GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

Broomfield County, Colorado

FINANCIAL STATEMENTS

AND

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

FOR THE YEAR ENDED
DECEMBER 31, 2025

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

FINANCIAL STATEMENTS AND
REPORT OF INDEOPENDENT CERTIFIED PUBLIC ACCOUNTANT
FOR THE YEAR ENDED DECEMBER 31, 2025

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GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

ROSTER OF DISTRICT OFFICIALS
DECEMBER 31, 2025

BOARD OF DIRECTORS

James Einolf..President

Michael Clay ....Treasurer

Russell Heinen ....Asst. Secretary

Paul Cline...Director

Carla Espinoza ....Director

DISTRICT MANAGER / SECRETARY

David Solin
Special District Management Services, Inc.

SCOTT C. WRIGHT
CERTIFIED PUBLIC ACCOUNTANT
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Salida, Colorado 81201
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Great Western Park Metropolitan District No. 2
Broomfield County, Colorado

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities and each major fund of Great Western Park Metropolitan District No. 2 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 my 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 Great Western Park Metropolitan District No. 2 as of December 31, 2025, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of my report. I am required to be independent of Great Western Park Metropolitan District No. 2 and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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, 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 a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 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 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 generally accepted auditing standards, I:

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

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule for the General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

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. I have not performed any procedures with respect to this required supplementary information. My opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplementary budget comparison schedule identified in the table of contents is presented for purposes of additional analysis 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 my opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. Other information comprises the schedule of assessed valuation, mill levy and property taxes collected but does not include the basic financial statements and my auditor's report thereon. My opinion on the basic financial statements does not cover other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my 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, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

Scott Wright

Salida, Colorado
April 10, 2026

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$ 446,742
Receivables	747,957
Prepaid Expenses	3,616
Total Assets	1,198,315
DEFERRED OUTFLOW OF RESOURCES	
Deferred Charge on Refunding of Debt	445,066
LIABILITIES	
Accounts Payable	5,936
Accrued Interest Payable	32,051
Noncurrent Liabilities:	
Due Within One Year	342,627
Due In More Than One Year	11,968,136
Total Liabilities	12,348,750
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Property Taxes	745,236
NET POSITION	
Net Investment in Capital Assets (Deficit)	(11,865,697)
Restricted For:	
Emergencies	3,099
Debt Service	298,631
Unrestricted	113,362
Total Net Position (Deficit)	$ (11,450,605)

The accompanying notes are an integral part of the financial statements.

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

STATEMENT OF ACTIVITIES
FOR THE 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	$ 45,689	$ -	$ -	$ -	$ (45,689)
Interest and Fiscal Charges on Long-term	385,116	-	-	-	(385,116)
Total Governmental Activities	$ 430,805	$ -	$ -	$ -	(430,805)
	General Revenues:				
	Property Taxes				776,434
	Specific Ownership Taxes				35,153
	Unrestricted Investment Earnings				29,645
	Total General Revenues				841,232
	Increase in Net Position				410,427
	Net Position (Deficit) - Beginning of Year				(11,861,032)
	Net Position (Deficit) - End of Year				$(11,450,605)

The accompanying notes are an integral part of the financial statements.

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Debt Service Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 146,697	$ 300,045	$ 446,742
Property Taxes Receivable	38,157	709,800	747,957
Prepaid Expenses	3,616	-	3,616
Total Assets	$ 188,470	$ 1,009,845	$ 1,198,315
LIABILITIES AND FUND BALANCES			
Accounts Payable	$ 1,936	$ 4,000	$ 5,936
Total Liabilities	1,936	4,000	5,936
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	38,022	707,214	745,236
Total Deferred Inflows of Resources	38,022	707,214	745,236
FUND BALANCES			
Restricted For:			
TABOR Emergency Reserve	3,099	-	3,099
Debt Service	-	298,631	298,631
Unassigned	145,413	-	145,413
Total Fund Balances	148,512	298,631	447,143
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 188,470	$ 1,009,845	$ 1,198,315

The accompanying notes are an integral part of the financial statements.

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Total Fund Balances - Governmental Fund	$ 447,143
Amounts reported for governmental activities in the statement of net position are different because:	
Some liabilities, including bonds, notes and leases payable, and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.	
- Limited General Obligation Refunding Bonds Payable	(11,530,000)
- Unamortized Bond Premium	(780,763)
	(12,310,763)
Deferred outflows of resources are not available to pay for current period expenditures and therefore are deferred in the funds.	
- Deferred Charge on Refunding of Debt	445,066
Accrued interest payable is recognized for governmental activities but is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(32,051)
Net Position (Deficit) of Governmental Activities	$ (11,450,605)

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Debt Service Fund	Total
Revenues			
Taxes:			
General Property Taxes	$ 38,512	$ 737,922	$ 776,434
Specific Ownership Tax	1,744	33,409	35,153
Investment Earnings	6,552	23,093	29,645
Total Revenues	46,808	794,424	841,232
Expenditures			
Current:			
General and Administrative	34,607	11,082	45,689
Debt Service:			
Bond Interest	-	398,362	398,362
Bond Principal	-	275,000	275,000
Fiscal Charges	-	4,078	4,078
Total Expenditures	34,607	688,522	723,129
Net Change in Fund Balances	12,201	105,902	118,103
Fund Balances, Beginning of Year	136,311	192,729	329,040
Fund Balances, End of Year	$ 148,512	$ 298,631	$ 447,143

The accompanying notes are an integral part of the financial statements.

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

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

Net change in fund balances - Total Governmental Funds	$ 118,103
Amounts reported for governmental activities in the statement of activities are different because:	
Expenses reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in governmental funds.	
- Change in Accrued Interest Payable on Outstanding Bonds	1,146
- Amortization of Bond Premium	37,627
- Amortization of Deferred Charge on Refunding	(21,449)
	17,324
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resouces of governmental funds. Neither transaction has any effect on net position.	
- Repayment of Limited General Obligation Refunding Bonds	275,000
Change in Net Position of Governmental Activities	$ 410,427

The financial statements of the Great Western Park Metropolitan District No. 2 (District) have been prepared in conformity with generally accepted accounting principles ("GAAP") generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting board for establishing governmental accounting and financial reporting principles. The following notes are an integral part of the District's financial statements.

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Primary Government. The District was organized on December 17, 2008, as a quasi-municipal corporation and political subdivision of the State of Colorado under the State of Colorado Special District Act, along with Great Western Park Metropolitan District No. 1 (District No. 1). Great Western Park Metropolitan District No. 3 (District No. 3) was organized on January 4, 2002. Great Western Park Metropolitan District No. 1 is referred to in its Service Plan as the "Service District" and Great Western Park Metropolitan District No. 2 and Great Western Park Metropolitan District No. 3 are referred to as the "Tax Districts" established to finance and pay for various services and facilities which will be provided by the Service District. The District was established to provide financing for construction of streets, water, sanitation, traffic and safety protection, and parks and recreational improvements. Previously, the three districts worked together to provide the necessary public improvements and services as required to serve the development. As of July 1, 2016, the three Districts operate independently of one another. The District is governed by an elected Board of Directors.

The accompanying financial statements present the District, which is considered a primary government under GAAP. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The determination of component units is based on financial accountability, including the appointment of a voting majority of an organization's governing board and (1) the ability of the District to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. Based on the foregoing criteria, the District is not financially accountable for any other organization, nor is the District a component unit of any other governmental entity. Accordingly, the District's financial statements do not include any component units.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements. The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the District. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or business segment are offset by program revenues and helps identify the extent to which each is self-financing or draws from the general revenues of the District. Direct expenses are those that are clearly identifiable with a specific function or business segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements. Fund financial statements report detailed information about the District with the focus on major funds rather than on reporting funds by type. Separate financial statements are provided for governmental funds. The District has no proprietary or fiduciary funds. Individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement Focus and Basis of Accounting. The government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the 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. Revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The major sources of revenue which are 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 generally are recorded when the liability is incurred, as under full accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Financial Statement Presentation – Fund Accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of accounting for specific activities. The District uses funds to report results of operations and financial position, and demonstrate compliance with legal, contractual, and regulatory requirements.

The District reports the following major governmental funds:

- *General Fund* - This is the District's primary operating fund. It is used to account for all activities of the District not required to be accounted for in another fund.
- *Debt Service Fund* - This fund is used to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

D. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents the consumption of net position that applies to a future period that will not be recognized as an outflow of the resources (expenditure) until the future period. At the end of the current fiscal year, the District has one item that qualifies for reporting in this category. Accordingly, the *deferred charges on refunding* are deferred and recognized as an outflow of resources in the period that the amount is incurred.

Deferred charges on refunding of $466,515, net of accumulated amortization of $69,709, are included in the Statement of Net Position as a deferred outflow of resources. The District has recorded a deferred charge on refunding for the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

The governmental funds also reported deferred inflows of resources representing unavailable property taxes.

Deferred outflows of resources are presented below the total assets on the government-wide and governmental fund statements. Deferred inflows of resources are presented below the total liabilities on the government-wide and governmental fund statements.

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools. The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in total cash.

Colorado State Statutes authorize the District to invest its excess funds in direct U.S. Government treasury and agency securities, bonds and other obligations of states and political subdivisions, corporate bonds, and local government investment pools. Investments are stated at fair value.

F. Long-term Obligations

In the government-wide Statement of Net Position long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the interest method. Bonds payable is reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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 while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

G. Fund Balances

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid/deferred charges) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the District's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The District considers all unassigned fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 6).

H. Budgetary Information

Budgets are adopted on a basis consistent with GAAP for all funds. According to Local Government Budget Law, the legal level of appropriations is at the total fund expenditures level and lapse at year-end. During the year, the District's Board of Directors can modify the budget by line item within a fund's total appropriation without notification.

Upon meeting notification and publication requirements, supplemental amendments increasing appropriations may be passed by resolution of the Board of Directors. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Board of Directors.

I. 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 15th by certification to the County Commissioners to put the tax lien on the individual properties as of January 1st 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District. Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

I. Net Position

Net position represents the residual of all other elements presented in the statement of net position which equals assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, including accounts, contract, and retainage payables. Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Note 2. Deposits and Investments

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

Cash and Cash Equivalents	$ 446,742
Total	$ 446,742

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

Deposits With Financial Institutions	$ 2,974
Deposits With Corporate Trust Institutions	3,685
Deposits With Local Government Investment Pools	440,083
Total	$ 446,742

Deposits

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the vent of the failure of a depository financial institution, the District would not be able to recover its deposits or would not be able to recover collateral securities that are in the possession of an outside party. The District's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first $250,000 of the District's deposits at each financial institution. Deposit balances over $250,000 are collateralized as required by PDPA. The Colorado Public Deposit Protection Act (PDPA) requires that cash be deposited in eligible public depositories and that deposits 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 with the District being a named participant in the single institution collateral pool. The minimum pledging requirement is 102% of the uninsured deposits. The Colorado State Banking Board verifies the market value at least monthly. Bank assets (usually securities) are required by PDPA to be delivered to a third-party institution for safekeeping and pledged to the Colorado Division of Banking. Based on the above, the Colorado State Auditor has concluded that there is no custodial risk for public deposits collateralized under PDPA.

Local Government Investment Pools

The Colorado Local Government Liquid Asset Trust (COLOTRUST or the Trust) was organized in 1985 in accordance with the Investment Funds - Local Government Pooling Act, (Part 7, Article 75, Title 24, C.R.S.) to allow Colorado governmental entities to pool their funds to take advantage of short-term investments and maximize net interest earnings. The Trust is a professionally managed local government investment pool trust fund available only to governmental entities in Colorado. The Trust operates under the custodianship and oversight of a Board of Trustees comprised of participating local government officials and is not registered with the Securities and Exchange Commission (SEC). However, COLOTRUST operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. COLOTRUST is registered with the Securities Commissioner of the State of Colorado in accordance with the Local Government Investment Pool Trust Fund Administration and Enforcement Act (Part 9, Article 51, Title 11, C.R.S.).

The District participates in the COLOTRUST PLUS+ (PLUS+) portfolio, which may invest in U.S. Treasury securities, federal instrumentality securities, agency securities, repurchase agreements, tri-party repurchase agreements, collateralized bank deposits, commercial paper that, at the time of purchase, is rated in its highest rating category by at least two nationally recognized organizations which regularly rate such obligations, corporate bonds, and government money market funds rated 'AAAm.' PLUS+ maintains a stable net asset value (NAV) of $1.00 per share using fair value as defined by the Financial Accounting Standards Board (FASB) ASC 820 "Fair Value Measurement and Disclosure". PLUS+ is rated AAAm by S&P Global Ratings. At December 31, 2025, the District had $440,083 invested in PLUS+. These funds are available for withdrawal upon demand and are not subject to withdrawal restrictions or notice periods.

Note 3. Capital Assets

During 2020, the District conveyed all capital assets to other governmental entities.

Note 4. Long-term Debt

General Obligation Bonds (Limited Tax Refunding Bonds. In 2021, the District issued Series 2021 General Obligation Limited Tax Refunding Bonds, ("Series 2021 Bonds") totaling $12,465,000 with interest rates of 2.50% to 5.00% payable semi-annually on June 1 and December 1 each year commencing on June 1, 2022. The Series 2021 Bonds are secured by and payable from Pledged Revenue consisting of funds derived by the District from the following sources, net of any cost of collections: (a) Required Mill Levy; (b) Specific Ownership Tax; and (c) any other legally available moneys which the District determines, in its absolute discretion as Pledged Revenue.

The Series 2021 Bonds were issued to refund the outstanding Series 2016B General Obligation Limited Tax Bonds in the aggregate principal amount of $10,990,000 and refund the District's Series 2016B Subordinate General Obligation Limited Tax Bonds in the aggregate principal amount of $1,555,000. The refunding resulted in an economic gain of $3,610,543 with a cash flow savings of $5,369,645. The remaining funds were used to reimburse the Developer for certain public improvements previously constructed by the Developer for the benefit of the Development (see Note 6), pay the premiums for the Policy and the Reserve Policy; and (iv) pay other costs incurred in connection with the issuance of the bonds.

Purpose	Interest Rates	Amount
General Government – Refunding	2.50% - 5.00%	$11,530,000

Annual debt service requirements to maturity for revenue bonds outstanding at December 31, 2025, are as follows:

Year Ending December 31	Principal	Interest
2026	$ 305,000	$ 384,613
2027	320,000	369,362
2028	350,000	353,363
2029	365,000	335,862
2030	395,000	317,613
2031-2035	2,350,000	1,311,713
2036-2040	3,010,000	841,637
2041-2045	3,620,000	416,325
2046	815,000	22,413
Total	$ 11,530,000	$ 4,352,901

Changes in Long-term Liabilities. Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	$11,805,000	$ -	$ 275,000	$11,530,000	$ 305,000
Bond Premium	818,390	-	37,627	780,763	37,627
		-			
Total Bonds Payable	12,623,390	-	312,627	12,310,763	342,627
Governmental Activity Long-term Liabilities	$12,623,390	$ -	$ 312,627	$12,310,763	$ 342,627

Note 5. 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 maintains commercial insurance for significant insurable risks. 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, and public officials' liability 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 6. Commitments and Contingencies

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 which apply to the State of Colorado and all local governments.

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District has established an emergency reserve for the year ended December 31, 2025, in the amount of $3,099.

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 interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

Note 7. Deficit Net Position

The District has a deficit net position of $11,450,697 as of December 31, 2025. The District has incurred general obligation debt since inception for the construction of public improvements within the District. All of these improvements have been deeded or transferred to other local and state governmental entities. These entities have assumed the responsibility for continued maintenance of these improvements and therefore, these assets no longer belong to the District but still exist for the benefit and use of the taxpayers of the District. GASB 34 requires netting the debt acquired to purchase assets against those assets the District still holds title to, which creates the net deficit as of December 31, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

GENERAL FUND
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Variance With Final Budget - Over (Under)	Actual Amounts Budgetary (and GAAP)	Variance with Final Budget - Over (Under)
	Original	Final	Original Budget	Basis	Actual Amounts
Budgetary Revenues					
Taxes:	$ 38,543	$ 38,543	$ -	$ 38,512	$ (31)
General Property Taxes, Net of Abatement	1,250	1,250	-	1,744	494
Investment Earnings	2,500	2,500	-	6,552	4,052
Total Budgetary Revenues	42,293	42,293	-	46,808	4,515
Budgetary Expenditures					
Current:					
Accounting	15,500	15,500	-	11,821	(3,679)
Audit	6,800	6,800	-	6,300	(500)
County Treasurer Fees	578	578	-	578	-
District Management	17,500	17,500	-	5,385	(12,115)
Election Costs	5,000	5,000	-	263	(4,737)
Insurance	4,250	4,250	-	4,173	(77)
Legal	18,000	18,000	-	5,091	(12,909)
Miscellaneous	1,500	1,500	-	996	(504)
Contingency	20,000	20,000	-	-	(20,000)
TABOR Emergency Reserve	1,269	1,269	-	-	(1,269)
Total Budgetary Expenditures and Reserves	90,397	90,397	-	34,607	(55,790)
Net Change in Fund Balances	(48,104)	(48,104)	-	12,201	60,305
Budgetary Fund Balances, Beginning of Year	107,962	107,962	-	136,311	28,349
Budgetary Fund Balances, End of year	$ 59,858	$ 59,858	$ -	$ 148,512	$ 88,654

Budgetary Information

The District follows the requirements of the Colorado Local Government Budget Law in establishing the budgetary data reflected in the financial statements. The Board of Directors adopts an annual budget for the General Fund prior to December 31 of the preceding year. The budget includes estimated expenditures and the means of financing them. A public hearing is held prior to adoption of the budget, and the budget is legally enacted by resolution. Appropriations are adopted at the fund level. The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in the governmental fund financial statements.

Budget Amendments

During the year ended December 31, 2025, no amendments to the original appropriations were made. Accordingly, the original and final budgets are identical.

Explanation of Variances – Original Budget to Final Budget

There were no differences between the original and final budgets for the year ended December 31, 2025.

Explanation of Variances – Final Budget to Actual

Actual revenues exceeded final budgeted revenues by $4,515 primarily due to higher than anticipated investment earnings. Actual expenditures were $55,790 less than final appropriations, primarily because contingency, district management, and certain legal expenditures anticipated during the year were not required.

TABOR Emergency Reserve

Under the Colorado Taxpayer's Bill of Rights, the District is required to maintain an emergency reserve equal to 3% of fiscal year spending, excluding bonded debt service. The emergency reserve is included in the annual budget under Total Budgetary Expenditures and Reserves, but the reserve is not available for general spending.

SUPPLEMENTARY INFORMATION

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes:			
General property Taxes	$ 738,500	$ 737,922	$ (578)
Specific Ownership Taxes	25,000	33,409	8,409
Investment Earnings	5,000	23,093	18,093
Total Revenues	768,500	794,424	25,924
Expenditures			
Current:			
General and Administrative	11,078	11,082	(4)
Debt Service:			
Bond Interest	398,362	398,362	-
Bond Principal	275,000	275,000	-
Fiscal Charges	13,500	4,078	9,422
Total Expenditures	697,940	688,522	9,418
Net Change in Fund Balances	70,560	105,902	35,342
Fund Balances, Beginning of Year	170,973	192,729	21,756
Fund Balances, End of year	$ 241,533	$ 298,631	$ 57,098

OTHER INFORMATION

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

SCHEDULE OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAX COLLECTIONS DECEMBER 31, 2025

Levy Year	Collection Year	Assessed Value	Mill Rate		Total Property Taxes		Percent of Current Taxes Collected
			General	Debt Service	Levied	Collected	
2017	2018	$ 9,552,510	5.392	46.185	$ 492,690	$ 492,690	100.00%
2018	2019	13,180,821	5.411	47.347	695,394	695,393	100.00%
2019	2020	18,061,835	5.430	47.678	959,228	958,261	99.90%
2020	2021	19,392,750	6.740	47.182	1,045,696	1,045,696	100.00%
2021	2022	21,551,560	2.000	30.750	705,814	705,289	99.93%
2022	2023	21,039,380	2.000	30.750	689,040	689,040	100.00%
2023	2024	25,655,080	1.500	28.744	775,913	775,912	100.00%
2024	2025	25,695,000	1.500	28.741	777,043	776,435	99.92%
2025	2026	25,348,170	1.500	27.900	745,236	NA	NA

Notes:

(1) Taxes are due and payable on January 1 based on the prior year's assessed valuation.

(2) Property taxes collected in any one year includes collection of delinquent property taxes, refunds and abatements. Information received from the County Treasurer does not permit identification of the specific assessment year.