GOLDSMITH METROPOLITAN DISTRICT
Arapahoe and Denver Counties, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

GOLDSMITH METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025

Fiscal Focus Partners LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Goldsmith Metropolitan District
Arapahoe and Denver Counties, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Goldsmith 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 – Block K Subdistrict 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.

Fiscal Focus Partners, LLC

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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 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 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.

Continuing Disclosure Information

The continuing disclosure obligation as listed in the table of contents 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 9, 2026

BASIC FINANCIAL STATEMENTS

GOLDSMITH METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 21,806,965
Cash and Investments - Restricted	1,738,346
Accounts Receivable	36,573
Receivable from County Treasurer	25,257
Prepaid Expenses	44,785
Property Tax Receivable	4,640,472
Investment in Block K	178,686
Noncurrent Assets	
Investment in Block K	3,437,508
Capital Assets Not Being Depreciated	20,062,980
Capital Assets Net of Depreciation	19,780,041
Total Assets	71,751,613
LIABILITIES	
Accounts Payable	597,715
Deferred Revenue	800
Due to Other Districts	3,117
Security Deposits	280,000
Accrued Bond Interest	27,467
Accrued Intergovernmental Obligation Payable	18,019
Noncurrent Liabilities:	
Due Within One Year	390,484
Due in More Than One Year	12,738,007
Total Liabilities	14,055,609
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Taxes	4,640,472
Total Deferred Inflows of Resources	4,640,472
NET POSITION	
Net Investment in Capital Assets	29,877,416
Restricted for:	
Emergency Reserve	159,400
Debt Service Reserve	85,829
Unrestricted	22,932,887
Total Net Position	$ 53,055,532

See accompanying Notes to Basic Financial Statements

GOLDSMITH 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	$ 1,544,059	$ 27,102	$ 249,485	$ -	$ (1,267,472)
Parks and Open Space Maintenance	5,155,825	72,449	-	-	(5,083,376)
Interest on Long-Term Debt and Related Costs	493,070	-	-	-	(493,070)
Total Governmental Activities	$ 7,192,954	$ 99,551	$ 249,485	$ -	(6,843,918)
GENERAL REVENUES					
Property Taxes					5,382,083
Specific Ownership Taxes					282,208
Net Investment Income					1,284,316
Other Revenue					47,228
Total General Revenues					6,995,835
CHANGES IN NET POSITION					151,917
Net Position - Beginning of Year					52,903,615
NET POSITION - END OF YEAR					$ 53,055,532

See accompanying Notes to Basic Financial Statements

GOLDSMITH METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General Fund	Debt Service Fund	Capital Project Fund	Block K - Special Revenue Fund	Block K - Debt Service Fund	Total Governmental Funds
ASSETS						
Cash and Investments	$ 6,044,857	$ -	$ 15,762,108	$ -	$ -	$ 21,806,965
Cash and Investments - Restricted	159,000	111,056	1,300,092	107,546	60,652	1,738,346
Accounts Receivable	36,573	-	-	-	-	36,573
Receivable from County Treasurer	20,945	2,240	-	54	2,018	25,257
Prepaid Expenses	44,785	-	-	-	-	44,785
Property Tax Receivable	3,789,239	468,721	-	10,066	372,446	4,640,472
Investment in Block K	-	-	3,616,194	-	-	3,616,194
Total Assets	$ 10,095,399	$ 582,017	$ 20,678,394	$ 117,666	$ 435,116	$ 31,908,592
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 494,411	$ -	$ 103,304	$ -	$ -	$ 597,715
Deferred Revenue	800	-	-	-	-	800
Due to Other Districts	3,117	-	-	-	-	3,117
Security Deposits	280,000	-	-	-	-	280,000
Total Liabilities	778,328	-	103,304	-	-	881,632
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes	3,789,239	468,721	-	10,066	372,446	4,640,472
Total Deferred Inflows of Resources	3,789,239	468,721	-	10,066	372,446	4,640,472
FUND BALANCES						
Nonspendable:						
Prepaid Expense	44,785	-	-	-	-	44,785
Restricted for:						
Emergency Reserves	159,000	-	-	400	-	159,400
Debt Service	-	113,296	-	-	62,670	175,966
Capital Projects	-	-	1,300,092	-	-	1,300,092
Committed:						
Capital Projects	-	-	2,600,000	-	-	2,600,000
Special Revenue	-	-	-	107,200	-	107,200
Assigned to:						
Subsequent Year's Expenditures	699,225	-	-	-	-	699,225
Capital Projects	-	-	16,674,998	-	-	16,674,998
Unassigned	4,624,822	-	-	-	-	4,624,822
Total Fund Balances	5,527,832	113,296	20,575,090	107,600	62,670	26,386,488
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 10,095,399	$ 582,017	$ 20,678,394	$ 117,666	$ 435,116	

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.	39,843,021
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	(27,467)
Accrued Intergovernmental Obligation Payable	(18,019)
Bond Payable	(8,240,000)
Bond Premium, Net of Amortization	(1,272,296)
Intergovernmental Obligation Payable	(3,616,195)
Net Position of Governmental Activities	$ 53,055,532

See accompanying Notes to Basic Financial Statements

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

	General Fund	Debt Service Fund	Capital Project Fund	Block K - Special Revenue Fund	Block K - Debt Service Fund	Total Governmental Funds
REVENUES						
Property Taxes	$ 4,464,046	$ 477,338	$ -	$ 11,590	$ 429,109	$ 5,382,083
Specific Ownership Taxes	233,306	24,947	-	630	23,327	282,210
In-Lieu Income	129,806	-	-	-	-	129,806
Interest Income	203,300	3,750	822,803	343	14,098	1,044,294
Other Revenue	47,228	-	-	-	-	47,228
Water Sales	72,449	-	-	-	-	72,449
Reimbursed Expenditures	119,679	-	-	-	-	119,679
ACC Fees	27,100	-	-	-	-	27,100
Investment Income - Block K	-	-	240,022	-	-	240,022
Total Revenues	5,296,914	506,035	1,062,825	12,563	466,534	7,344,871
EXPENDITURES						
Current:						
Accounting	51,066	-	21,886	-	-	72,952
Auditing	9,500	-	-	-	-	9,500
Board Support	9,165	-	-	-	-	9,165
Consulting	51,900	-	153,170	-	-	205,070
Maintenance Contingency	123,971	-	-	-	-	123,971
County Treasurer's Fee	54,241	5,800	-	174	6,442	66,657
Dues and Membership	8,730	-	-	-	-	8,730
Election	6,452	-	-	-	-	6,452
Insurance	43,114	-	-	-	-	43,114
Legal	110,986	-	-	-	-	110,986
Maintenance	3,504,631	-	40,650	-	-	3,545,281
Payroll Taxes	344	-	-	-	-	344
Promo and Special Events	108,660	-	-	-	-	108,660
Reimbursable Landscape and Maintenance	119,761	-	-	-	-	119,761
Support Management	342,523	-	128,072	-	-	470,595
Utilities	417,825	-	-	-	-	417,825
Debt Service:						
Bond Interest	-	334,600	-	-	-	334,600
Bond Principal	-	125,000	-	-	-	125,000
Interest Expense	-	-	-	-	240,021	240,021
Loan Principal	-	-	-	-	162,203	162,203
Capital Projects:						
Capital Outlay	-	-	834,500	-	-	834,500
Total Expenditures	4,962,869	465,400	1,178,278	174	408,666	7,015,387
NET CHANGE IN FUND BALANCES	334,045	40,635	(115,453)	12,389	57,868	329,484
Fund Balances - Beginning of Year	5,193,787	72,661	20,690,543	95,211	4,802	26,057,004
FUND BALANCES - END OF YEAR	$ 5,527,832	$ 113,296	$ 20,575,090	$ 107,600	$ 62,670	$ 26,386,488

See accompanying Notes to Basic Financial Statements

GOLDSMITH 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	$ 329,484
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.	
Capital Outlay	834,500
Depreciation Expense	(1,287,472)
Loss on Asset Disposal	(93,350)
The issuance of long-term debt (e.g. bonds, leases, and other obligations) 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.	
Principal Payment - Intergovernmental Obligation	162,203
Bond Principal	125,000
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.	
Accrued Interest Payable - Change in Liability	3,589
Amortization of Bond Premium	77,963
Changes in Net Position of Governmental Activities	$ 151,917

See accompanying Notes to Basic Financial Statements

GOLDSMITH METROPOLITAN DISTRICT
GENERAL 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	$ 4,627,870	$ 4,464,046	$ (163,824)
Specific Ownership Taxes	250,816	233,306	(17,510)
In-Lieu Income	125,000	129,806	4,806
Interest Income	250,000	203,300	(46,700)
Other Revenue	-	47,228	47,228
Water Sales	100,000	72,449	(27,551)
Reimbursed Expenditures	113,000	119,679	6,679
ACC Fees	12,000	27,100	15,100
Total Revenues	5,478,686	5,296,914	(181,772)
EXPENDITURES			
Accounting	72,000	51,066	20,934
Architectrual Expenses	2,500	-	2,500
Auditing	10,500	9,500	1,000
Board Support	14,400	9,165	5,235
Consulting	52,800	51,900	900
Maintenance Contingency	174,989	123,971	51,018
County Treasurer's Fee	55,990	54,241	1,749
Dues and Membership	12,000	8,730	3,270
Election	2,000	6,452	(4,452)
Insurance	50,000	43,114	6,886
Legal	120,000	110,986	9,014
Payroll Taxes	460	344	116
Promo and Special Events	101,000	108,660	(7,660)
Reimbursable Landscape and Maintenance	126,000	119,761	6,239
Support Management	342,523	342,523	-
Maintenance			
Contract Services	734,900	867,525	(132,625)
Materials	257,200	233,091	24,109
Operational Labor	2,480,000	2,404,015	75,985
Utilities			
Denver Water	158,500	185,087	(26,587)
Water Rights	38,000	36,514	1,486
Xcel Energy	262,200	196,224	65,976
Total Expenditures	5,067,962	4,962,869	105,093
NET CHANGE IN FUND BALANCE	410,724	334,045	(76,679)
Fund Balance - Beginning of Year	5,152,334	5,193,787	41,453
FUND BALANCE - END OF YEAR	$ 5,563,058	$ 5,527,832	$ (35,226)

See accompanying Notes to Basic Financial Statements

GOLDSMITH METROPOLITAN DISTRICT
SPECIAL REVENUE FUND – BLOCK K SUBDISTRICT
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	$ 11,599	$ 11,590	$ (9)
Specific Ownership Taxes	696	630	(66)
Interest Income	500	343	(157)
Total Revenues	12,795	12,563	(232)
EXPENDITURES			
Contingency	252	-	252
County Treasurer's Fee	174	174	-
Total Expenditures	426	174	252
NET CHANGE IN FUND BALANCE	12,369	12,389	20
Fund Balance - Beginning of Year	95,236	95,211	(25)
FUND BALANCE - END OF YEAR	$ 107,605	$ 107,600	$ (5)

See accompanying Notes to Basic Financial Statements

NOTE 1 DEFINITION OF REPORTING ENTITY

Goldsmith Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized in 1975, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the city and County of Denver, Colorado, and the city of Greenwood Village, Arapahoe County, Colorado. The District was organized to provide storm sewer improvements, street improvements, parks and recreational facilities and safety protection services.

On November 4, 2003, the Block K Subarea was formed (Subdistrict). The Subdistrict finances the capital and operating costs of development within an area known as Block K of the Denver Technological Center. The formation of the Subdistrict allows the District to fix different rates of levy for property tax purposes against property contained solely in the subarea.

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

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

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 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 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 only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or when 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 General Fund also accounts for the financial resources of the ACC Fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term 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.

The Special Revenue Fund – Block K is used to account for all financial resources of the Block K subarea which is subject to different rates of levy for property tax purposes against property contained solely in the subarea.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Debt Service Fund – Block K accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds related to the Block K subarea.

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 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 fund's average equity balance in the total cash.

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 inflows 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.

Accounts Receivable, Allowance for Doubtful Accounts

User fees constitute a perpetual lien on or against the property served until paid. Such liens may be foreclosed upon as provided by the state of Colorado. Therefore, no provision for uncollectible receivables has been made in the financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported by the District. 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.

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 Open Space	15 to 50 Years
Infrastructure	30 to 50 Years
Other Improvements	15 to 30 Years

Tap Fees and Contributed Assets

Tap fees are paid for the right to connect to the District's water facilities and are recorded as capital contributions when received. Public improvements contributed to the District by other entities are recorded as capital contributions and additions to capital assets at estimated fair value when received.

Original Issue Premium

In the government-wide financial statements, bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources.

Deferred Inflow 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 debt holders), 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

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

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

NOTE 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	$ 21,806,965
Cash and Investments - Restricted	1,738,346
Total Cash and Investments	$ 23,545,311

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

Cash and Investments:	
Deposits with Financial Institutions	$ 96,473
Investments	23,448,838
Total Cash and Investments	$ 23,545,311

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 102.00% 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.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

On December 31, 2025, the District's cash deposits had a bank and carrying balance of $96,473.

Investments

The District has adopted a formal investment policy which 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, 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
. 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)	Weighted-Average Under 60 Days	$ 23,448,838

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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.

The District holds all its investments in the COLOTRUST PLUS+ portfolio.

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:				
Construction in Progress	$ 4,667,204	$ 834,500	$ 4,142,284	$ 1,359,420
Land and Right-of-Ways	6,249,005	-	-	6,249,005
Landscaping	11,475,850	-	-	11,475,850
Water Taps	978,705	-	-	978,705
Total Capital Assets, Not Being Depreciated	23,370,764	834,500	4,142,284	20,062,980
Capital Assets, Being Depreciated:				
Parks and Open Space:				
Fence	294,370	-	-	294,370
Fountains	2,137,088	-	-	2,137,088
Park and Open Space Improvement	20,364,312	30,200	-	20,394,512
Infrastructure:				
Street Improvements	3,522,074	-	-	3,522,074
Transportation	1,727,615	-	-	1,727,615
Other Improvements:				
Office Building	2,080,315	-	-	2,080,315
Signage	1,954,435	-	-	1,954,435
Wells/Irrigation	6,213,256	4,112,084	666,785	9,658,555
Total Capital Assets, Being Depreciated	38,293,465	4,142,284	666,785	41,768,964
Less Accumulated Depreciation for:				
Parks and Open Space:				
Fence	203,762	6,479	-	210,241
Fountains	941,294	71,236	-	1,012,530
Park and Open Space Improvement	10,804,766	583,655	-	11,388,421
Infrastructure:				
Street Improvements	1,982,092	117,402	-	2,099,494
Transportation	1,100,816	33,781	-	1,134,597
Other Improvements:				
Office Building	529,094	69,344	-	598,438
Signage	1,221,061	55,961	-	1,277,022
Wells/Irrigation	4,492,001	349,614	573,435	4,268,180
Total Accumulated Depreciation	21,274,886	1,287,472	573,435	21,988,923
Total Capital Assets, Being Depreciated, Net	17,018,579	2,854,812	93,350	19,780,041
Governmental Activities Capital Assets, Net	$ 40,389,343	$ 3,689,312	$ 4,235,634	$ 39,843,021

NOTE 4 CAPITAL ASSETS (CONTINUED)

Water taps at December 31, 2025, in the amount of $978,705 represents 585 taps at the original purchase amount of $1,673 per tap. Of the 585 taps remaining, 339 are reserved per the Infrastructure Cooperation Agreement (see Intergovernmental Agreements footnote).

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
General Government	$ 626,102
Parks and Open Space	661,370
Total Depreciation Expense - Governmental Activities	$ 1,287,472

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in general long-term obligations for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
General Obligation Bonds Payable:					
Series 2021	$ 8,365,000	$ -	$ 125,000	$ 8,240,000	$ 135,000
Total Bonds Payable	8,365,000	-	125,000	8,240,000	135,000
Bond Premium - Series 2021	1,350,259	-	77,963	1,272,296	76,798
Other Debts:					
Block K - Intergovernmental Obligation	3,778,398	-	162,203	3,616,195	178,686
Total Long-Term Obligations	$ 13,493,657	$ -	$ 365,166	$ 13,128,491	$ 390,484

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

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

Intergovernmental Obligation – Block K

In 2004, the District issued its $5,300,000 General Obligation Variable Rate Bonds, Series 2004, with a maximum interest rate of 9.00%. The bonds were issued for the construction of improvements that benefitted the Subdistrict. As consideration for the issuance of the bonds and in accordance with a Funding Agreement dated July 1, 2004, between the District, the Subdistrict and Shea Colorado, LLC and its affiliates (Shea, or Developer), the Subdistrict agreed to impose within the Subdistrict a debt service mill levy of 30.000 mills (subject to adjustment but not more than 50.000 mills) in each year while the bonds were outstanding, and to transfer revenues from the mill levy to the District for the purpose of paying debt service on the 2004 Bonds. In addition, the Developer agreed to pay the difference, if any, between the annual principal and interest payments and the proceeds from the Subdistrict's mill levy and other available revenues.

In order to avoid repetitive and increasingly burdensome costs associated with a letter of credit securing the 2004 Bonds, the District redeemed the principal balance of $4,960,000 with cash reserves on November 1, 2014. As a result of the redemption, the Funding Agreement between the District, the Subdistrict, and the Developer was amended and restated on November 1, 2014. The Agreement continues the obligation of the Subdistrict to make scheduled principal payments consistent with the previous schedule of payments under the Bonds in order to reimburse the District in the amount of the 2004 Series Bond redemption. The obligation carries interest on the outstanding principal amount at a rate calculated as the Average 30-Day Yield published for COLOTRUST PLUS+ as of each June 1 and December 1 plus 1.50%.

In order to fund repairs and replacements of the public infrastructure within the area of the Subdistrict and accumulate the capital reserves to anticipate future repairs and replacements, the Funding Agreement was amended and restated a second time on April 1, 2019. The amended Agreement is among the District, the Subdistrict and One Cherry Lane Homeowners Association, Inc. (Association), and removed the Developer as a party to the transaction. The District has agreed to advance to the Subdistrict for the benefit of the Association an additional sum not to exceed $1,000,000 in two tranches and extended the maturity date to December 1, 2039. The Association agrees to impose an assessment upon the property owner to assist with the funds needed to operate and administer the community. The District made the first advance of $650,000 in 2019, and the District funded the second advance of $350,000 in 2020. The amended Agreement continues to carry interest on the outstanding principal amount at a rate calculated as the Average 30-Day Yield published for COLOTRUST PLUS+ as of each June 1 and December 1 plus 1.50%. The Intergovernmental Obligation does not have any unused line of credit and is not collateralized.

If the Subdistrict shall pay the entire principal amount prior to the December 1, 2039, then at such time the Intergovernmental Obligation under this Agreement shall terminate.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Intergovernmental Obligation – Block K (Continued)

If the Subdistrict fails to fully pay the interest on or the principal on or prior to December 31, 2039, an Event of Nonpayment at Maturity shall be deemed to have occurred. Upon such Event of Nonpayment at Maturity, in accordance with and as required by C.R.S. Section 32-1-1201(2) the Subdistrict shall make such additional levies of taxes as may be necessary to pay the principal of and interest in full, and such taxes shall be made and continue to be levied until the indebtedness of the Subdistrict to the District is fully paid.

Using the variable interest rate on December 1, 2025, of 5.98% for the Intergovernmental Obligation, the District's long-term obligations would mature as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2026	$ 178,686	$ 216,140	$ 394,826
2027	188,513	205,460	393,973
2028	206,595	194,192	400,787
2029	217,957	181,844	399,801
2030	237,812	168,817	406,629
2031-2035	1,451,917	611,105	2,063,022
2036-2039	1,134,715	138,623	1,273,338
Total	$ 3,616,195	$ 1,716,181	$ 5,332,376

Using an estimated interest rate of 5.50% for years 2026 through 2029 and 6.00% thereafter for the Intergovernmental Obligation, the District's long-term obligations would mature as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2026	$ 178,686	$ 198,891	$ 377,577
2027	188,513	189,063	377,576
2028	206,595	178,695	385,290
2029	217,957	167,332	385,289
2030	237,812	169,467	407,279
2031-2035	1,451,917	613,457	2,065,374
2036-2039	1,134,715	139,156	1,273,871
Total	$ 3,616,195	$ 1,656,060	$ 5,272,255

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds, Series 2021 (the Bonds)

Bond Proceeds

The District issued the Bonds on December 7, 2021, in the par amount of $8,690,000. Proceeds from the sale of the Bonds were used to (a) finance the acquisition, construction, installation, and equipping of various public improvements; and (b) pay the costs of issuing the Bonds.

The Bond proceeds for financing various public improvements includes the DTC Forward Project (DTC Forward). DTC Forward is a large-scale, multi-year initiative benefiting the Denver Tech Center, the office park development that sits within the District. Founded in 1962, the Denver Tech Center offers a rich and unique quality of business and resident life. DTC Forward continues this lifestyle into the future with projects including tree canopy revitalization; median renovations; lighting upgrades; modernized street structures and signage; open space upgrades; and premier artwork.

Details of the Bonds

The Bonds bear interest at the rate of 4.00% per annum payable semiannually on June 1 and December 1, beginning on June 1, 2022. The Bonds were issued as serial bonds and two term bonds that have annual mandatory sinking fund principal payments due on December 1, beginning on December 1, 2022. The Bonds have a final maturity of December 1, 2051.

The Bonds do not have unused line of credit, no assets have been pledged as collateral. The Bonds are not subject to acceleration and early termination. Pursuant to the Bond Resolution, no events of default are described.

Optional Redemption

The Bonds maturing on and before December 1, 2031, are not subject to redemption prior to maturity at the option of the District. The Bonds maturing on and after December 1, 2032 are subject to redemption prior to their respective maturities, at the option of the District, on December 1, 2031, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date without a redemption premium.

Pledged Revenue

The Bonds constitute general obligations of the District secured by a pledge of the full faith and credit of the District. All of the taxable property in the District is subject to the levy of an ad valorem tax to pay the principal, interest, and premium, if any, of the Bonds without limitation as to rate and in an amount sufficient to pay the Bonds when due, subject to the limitations imposed at the election authorizing the issuance of the Bonds. The District has covenanted to levy such taxes in an amount which, together with other legally available funds of the District, if any, is sufficient to pay debt service on the Bonds.

The scheduled payment of principal of and interest on the Bonds when due is guaranteed under an insurance policy issued by Assured Guaranty Municipal Corp.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Bonds Debt Service

The outstanding principal and interest of the Bonds are due as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2026	$ 135,000	$ 329,600	$ 464,600
2027	140,000	324,200	464,200
2028	155,000	318,600	473,600
2029	165,000	312,400	477,400
2030	180,000	305,800	485,800
2031-2035	1,070,000	1,412,800	2,482,800
2036-2040	1,450,000	1,169,600	2,619,600
2041-2045	1,905,000	844,600	2,749,600
2046-2050	2,470,000	420,000	2,890,000
2051	570,000	22,800	592,800
Total	$ 8,240,000	$ 5,460,400	$ 13,700,400

Authorized Debt

On November 4, 2003, a majority of the qualified electors of the Subdistrict authorized the issuance of indebtedness in an amount not to exceed $53,000,000 at an interest rate of 12.00% per annum. The authorization consisted of $15,000,000 for the financing of new improvements, $8,000,000 for funding operations and maintenance costs, and $30,000,000 for the purposes of debt refunding. As of December 31, 2025, the authorized but unissued indebtedness is expired.

On May 4, 2004, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $140,000,000 at an interest rate not to exceed 12.00% per annum. The authorization consisted of $40,000,000 for the financing of new improvements and $100,000,000 for the purpose of debt refunding. As December 31, 2025, the authorized but unissued indebtedness is expired.

In the future, pending an election authorizing the issuance of indebtedness, the District may issue general obligation debt for purposes of providing public improvements to support development as it occurs within the District’s service area.

Per the Service Plan, there is no mill levy cap and no limit on the amount of debt the District can issue.

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 had net investments in capital assets as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 39,843,021
Long-Term Obligations	(9,771,761)
Current Portion of Long-Term Obligations	(221,640)
Unamortized Original Issue Premium	(1,272,296)
Investments	1,300,092
Net Investment in Capital Assets	$ 29,877,416

Restricted assets include net position that is 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:

	Governmental Activities
Restricted Net Position:	
Emergency Reserve	$ 159,400
Debt Service Reserve	85,829
Total Restricted Net Position	$ 245,229

The District's unrestricted net position as of December 31, 2025 is $22,932,887.

NOTE 7 COVENANT OBLIGATIONS

Effective January 1, 2023, the District entered into an agreement regarding covenant obligations and support services with Shea Colorado, LLC (Shea) as successor in interest to TCD North, Inc. (North), DTC West Land Venture (DTC West), the Architectural Control Committee of the Denver Technological Center (ACC) and the Design Control Committee of Regency West Denver Tech Center (DCC). ACC and DCC are committees created to administer the protective covenants of properties which lie in the District's service area. With this agreement, North, DTC, ACC and DCC have delegated to the District the responsibility for the performance of certain functions and duties pursuant to the protective covenants. Services needed to administer the covenants has been assigned to Shea. The ACC and DCC will continue to bear responsibility for and exercise all the powers granted and/or assigned to them in the protective covenants. To the extent that the service charges are not sufficient to cover the full cost of operations, the District will fund ACC and DCC. The agreement terminates on December 31, 2032.

Effective January 1, 2023, the District entered into a first amendment agreement regarding covenant obligations and support services. The agreement amended and restated the fee for services to $25,370 per month.

At December 31, 2025, the District had $305,525 in cash and investments and liabilities of $305,525 related to the ACC and DCC covenant obligations composed of payables and security deposits being held by the District.

Effective January 1, 2025, the District entered into a covenant obligations and support services agreement with Shea Colorado, LLC (Shea) as successor in interest to TCD North, Inc. (North), DTC West Land Venture (DTC West), the Architectural Control Committee of the Denver Technological Center (ACC) and the Design Control Committee of Regency West Denver Tech Center (DCC).

Service fees from January 1, 2025, to December 31, 2025, were $26,205 per month. Starting in 2026, fees will adjust annually based on the Consumer Price Index for All Urban Consumers for the Denver-Boulder Metropolitan Area. The agreement spans 10 years, ending December 31, 2035.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS

City and County of Denver

Water service is provided to occupants in the area formerly known as Denver Suburban Water District (Denver Suburban) by the city and County of Denver through its Board of Water Commissioners (the Board). Under an agreement with the Board dated April 14, 1976, all water lines constructed by Denver Suburban will be conveyed to the Board when completed. The Board bills the individual users for water furnished and is responsible for maintenance and replacement of the lines conveyed. Denver Suburban was legally dissolved on March 28, 2013. All of Denver Suburban's assets, liabilities and contractual obligations were absorbed by the District.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

South Denver Metropolitan District – 1991 Water Tap Connection Agreement

In an agreement dated June 18, 1991, Denver Suburban paid the South Denver Metropolitan District $2,500,000 for all remaining rights to obtain water tap connections from the Denver Water Board within a geographic area defined in an agreement dated September 13, 1983, between The city and County of Denver, Denver Tech Center Associates, and Quincy Investments Company, which had been subsequently assigned to the South Denver Metropolitan District. These water tap connections are utilized for newly developing parcels within the aforementioned geographic area as the underlying mechanism for a supplementary tap fee to recoup costs as well as fund the construction of additional infrastructure. As of December 31, 2025, a total of 909 of the original 1,502 (¾" equivalent) tap rights had been sold in this manner. The current District's (fka: Denver Suburban) sale price for a single ¾" equivalent tap is $7,850. Of the 593 remaining taps, 339 are reserved per the Infrastructure Cooperation Agreement. Denver Suburban was legally dissolved on March 28, 2013. The agreement was assigned to the District by the dissolution of Denver Suburban.

Infrastructure Cooperation Agreement (ICA)

In an agreement dated May 9, 2006, the District (fka: Denver Suburban), Belquince LTD. Liability Co., and Madre Investment Co., LLC entered into an agreement for tap rights. Belquince and Madre (Owners) agreed to purchase 500 tap rights from the District (fka: Denver Suburban). The Owners, or their successors, agree to purchase the 500 taps from the District (fka: Denver Suburban) at the current sale price and shall not acquire tap rights from any other source until the 500 tap rights are exhausted. Within 60 days of receipt of these tap rights the District (fka: Denver Suburban) will reimburse to the Owners 50.00% of the tap fee paid for any tap rights by the Owners or any other builder on the Owners' parcel. This reimbursement is intended to cover the costs for construction of water facilities the Owners may have to construct within the District (fka: Denver Suburban). The parties agree that the District (fka: Denver Suburban) shall not be required to construct or extend, or pay to participate in the construction or extension of water mains or other water facilities required for the development of the Owners' parcel. Denver Suburban was legally dissolved on March 28, 2013. The agreement was assigned to the District by the dissolution of Denver Suburban.

During 2025, the District received no fees for taps related to the ICA. The remaining balance of taps available under the ICA is 339 as of December 31, 2025.

DTC Forward Public Improvements Funding and Acquisition Agreement

On December 10, 2025, the District entered into a Public Improvements Funding and Reimbursement Agreement with MB Marina Square, LLC (the Company) related to the DTC Forward initiative. Under the agreement, the Company is responsible for the planning, design, and construction of certain public improvements in connection with a mixed-use development located within the District. The public improvements include, but are not limited to, a public plaza and public art installation, a neighborhood micro-park, pedestrian walkways, landscaping, lighting, and a regional stormwater water quality facility.

NOTE 8 INTERGOVERNMENTAL AGREEMENTS (CONTINUED)

DTC Forward Public Improvements Funding and Acquisition Agreement (Continued)

The Company will initially fund all costs associated with the construction of the public improvements. The District has agreed to reimburse the Company for eligible costs related to the public improvements, subject to review and certification by the District's engineer and accountant, acceptance by resolution of the District's Board of Directors, and compliance with the terms of the agreement. Reimbursements may be made periodically as costs are incurred and certified.

The District has appropriated approximately $2,600,000 from its Capital Projects Fund to fund reimbursements under the agreement (the Project Funds), and the District's reimbursement obligation is expressly limited to the availability of these Project Funds. The agreement does not constitute a general debt, bonded indebtedness, or multiple-year financial obligation of the District, and no specific revenues or taxing authority of the District are pledged for repayment.

Upon completion and inspection of the public improvements, and satisfaction of all contractual conditions, the improvements will be conveyed to and owned, operated, and maintained by the District. The agreement terminates upon final completion of the public improvements and reimbursement of all certified eligible costs, or as otherwise mutually agreed by the parties.

NOTE 9 RELATED PARTIES

The Developer of the property within the District is Shea Colorado, LLC and its affiliates (Shea). One of the five Board members of the District are employed by or provide services to a business or businesses that are involved with, may become involved with, or are directly and substantially affected by the activities of the District, and all Board members own real property that is located in the District. These relationships and ownerships, in certain circumstances, may give the appearance that conflicting interests could affect their official activities as Board members but as a general matter they do not disqualify them to serve as Board members. As and when required by law, each affected Board member files a written disclosure of any potential conflicts of interest with the District and the Colorado Secretary of State, and they refrain from voting on affected matters unless allowed by law.

During 2025, the District paid Shea $470,595 for support management services. The District also paid Tech Center Maintenance (affiliate of Shea) $2,764,450 for landscape services and maintenance. At December 31, 2025, $224,598 in related party amounts are included in accounts payable.

NOTE 10 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 any of 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 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations, which apply to the state of Colorado and all local governments.

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

On November 4, 1997, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and other revenue of the District for 1997 and any year thereafter, without regard to any limitations under TABOR.

On November 4, 2003, a majority of the Block K Subdistrict's electors authorized the Subdistrict to increase taxes $200,000 annually, plus the rate of inflation, for the Subdistrict's operations, maintenance and other expenses, without limitation of rate, in amounts sufficient to produce the annual increase for the purpose of paying the Subdistrict's costs of maintaining the improvements within and/or benefiting the Subdistrict, without regard to any spending.

The electors also authorized the Subdistrict to collect and spend or retain in a reserve all currently levied taxes and other revenue of the Subdistrict for 2003 and any year thereafter, without regard to any limitations under TABOR.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

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

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. On November 4, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years. 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

GOLDSMITH METROPOLITAN DISTRICT
DEBT SERVICE FUND
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	$ 494,791	$ 477,338	$ (17,453)
Specific Ownership Taxes	26,816	24,947	(1,869)
Interest Income	2,500	3,750	1,250
Total Revenues	524,107	506,035	(18,072)
EXPENDITURES			
Bond Interest	334,600	334,600	-
Bond Principal	125,000	125,000	-
Contingency	13,850	-	13,850
County Treasurer's Fee	5,986	5,800	186
Paying Agent Fees	1,000	-	1,000
Total Expenditures	480,436	465,400	15,036
NET CHANGE IN FUND BALANCE	43,671	40,635	(3,036)
Fund Balance - Beginning of Year	85,080	72,661	(12,419)
FUND BALANCE - END OF YEAR	$ 128,751	$ 113,296	$ (15,455)

GOLDSMITH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
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			
Interest Income	$ 750,000	$ 822,803	$ 72,803
Investment Income - Block K	266,238	240,022	(26,216)
Total Revenues	1,016,238	1,062,825	46,587
EXPENDITURES			
Accounting	30,000	21,886	8,114
Consulting	70,000	153,170	(83,170)
Support Management	128,072	128,072	-
Streets/Sidewalks/Transportation:			-
DTC Forward	6,000,000	488,167	5,511,833
Wells/Irrigation:			
North Well Relocation	30,000	386,983	(356,983)
Total Expenditures	6,258,072	1,178,278	5,079,794
NET CHANGE IN FUND BALANCE	(5,241,834)	(115,453)	5,126,381
Fund Balance - Beginning of Year	20,765,233	20,690,543	(74,690)
FUND BALANCE - END OF YEAR	$ 15,523,399	$ 20,575,090	$ 5,051,691

GOLDSMITH METROPOLITAN DISTRICT
DEBT SERVICE FUND – BLOCK K SUBDISTRICT
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	$ 429,162	$ 429,109	$ (53)
Specific Ownership Taxes	25,750	23,327	(2,423)
Interest Income	3,000	14,098	11,098
Total Revenues	457,912	466,534	8,622
EXPENDITURES			
Contingency	45,122	-	45,122
County Treasurer's Fee	6,437	6,442	(5)
Interest Expense	266,238	240,021	26,217
Loan Principal	162,203	162,203	-
Total Expenditures	480,000	408,666	71,334
NET CHANGE IN FUND BALANCE	(22,088)	57,868	79,956
Fund Balance - Beginning of Year	30,210	4,802	(25,408)
FUND BALANCE - END OF YEAR	$ 8,122	$ 62,670	$ 54,548

OTHER INFORMATION

GOLDSMITH METROPOLITAN DISTRICT
SCHEDULE OF INTERGOVERNMENTAL OBLIGATION REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

	Block K Subarea $4,960,000 Intergovernmental Obligation Variable Rate Loan, Series 2014 Dated November 1, 2014 $1,000,000 Loan Increase Amended April 1, 2019 (1) Variable Interest Rate (2) Interest Due June 1 and December 1 Principal Due December 1		
Year Ending December 31,	Principal	Interest	Total
2026	$ 178,686	$ 216,140	$ 394,826
2027	188,513	205,460	393,973
2028	206,595	194,192	400,787
2029	217,957	181,844	399,801
2030	237,812	168,817	406,629
2031	250,892	154,603	405,495
2032	272,716	139,607	412,323
2033	287,715	123,307	411,022
2034	311,725	106,110	417,835
2035	328,869	87,478	416,347
2036	355,306	67,822	423,128
2037	374,848	46,585	421,433
2038	403,980	24,181	428,161
2039	581	35	616
Total	$ 3,616,195	$ 1,716,181	$ 5,332,376

(1) The Second Amended and Restated Funding Agreement dated April 1, 2019 allows the Subdistrict to borrow an additional $1,000,000 and extended the maturity to December 1, 2039. The District made the first advance of $650,000 in 2019, and the second advance of $350,000 in 2020.

(2) Interest calculated at COLOTRUST Plus average 30-day yield rate on June 1 and December 1 plus 1.50%. COLOTRUST Plus average monthly yield was 5.977% on December 1, 2025.

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

	$8,690,000 General Obligation Bonds Dated December 7, 2021 Series 2021 Interest Rate 4.00% Interest Due June 1 and December 1 Principal Due December 1		
Year Ending December 31,	Principal	Interest	Total
2026	$ 135,000	$ 329,600	$ 464,600
2027	140,000	324,200	464,200
2028	155,000	318,600	473,600
2029	165,000	312,400	477,400
2030	180,000	305,800	485,800
2031	185,000	298,600	483,600
2032	205,000	291,200	496,200
2033	210,000	283,000	493,000
2034	230,000	274,600	504,600
2035	240,000	265,400	505,400
2036	260,000	255,800	515,800
2037	270,000	245,400	515,400
2038	290,000	234,600	524,600
2039	305,000	223,000	528,000
2040	325,000	210,800	535,800
2041	340,000	197,800	537,800
2042	365,000	184,200	549,200
2043	375,000	169,600	544,600
2044	405,000	154,600	559,600
2045	420,000	138,400	558,400
2046	450,000	121,600	571,600
2047	465,000	103,600	568,600
2048	495,000	85,000	580,000
2049	515,000	65,200	580,200
2050	545,000	44,600	589,600
2051	570,000	22,800	592,800
Total	$ 8,240,000	$ 5,460,400	$ 13,700,400

GOLDSMITH METROPOLITAN DISTRICT
FIVE YEAR 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 *	Mills Levied General Fund	Mills Levied Debt Service Fund	Total Property Taxes Levied	Total Property Taxes Collected		Percent Collected to Levied
2021	$ 692,213,847	7.500	-	$ 5,191,603	$ 5,194,309		100.05%
2022	665,546,976	6.819	0.681	4,991,603	4,788,240	**	95.93
2023	668,971,863	6.819	0.681	5,017,290	4,933,424	***	98.33
2024	708,188,329	6.415	0.685	5,059,209	4,928,904	****	97.42
2025	669,541,422	6.912	0.739	5,122,661	4,941,384	*****	96.46
Estimate for Year Ending December 31, 2026	$ 548,211,650	6.912	0.855	$ 4,257,960			

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.

* Assessed Valuation excludes Debt Only assessed valuations.
** Balance collected includes tax abatements and refunds totaling $104,589.
*** Balance collected includes tax abatements and refunds totaling $3,205.
**** Balance collected includes tax abatements and refunds totaling $107,525.
***** Balance collected includes tax abatements and refunds totaling $125,202.

GOLDSMITH METROPOLITAN DISTRICT
FIVE YEAR SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED
BLOCK K SUBDISTRICT
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied General Fund	Mills Levied Debt Service Fund	Total Property Taxes Levied	Total Property Taxes Collected	Percent Collected to Levied
2021	$ 9,232,665	1.000	38.000	$ 360,074	$ 360,074	100.00
2022	9,122,667	1.000	38.000	355,784	355,784	100.00
2023	8,897,285	1.000	42.000	382,583	440,694	115.19
2024	11,597,232	1.000	37.000	440,695	440,694	100.00
2025	11,598,960	1.000	37.000	440,761	440,699	99.99
Estimate for Year Ending December 31, 2026	$ 10,066,103	1.000	37.000	$ 382,512		

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.

CONTINUING DISCLOSURE OBLIGATION

GOLDSMITH METROPOLITAN DISTRICT
CONTINUING DISCLOSURE OBLIGATION
DECEMBER 31, 2025

HISTORY OF ASSESSED VALUATIONS FOR THE DISTRICT
(UNAUDITED)

	Assessed Valuations				
Levy/ Collection Year	Arapahoe County	City and County of Denver	Total	Percent Change	Mill Levy
2021/2022	$ 268,507,306	$ 397,039,670	$ 665,546,976	-3.85%	7.500
2022/2023	268,409,093	400,562,770	668,971,863	0.51%	7.500
2023/2024	276,011,449	432,176,880	708,188,329	5.86%	7.175
2024/2025	280,996,542	388,544,880	669,541,422	-5.46%	7.651
2025/2026	240,528,150	307,683,500	548,211,650	-18.12%	7.767

PROPERTY TAX COLLECTIONS FOR THE DISTRICT
(UNAUDITED)

Levy/ Collection Year	Taxes Levied	Current Tax Collections	Collection Rate
2020/2021	$ 5,191,603	$ 5,194,309	100.05%
2021/2022	4,991,603	4,788,240	95.93%
2022/2023	5,017,290	4,933,424	98.33%
2023/2024	5,059,209	4,928,904	97.42%
2024/2025	5,122,661	4,941,384	96.46%