETS	
Cash and investments - unrestricted	$ 3,096
Cash and investments - restricted	4,015,417
Due from County Treasurer	627
Prepaid expenses	2,817
Property taxes receivable	337,422
Capital assets, net	6,453,793
Total assets	10,813,172
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
LIABILITIES	
Accounts payable	78,328
Accrued loan interest payable	47,900
Noncurrent liabilities:	
Due in more than one year	12,168,964
Total liabilities	12,295,192
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes revenues	337,422
Total deferred inflows of resources	337,422
NET POSITION	
Net investment in capital assets	(475,153)
Restricted for:	
Emergency reserves	2,538
Capital Projects	1,231,796
Unrestricted	(2,578,623)
Total net position	$ (1,819,442)

These financial statements should be read only in connection with the accompanying notes to financial statements.

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Governmental Activities:					
General government	$ 88,711	$ -	$ -	$ -	$ (88,711)
Interest and fiscal charges	692,881	-	-	-	(692,881)
Total governmental activities	$ 781,592	$ -	$ -	$ -	(781,592)
		General revenues:			
		Taxes:			
		Property taxes			145,379
		Specific ownership taxes			7,225
		Net investment income			320,900
		Total general revenues			473,504
		Change in net position			(308,088)
		Net position - Beginning of year			(1,511,354)
		Net position - End of year			$ (1,819,442)

These financial statements should be read only in connection with the accompanying notes to financial statements.

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and investments - unrestricted	$ 3,096	$ -	$ -	$ 3,096
Cash and investments - restricted	-	-	4,015,417	4,015,417
Due from other fund	2,042	-	-	2,042
Due from County Treasurer	343	284	-	627
Prepaid expenditures	2,817	-	-	2,817
Property taxes receivable	107,195	230,227	-	337,422
TOTAL ASSETS	$ 115,493	$ 230,511	$ 4,015,417	$ 4,361,421
LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 5,636	$ 667	$ 72,025	$ 78,328
Due to other fund	-	2,042	-	2,042
Total liabilities	5,636	2,709	72,025	80,370
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenues	107,195	230,227	-	337,422
Total deferred inflows of resources	107,195	230,227	-	337,422
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	2,817	-	-	2,817
Spendable:				
Restricted for emergencies	2,538	-	-	2,538
Restricted for capital projects	-	-	3,943,392	3,943,392
Unassigned	(2,693)	(2,425)	-	(5,118)
Total fund balances	2,662	(2,425)	3,943,392	3,943,629
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 115,493	$ 230,511	$ 4,015,417	

Amounts reported for governmental activities in the Statement of Net Position are different because:	
Some assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.	
Capital assets, net	6,453,793
Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.	
Accrued bond interest payable	(47,900)
Bonds payable	(9,580,000)
Unpaid and compounded interest	(2,354,450)
Developer advances principal - Operating	(194,000)
Developer advances interest - Operating	(40,514)
	(5,763,071)
Net position of governmental activities	$ (1,819,442)

These financial statements should be read only in connection with the accompanying notes to financial statements.

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Property tax	$ 79,589	$ 65,790	$ -	$ 145,379
Specific ownership tax	3,955	3,270	-	7,225
Net investment income	1,041	2,940	316,919	320,900
Total revenues	84,585	72,000	316,919	473,504
EXPENDITURES				
Current:				
Accounting	10,301	-	-	10,301
Audit	7,400	-	-	7,400
Legal	24,393	-	-	24,393
Election	8,633	-	-	8,633
District management	7,947	-	-	7,947
Insurance and bonds	2,799	-	-	2,799
Board of Director fees	1,000	-	-	1,000
County Treasurer's fees	796	658	-	1,454
Denver review fee	3,000	-	-	3,000
Bank service charges	-	168	19,223	19,391
Dues and subscriptions	380	-	-	380
Other	2,013	-	-	2,013
Debt service:				
Paying agent fees	-	4,000	-	4,000
Interest	-	13,005	-	13,005
Capital outlay:				
Legal	-	-	3,001	3,001
Engineering	-	-	254,852	254,852
Streets	-	-	1,177,315	1,177,315
Water	-	-	540,907	540,907
Sanitation	-	-	532,273	532,273
Parks and recreation	-	-	26,909	26,909
Utilities	-	-	3,110,845	3,110,845
Total expenditures	68,662	17,831	5,665,325	5,751,818
NET CHANGE IN FUND BALANCES	15,923	54,169	(5,348,406)	(5,278,314)
FUND BALANCES - BEGINNING OF YEAR	(13,261)	(56,594)	9,291,798	9,221,943
FUND BALANCES - END OF YEAR	$ 2,662	$ (2,425)	$ 3,943,392	$ 3,943,629

These financial statements should be read only in connection with the accompanying notes to financial statements.

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	$ (5,278,314)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay - capitalized	5,646,102
	5,646,102
Long-term debt (e.g. bonds, loans) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Change in bonds unpaid and compounded interest payable	(663,266)
Change in developer advance interest payable	(12,610)
	(675,876)
Change in net position - Governmental activities	$ (308,088)

These financial statements should be read only in connection with the accompanying notes to financial statements.

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Property tax	$ 79,589	$ 79,589	$ -
Specific ownership tax	3,979	3,955	(24)
Net investment income	2,500	1,041	(1,459)
Other	10	-	(10)
Total revenues	86,078	84,585	(1,493)
EXPENDITURES			
Accounting	17,000	10,301	6,699
Audit	7,500	7,400	100
Legal	39,000	24,393	14,607
Election	25,000	8,633	16,367
District management	20,000	7,947	12,053
Insurance and bonds	3,500	2,799	701
Board of Directors fees	1,500	1,000	500
County Treasurer's fees	796	796	-
Denver review fee	3,000	3,000	-
Drainage maintenance	11,000	-	11,000
Dues and subscriptions	500	380	120
Miscellaneous	100	2,013	(1,913)
Contingency	5,884	-	5,884
Total expenditures	134,780	68,662	66,118
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(48,702)	15,923	64,625
OTHER FINANCING SOURCES (USES)			
Developer advances	31,999	-	(31,999)
Total other financing sources (uses)	31,999	-	(31,999)
NET CHANGE IN FUND BALANCE	(16,703)	15,923	32,626
FUND BALANCE - BEGINNING OF YEAR	19,293	(13,261)	(32,554)
FUND BALANCE - END OF YEAR	$ 2,590	$ 2,662	$ 72

These financial statements should be read only in connection with the accompanying notes to financial statements.

NOTE 1 – DEFINITION OF REPORTING ENTITY

The District, a quasi-municipal corporation and a political subdivision of the state of Colorado, was organized by order and decree of the District Court of the City and County of Denver (the City) on November 24, 2004 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the Service Plan dated August 23, 2004. The District's service area is located in the City and County of Denver. The District was established to provide financing for the design, acquisition, installation, construction, and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation improvements and services.

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. For the most part, 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 assets and deferred outflows, and liabilities and deferred inflows of the District being reported as net position.

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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

The District reports the following major governmental funds:

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

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the Local Government Budget Law of Colorado, the District’s Board of Directors holds public hearings in the fall each year to adopt the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures 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.

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 funds' average equity balance in total cash. Investments are carried at fair value.

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 certified by December 15 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 30 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 inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include infrastructure (e.g., storm drainage, streets, and similar items), are reported in the applicable governmental activities' column 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 until conveyed.

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.

It is the policy of the City to accept maintenance responsibility for all capital improvements within the City after a minimum two-year warranty period, except for certain landscaping, park and recreation, and storm drainage improvements specified in the District's Service Plan, upon the District's completion and conveyance of such improvements provided they meet the City's specifications.

Deferred Inflows of Resources

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

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.

Deficit

The Debt Service Fund reported a deficit fund balance in the fund financial statements as of December 31, 2025. The deficit will be eliminated with the receipt of property and specific ownership taxes in 2026.

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 - unrestricted	$ 3,096
Cash and investments - restricted	4,015,417
Total cash and investments	$ 4,018,513

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

Deposits with Financial Institutions	$ 62,679
Investments	3,955,834
Total Cash and Investments	$ 4,018,513

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 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.

As of December 31, 2025, the District's cash deposits with financial institutions that had bank and carrying balances of $62,679.

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

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

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

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST PLUS+)	Weighted-Average Under 60 Days	$ 3,955,834

COLOTRUST
The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE 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 the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor’s. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

Restricted Cash and Investments
As of December 31, 2025, the District reports restricted cash and investments in the amount of $4,015,417 for capital projects.

NOTE 4 – CAPITAL ASSETS

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

	Balance December 31, 2024	Increases	Decreases	Balance December 31, 2025
Capital assets, not being depreciated:				
Construction in progress:				
Streets	$ 79,132	$ 1,233,655	$ -	$ 1,312,787
Water	67,726	566,792	-	634,518
Sanitation	52,756	557,746	-	610,502
Parks & Recreation	34,931	28,196	-	63,127
Utilities	571,646	3,259,713	-	3,831,359
Other	1,500	-	-	1,500
Total capital assets, not being depreciated	807,691	5,646,102	-	6,453,793
Total capital assets, net	$ 807,691	$ 5,646,102	$ -	$ 6,453,793

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2025.

	Balance December 31, 2024	Additions	Refundings/ Retirements	Balance December 31, 2025	Due Within One Year
Bonds Payable:					
Series 2021 - Bonds	$ 9,580,000	$ -	$ -	$ 9,580,000	$ -
Unpaid and compounded interest	1,691,184	663,266	-	2,354,450	-
Other:					
Developer Advances:					
Principal - Operating	194,000	-	-	194,000	-
Interest - Operating	27,904	12,610	-	40,514	-
	$ 11,493,088	$ 675,876	$ -	$ 12,168,964	$ -

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

General Obligation Limited Tax Bonds, Series 2021(3) (the Bonds) dated November 16, 2021

The District issued the Bonds on November 16, 2021, in the par amount of $9,580,000. Proceeds from the sale of the Bonds were used to fund public improvements related to the development of property in the District and to pay costs of issuance of the Bonds. The Bonds bear interest at the rate of 6.00% per annum and are payable annually on December 1, beginning on December 1, 2022, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be extinguished and no longer due and outstanding.

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

Date of Redemption	Redemption Premium
December 1, 2026 to November 30, 2027	3.00%
December 1, 2027 to November 30, 2028	2.00%
December 1, 2028 to November 30, 2029	1.00%
December 1, 2029 and Thereafter	0.00%

The Bonds are secured by and payable from moneys derived by the District from the following sources: (a) the Required Mill Levy; (b) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

The District is required to impose an ad valorem mill levy upon all taxable property of the District each year in the amount of 50.000 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2004) less the amount of the Operations Mill Levy, or such lesser mill levy which is sufficient to pay all of the principal of and interest on the Bonds in full. The Required Mill Levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

The Operations Mill Levy is, with respect to any particular levy year, the number of mills necessary to produce the dollar amount of the Operations Deduction for the collection year. The Operations Deduction is the amount reasonably determined by the District as being necessary to pay or reimburse the District's operation and maintenance expenses, but not in excess of the following: (i) for levy year 2022 (for collection in 2023), the amount of $76,500, and (ii) for each levy year thereafter, an additional 2%.

The annual debt service requirements of the Bonds are not currently determinable since they are payable only from available Pledged Revenue.

Authorized But Unissued Debt

On November 2, 2004, the District's electorate authorized total indebtedness of $25,000,000 for infrastructure improvements at an interest rate not to exceed 18% and $10,000,000 for refunding the District's debt or other obligations. The election also approved an annual increase in property taxes of $500,000, at a rate not to exceed 50 mills, to pay the District's operation and maintenance costs.

On November 8, 2016, the District's electorate authorized total indebtedness of $185,000,000 for infrastructure improvements at an interest rate not to exceed 18% and $150,000,000 for refunding the District's debt or other obligations. The election also approved an annual increase in property taxes of $500,000, at a rate not to exceed 50 mills, to pay the District's operation and maintenance costs.

The Service Plan limits the District's total bonded indebtedness to $30,000,000. At its organizational election held November 2, 2004, and at a supplemental election held November 8, 2016, the District's electors authorized the issuance of debt in accordance with State law. As of December 31, 2025, the District had $9,580,000 of bonded indebtedness outstanding under that authorization. In addition, the maximum total mill levy for the District is 50 mills, as adjusted for changes in the ratio of actual value to assessed value property within the District.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area within the limitations of the District's Service Plan.

NOTE 6 – FUND EQUITY

As of December 31, 2025, the District reported the following classifications of fund equity.

Nonspendable Fund Balance
The nonspendable fund balance in the General Fund in the amount of $2,817 is comprised of prepaid expenditures which are not in spendable form.

Restricted Fund Balance
The restricted fund balance in the General Fund in the amount of $2,538 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

The restricted fund balance in the Capital Projects Fund in the amount of $3,943,392 is to be used exclusively for capital asset construction or acquisition of public improvements.

NOTE 7 - NET POSITION

The District had 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.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or 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:

Restricted for:	
Emergencies	$ 2,538
Capital projects	1,231,796
	$ 1,234,334

In the government-wide financial statements, the District's had an unrestricted net position deficit of $2,578,623 because of capital improvements that were funded with long-term debt and the associated unpaid and compounded interest on the long-term debt.

NOTE 8 – RELATED PARTIES

The Developers of the property which constitutes the District are Gateway North LLC, a Colorado limited liability company. All members of the Board of Directors are officers, employees, or associated with the Developers and may have conflicts of interest in dealing with the District.

NOTE 9 – AGREEMENTS AND COMMITMENTS

Intergovernmental Advance and Reimbursement Agreement

On October 19, 2020, the District entered into the Intergovernmental Advance and Reimbursement Agreement (IGA) with Denver Gateway Center Metropolitan District (Center) to repay advances made by Center for operating and capital infrastructure costs. The District agreed to repay Center for such advances plus accrued interest at the rate of 6% up to the date of the IGA and 3% after the date of the IGA. In the event the District has not fully paid or reimbursed Center for any advances with interest prior to January 1, 2035, any outstanding amount shall be deemed to be forever released, discharged, forgiven, and satisfied in full. As of December 31, 2025, outstanding operating advances under the agreement totaled $108,587 and accrued interest totaled $31,307; outstanding capital advances totaled $37,637 and accrued interest totaled $12,342.

Infrastructure Cost Sharing Agreement (Denver Gateway Center Filing No. 7)

On April 15, 2021, the District entered into the Infrastructure Cost Sharing Agreement (Agreement) with 64th & Tower, LLC, a Colorado limited liability company (Tower), Gateway North LLC, a Colorado limited liability company (Gateway North) and Denver Gateway Center Metropolitan District (Center) relating to the construction of certain public infrastructure (outlined in the Agreement) which services both the District and Center.

Center has agreed to design, construct, and install certain public infrastructure. The District will reimburse Center for its prorated share in accordance with the terms of this Agreement and the separate IGA between the District and Center. In addition to the certain shared public infrastructure, Center has agreed to contribute up to $434,393 towards the cost of moving certain pipes/valves currently existing in the 64th Avenue Right of Way. If the actual cost to move the pipes/valves exceeds $434,393, Tower shall be responsible for any excess amounts.

One element of the public infrastructure is the construction of a detention pond, which will benefit both Center and the District. Center will be responsible for the maintenance of the detention pond, and will pay all costs and expenses for maintenance, repair and replacement of the detention pond, subject to reimbursement by the District for its share in accordance with the Districts' separate IGA. The Districts share of the maintenance costs will be 34.685%. Center will bill the District for its share of the costs.

As of December 31, 2025, no costs have been billed back to the District under this agreement.

Funding and Reimbursement Agreement
On July 1, 2021, the District entered into the Funding and Reimbursement Agreement (FRA) with Gateway North, LLC, a Colorado limited liability company (Gateway North). Gateway North is willing to loan funds to the District for costs the District has and will incur for general operating, administrative and maintenance. The amount of the loan is not to exceed $250,000 and shall be available to the District through December 31, 2024. The loan will bear simple interest of 6.5% annually from the date of each advance. As of December 31, 2025, outstanding operating advances under the agreement totaled $194,000 and accrued interest totaled $40,514.

Public Improvements Acquisition and Reimbursement Agreement
On July 1, 2021, the District entered into the Public Improvements Acquisition and Reimbursement Agreement (PIARA) with Gateway North, LLC, a Colorado limited liability company (Gateway North). Gateway North has incurred or intends to incur costs related to the financing, construction, and installation of Public Improvements within the District. The PIARA establishes the terms and conditions for the acquisition and reimbursement of these public improvements. Gateway North shall submit documents and proof of payment to evidence the advance payments. The payments will bear simple interest of 6.5% annually from the date of each advance payment or from the date of direct payment by Gateway North.

NOTE 10 – RISK MANAGEMENT

Except as provided in the Colorado Governmental Immunity Act, as amended from time to time, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2025. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability and boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.
The District pays annual premiums to the Pool for liability and public officials' liability. 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 11 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that 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.

On November 3, 2004, the District's voters authorized the District to increase property taxes $500,000 annually, without limitation of rate and without regard to any spending, revenue raising or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance and other expenses. Additionally, the District's electors authorized the District to collect, spend, or retain all revenue without regard to any limitations under TABOR.

On November 8, 2016, the District's voters authorized the District to increase property taxes $500,000 annually, without limitation of rate and without regard to any spending, revenue raising or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, spend, or retain all revenue without regard to any limitations under TABOR.

On November 4, 2025, the District's voters authorized the District to waive the 5.25% property tax limit imposed on increases in property taxation by Section 29-1-1702, C.R.S., and be authorized to collect, retain, and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, service charges, inspection charges, administrative charges, gifts, grants or any other fee, rate, toll, penalty, income or charge authorized by law or contact to be imposed, collected or received by the District in fiscal year 2025 and in all fiscal years thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any subsequent year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, retained and spent by the District.

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.

SUPPLEMENTAL INFORMATION

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Property tax	$ 65,790	$ 65,790	$ -
Specific ownership tax	3,290	3,270	(20)
Net investment income	2,500	2,940	440
Total revenues	71,580	72,000	420
EXPENDITURES			
County Treasurer's fees	658	658	-
Bank service charges	-	168	(168)
Paying agent fees	4,000	4,000	-
Interest	66,922	13,005	53,917
Total expenditures	71,580	17,831	53,749
NET CHANGE IN FUND BALANCE	-	54,169	54,169
FUND BALANCE - BEGINNING OF YEAR	-	(56,594)	(56,594)
FUND BALANCE - END OF YEAR	$ -	$ (2,425)	$ (2,425)

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year Ended December 31, 2025

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Net investment income	$ 495,000	$ 316,919	$ (178,081)
Total revenues	495,000	316,919	(178,081)
EXPENDITURES			
Bank service charges	24,000	19,223	4,777
Capital outlay:			
Legal	-	3,001	(3,001)
Engineering	-	254,852	(254,852)
Capital projects	9,774,437	5,388,249	4,386,188
Total expenditures	9,798,437	5,665,325	4,133,112
NET CHANGE IN FUND BALANCE	(9,303,437)	(5,348,406)	3,955,031
FUND BALANCE - BEGINNING OF YEAR	9,303,437	9,291,798	(11,639)
FUND BALANCE - END OF YEAR	$ -	$ 3,943,392	$ 3,943,392

OTHER INFORMATION

DENVER GATEWAY MEADOWS METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
TOTAL DISTRICT
Year Ended December 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied General	Debt Service	Refunds/ Abatements	Total	Property Taxes Levied	Collected	Percentage Collected to Levied
2018	$ 24,390	50.000	0.000	0.000	50.000	$ 1,220	$ 1,377	112.9%
2019	$ 11,610	50.000	0.000	0.000	50.000	$ 581	$ 581	100.0%
2020	$ 12,870	50.000	0.000	0.000	50.000	$ 644	$ 644	100.0%
2021	$ 4,930	50.000	0.000	0.000	50.000	$ 247	$ 247	100.0%
2022	$ 2,800	5.000	45.000	0.000	50.000	$ 139	$ 140	100.7%
2023	$ 1,260	5.000	45.000	0.000	50.000	$ 63	$ 63	100.0%
2024	$ 4,629,890	16.853	35.118	0.000	51.971	$ 240,620	$ 159,317	66.2%
2025	$ 2,797,210	28.453	23.520	0.000	51.973	$ 145,379	$ 145,379	100.0%
Estimated for year ending December 31, 2026	$ 4,323,100	18.778	40.331	18.942	78.051	$ 337,422		

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