LIBERTY MEAD METROPOLITAN DISTRICT
Weld County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

LIBERTY MEAD METROPOLITAN DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Liberty Mead Metropolitan District
Weld County, Colorado

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 opinion.

Responsibilities of Management for the Financial Statements

The District’s 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 one year after the date that the financial statements are available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to 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, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Prior Period Financial Statements

The financial statements of the District as of December 31, 2024, were audited by other auditors whose report dated September 29, 2025, expressed an unmodified opinion on those statements. Accordingly, we do not express an opinion or any other form of assurance on the 2024 financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or provide assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or other information otherwise appears to be materially misstated. If based on work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

ATLAS CPAs & Advisors PLLC

Colorado Springs, Colorado
June 11, 2026

BASIC FINANCIAL STATEMENTS

LIBERTY MEAD METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Cash Equivalents and Investments	$ 76,160
Cash and Cash Equivalents and Investments - Restricted	329,222
Accounts Receivable	47,234
Due from The Town of Mead	1,606
Prepaid Expenses	5,833
Property Tax Receivable	1,001,675
Capital Assets:	
Capital Assets Net of Depreciation	1,644,949
Total Assets	3,106,679
LIABILITIES	
Accounts Payable	13,214
Prepaid Homeowner Fees	18,845
Accrued Interest	64,167
Noncurrent Liabilities:	
Due in More Than One Year	18,250,335
Total Liabilities	18,346,561
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	1,001,675
Total Deferred Inflows of Resources	1,001,675
NET POSITION	
Net Investment in Capital Assets	(177,503)
Restricted for:	
Emergency Reserve	12,700
Debt Service	252,355
Unrestricted	(16,329,109)
Total Net Position	$ (16,241,557)

The accompanying notes are an integral part of the Financial Statements.

LIBERTY MEAD 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	$ 771,029	$ -	$ -	$ -	$ (771,029)
Interest on Long-Term Debt and Related Costs	782,969	-	-	-	(782,969)
Total Governmental Activities	$ 1,553,998	$ -	$ -	$ -	(1,553,998)
GENERAL REVENUES					
Property Taxes					991,266
Specific Ownership Taxes					42,233
Interest Income					28,055
Property Taxes - The Town of Mead					51,897
Homeowner Fees					214,121
Covenant Violations					7,350
Late Fees					15
Setup Fees					8,595
Total General Revenues and Transfers					1,344,393
CHANGE IN NET POSITION					(209,605)
Net Position - Beginning of Year					(16,031,952)
NET POSITION - END OF YEAR					$ (16,241,557)

The accompanying notes are an integral part of the Financial Statements.

LIBERTY MEAD METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents and Investments	$ 76,160	$ -	$ 76,160
Cash and Cash Equivalents and Investments - Restricted	12,700	316,522	329,222
Accounts Receivable	47,234	-	47,234
Due from The Town of Mead	1,606	-	1,606
Prepaid Expenses	5,833	-	5,833
Property Tax Receivable	167,988	833,687	1,001,675
Total Assets	$ 311,521	$ 1,150,209	$ 1,461,730
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 13,214	$ -	$ 13,214
Prepaid Homeowner Fees	18,845	-	18,845
Total Liabilities	32,059	-	32,059
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	167,988	833,687	1,001,675
Total Deferred Inflows of Resources	167,988	833,687	1,001,675
FUND BALANCES			
Nonspendable:			
Prepaid Expense	5,833	-	5,833
Restricted for:			
Emergency Reserves	12,700	-	12,700
Debt Service	-	316,522	316,522
Unassigned	92,941	-	92,941
Total Fund Balances	111,474	316,522	427,996
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 311,521	$ 1,150,209	

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.	
Capital Assets Net of Depreciation	1,644,949
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Interest	(64,167)
Bonds Payable	(14,000,000)
Developer Advance Payable	(4,250,335)
Net Position of Governmental Activities	$ (16,241,557)

The accompanying notes are an integral part of the Financial Statements.

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

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	$ 126,317	$ 864,949	$ 991,266
Specific Ownership Taxes	7,215	35,018	42,233
Property Taxes - The Town of Mead	51,897	-	51,897
Homeowner Fees	214,121	-	214,121
Interest Income	8,246	19,809	28,055
Covenant Violations	7,350	-	7,350
Late Fees	15	-	15
Setup Fees	8,595	-	8,595
Total Revenues	424,617	919,776	1,344,393
EXPENDITURES			
Current:			
Accounting	24,127	-	24,127
Auditing	7,102	-	7,102
County Treasurer's Fee	1,894	12,969	14,863
County Treasurer's Fee - The Town of Mead	778	-	778
District Management	84,390	-	84,390
Dues and Membership	847	-	847
Payment To The Town Of Mead	51,119	-	51,119
Insurance	4,253	-	4,253
Legal	70,754	-	70,754
Election	2,643	-	2,643
Dog Waste Station Maintenance	6,186	-	6,186
Banking Fees	15	-	15
Landscape Maintenance	99,540	-	99,540
Landscape Water	45,640	-	45,640
Landscape Repairs	32,238	-	32,238
Landscape Projects	99,184	-	99,184
Snow Removal	2,315	-	2,315
Utilities	526	-	526
Debt Service:			
Bond Interest	-	770,000	770,000
Total Expenditures	533,551	782,969	1,316,520
NET CHANGE IN FUND BALANCES	(108,934)	136,807	27,873
Fund Balances - Beginning of Year	220,408	179,715	400,123
FUND BALANCES - END OF YEAR	$ 111,474	$ 316,522	$ 427,996

The accompanying notes are an integral part of the Financial Statements.

LIBERTY MEAD METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENTS 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	$	27,873
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.		
Depreciation Expense		(47,111)
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 Developer Advance - Change in Liability		(190,367)
Changes in Net Position of Governmental Activities	$	(209,605)

The accompanying notes are an integral part of the Financial Statements.

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

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	$ 111,316	$ 111,388	$ 126,317	$ 14,929
Specific Ownership Taxes	7,124	7,215	7,215	-
Property Taxes - The Town of Mead	66,783	66,826	51,897	(14,929)
Homeowner Fees	215,650	215,650	214,121	(1,529)
Interest Income	10,000	10,000	8,246	(1,754)
Covenant Violations	3,000	7,350	7,350	-
Late Fees	700	700	15	(685)
Setup Fees	5,000	8,595	8,595	-
Design Review Fee	2,000	-	-	-
Total Revenues	421,573	427,724	424,617	(3,107)
EXPENDITURES				
Accounting	25,000	25,000	24,127	873
Auditing	8,200	8,200	7,102	1,098
Banking Fees	100	15	15	-
County Treasurer's Fee	1,670	1,670	1,894	(224)
County Treasurer's Fee - The Town of Mead	1,002	1,002	778	224
District Management	65,000	85,000	84,390	610
Dues And Membership	1,000	1,000	847	153
Election	5,000	2,700	2,643	57
Payment To The Town Of Mead	65,781	65,824	51,119	14,705
Insurance	12,000	4,253	4,253	-
Legal	25,000	75,000	70,754	4,246
Legal - Special Counsel	15,000	-	-	-
Dog Waste Station Maintenance	7,000	7,000	6,186	814
Landscape Maintenance	78,540	99,540	99,540	-
Landscape Water	40,000	46,000	45,640	360
Landscape Repairs	10,000	33,000	32,238	762
Landscape Projects	100,000	100,000	99,184	816
Snow Removal	12,000	2,500	2,315	185
Utilities	1,000	1,000	526	474
Contingency	6,707	11,296	-	11,296
Total Expenditures	480,000	570,000	533,551	36,449
NET CHANGE IN FUND BALANCE	(58,427)	(142,276)	(108,934)	33,342
Fund Balance - Beginning of Year	177,607	220,407	220,408	1
FUND BALANCE - END OF YEAR	$ 119,180	$ 78,131	$ 111,474	$ 33,343

The accompanying notes are an integral part of the Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Liberty Mead Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court for the County of Weld on June 20, 2014 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Mead on March 31, 2014.

The District was established to finance the construction of certain streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control, and park and recreation improvements. The District shall not provide fire protection or emergency medical services or of facilities.

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 property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the assets, deferred outflow of resources, liabilities, and deferred inflow of resources of the District is reported as net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District 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. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation becomes 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 Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

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

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

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include infrastructure assets and water rights, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

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 capital assets, as applicable.

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

Parks and Recreation	40 Years

Deferred Inflows of Resources

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

Equity

Net Position

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

Fund Balance

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

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

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

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

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

Adoption of New Accounting Standards

In December 2023, the 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 CASH EQUIVALENTS 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	$	76,160
Cash and Investments - Restricted		329,222
Total Cash and Investments	$	405,382

NOTE 3 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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

Deposits with Financial Institutions	$	58,613
Investments		346,769
Total Cash and Investments	$	405,382

Deposits with Financial Institutions

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

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

At December 31, 2025, the District’s cash deposits had a bank balance of $69,911 and carrying balance of $58,613.

Investments

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

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

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

NOTE 3 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 Surplus Asset Fund Trust	Weighted-Average	
CSAFE	Under 60 Days	$ 346,769
Total		$ 346,769

CSAFE

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

CSAFE CASH FUND operate similarly to a money market fund, with each share valued at $1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under Section 24-75-601.1, C.R.S.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

NOTE 3 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

CSAFE (Continued)

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE.

CSAFE CASH FUND is rated AAAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

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

	Balance at December 31, 2024	Increases	Decreases	Balance at December 31, 2025
Governmental Activities:				
Capital Assets, Being Depreciated:				
Park Landscape	$ 1,884,430	$ -	$ -	$ 1,884,430
Total Capital Assets, Being Depreciated	1,884,430	-	-	1,884,430
Less Accumulated Depreciation:				
Accumulated Depreciation - Parks Landscape	192,370	(47,111)	-	239,481
Total Accumulated Depreciation	192,370	(47,111)	-	239,481
Governmental Activities Capital Assets, Net	$ 1,692,060	$ (47,111)	$ -	$ 1,644,949

Depreciation expense in the amount of $47,111 was charged to the general government function.

NOTE 5 LONG-TERM OBLIGATIONS

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

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
Genreal Obligation Bonds					
Series 2020	$ 14,000,000	$ -	$ -	$ 14,000,000	$ -
Subtotal Bonds Payable	14,000,000	-	-	14,000,000	-
Other Debts:					
Developer Advance - Capital	3,626,036	-	-	3,626,036	-
Accrued Interest on:					
Developer Advance - Capital	433,932	190,367	-	624,299	-
Subtotal Other Debts	4,059,968	190,367	-	4,250,335	-
Total Long-Term Obligations	$ 18,059,968	$ 190,367	$ -	$ 18,250,335	$ -

Series 2020 Limited Tax General Obligations Bonds

On November 30, 2020, the District authorized the issuance of Limited Tax General Obligation Bonds, Series 2020 (the Bonds) in the aggregate principal amount of $14,000,000 with an interest rate of 5.50% calculated on the basis of a 360-day year of 12 30-day months. Interest on the Bonds are payable on June 1 and December 1, commencing on June 1, 2021. The principal and interest on the Bonds are payable solely from and the extent of Pledged Revenues, which may or may not be sufficient to pay the principal and interest on the Bonds. The Bonds are subject to redemption prior to maturity without premium.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, and (2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy. The Bonds are also secured by amounts held by the Trustee in the Reserve Fund(s). Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable including any accrued interest and unpaid amounts and interest due as a result of compounding, if any. The maximum Required Mill Levy is 50.000 mills, subject to adjustment. For collection year 2025, the District levied 50.000 mills.

The Series 2020 Bonds shall be subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of $1,000 in excess thereof, on December 1, 2030 and any date thereafter, upon payment of the principal amount so redeemed plus accrued interest to the date of redemption, without redemption premium.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

The District has entered into Funding and Reimbursement Agreements with Eagle Development Company (Developer) as follows:

Funding and Reimbursement Agreement for Operations and Maintenance Costs

On November 11, 2019, the District entered into an agreement with the Developer. The Developer has agreed to advance up to $500,000 through December 31, 2019, to fund the costs of operations and maintenance. The agreement is subject to renewal on an annual basis as deemed appropriate by the Developer. Such advances include an interest rate of 2.00% plus the current Federal Reserve Board Prime rate and are to be reimbursed by the District with the proceeds of any future bond issues or any other available revenues by the District. Any reimbursement is subject to annual appropriation by the District and is contingent upon the District's ability to generate sufficient revenues, after payment of annual operating expenditures and debt service requirements. This agreement matured on November 11, 2020 and was extended through December 31, 2026. As of December 31, 2025, there was no outstanding principal and interest for Operating advances.

Funding and Reimbursement Agreement for Capital Costs

On November 11, 2019, the District entered into an agreement with the Developer. The Developer has agreed to advance up to $14,000,000 through December 31, 2019, to fund the costs of capital projects. The agreement is subject to renewal on an annual basis as deemed appropriate by the Developer. Such advances include an interest rate of 2.00% plus the current Federal Reserve Board Prime rate and are to be reimbursed by the District with the proceeds of any future bond issues or any other available revenues by the District. Any reimbursement is subject to annual appropriation by the District and is contingent upon the District's ability to generate sufficient revenues, after payment of annual operating expenditures and debt service requirements. This agreement matured on November 11, 2021 and was extended through December 31, 2026. As of December 31, 2025, outstanding principal for Capital advances totaled $3,626,036 and accrued interest due totaled $624,299.

The District's general obligation bond principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 770,000	$ 770,000
2027	-	770,000	770,000
2028	-	770,000	770,000
2029	-	770,000	770,000
2030	-	770,000	770,000
2031-2035	1,128,000	3,735,160	4,863,160
2036-2040	2,837,000	3,096,500	5,933,500
2041-2045	4,158,000	14,490,520	18,648,520
2046-2049	5,877,000	689,535	6,566,535
Total	$ 14,000,000	$ 25,861,715	$ 39,861,715

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On May 6, 2014, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $105,300,000 at an interest rate not to exceed 18% per annum. At December 31, 2025, the District had authorized but unissued indebtedness of $91,300,000.

As set forth in the District's original and amended Service Plan, the Town of Mead has limited the amount of debt to be issued by the District to a total of $14,000,000 without future approval by the Town of Mead. As of December 31, 2025, the District had $0 of debt capacity available under its Service Plan.

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 investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 1,644,949
Noncurrent Portion of Long-Term Obligations	(1,822,452)
Net Investment in Capital Assets	$ (177,503)

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

	Governmental Activities
Restricted Net Position:	
Emergencies	$ 12,700
Debt Service Reserve	252,355
Total Restricted Net Position	$ 265,055

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

NOTE 7 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, 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 8 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.

On November 7, 2017, the District voters passed an election question to increase property taxes $2,000,000 annually as adjusted for inflation, without limitation of rate, to pay the District's operations, maintenance, and other expenses. Additionally, the District's electors authorized the District to collect, retain, and spend all revenue without regard to any limitations under TABOR.

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.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)

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

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

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

NOTE 9 SUBSEQUENT EVENTS

In preparing the financial statements, the District has evaluated transactions for potential disclosure through June 11, 2026, the date the financial statements were available to be issued. Management has determined there are no events that have occurred subsequent to December 31, 2025 that would require disclosure.

SUPPLEMENTARY INFORMATION

LIBERTY MEAD 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	$ 864,392	$ 864,949	$ 557
Specific Ownership Taxes	34,576	35,018	442
Interest Income	10,000	19,809	9,809
Total Revenues	908,968	919,776	10,808
EXPENDITURES			
County Treasurer's Fee	12,966	12,969	(3)
Bond Interest	770,000	770,000	-
Contingency	12,034	-	12,034
Total Expenditures	795,000	782,969	12,031
NET CHANGE IN FUND BALANCE	113,968	136,807	22,839
Fund Balance - Beginning of Year	170,697	179,715	9,018
FUND BALANCE - END OF YEAR	$ 284,665	$ 316,522	$ 31,857

OTHER INFORMATION

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

	$14,000,000 Limited Tax General Obligation Bonds Series 2020 Interest 5.50% Dated November 30, 2020 Interest Payable December 1 and June 1 Principal Payable December 1		
Year Ending December 31,	Principal	Interest	Total
2026	$ -	$ 770,000	$ 770,000
2027	-	770,000	770,000
2028	-	770,000	770,000
2029	-	770,000	770,000
2030	-	770,000	770,000
2031	-	770,000	770,000
2032	280,000	770,000	1,050,000
2033	400,000	754,600	1,154,600
2034	448,000	732,600	1,180,600
2035	475,000	707,960	1,182,960
2036	528,000	681,835	1,209,835
2037	560,000	652,795	1,212,795
2038	619,000	621,995	1,240,995
2039	655,000	587,950	1,242,950
2040	720,000	551,925	1,271,925
2041	762,000	512,325	1,274,325
2042	834,000	470,415	1,304,415
2043	882,000	424,545	1,306,545
2044	960,000	376,035	1,336,035
2045	1,017,000	323,235	1,340,235
2046	1,103,000	267,300	1,370,300
2047	1,166,000	206,635	1,372,635
2048	1,262,000	142,505	1,404,505
2049	1,329,000	73,095	1,402,095
Total	$ 14,000,000	$ 13,477,750	$ 27,477,750

LIBERTY MEAD METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

			Total Mills Levied			Total Property Taxes		
Year Ended December 31,	Assessed Valuation	Percent Change	General Operations	Debt Service	Total	Levied	Collected	Percent Collected to Levied
2021	$ 2,666,530	0.0%	8.906	55.664	64.570	$ 172,178	$ 173,011	100.48 %
2022	7,831,390	193.7%	8.906	55.664	64.570	505,673	505,673	100.00 %
2023	12,793,530	63.4%	8.000	50.000	58.000	742,025	741,364	99.91 %
2024	18,403,920	43.9%	10.162	63.517	73.679	1,355,982	1,372,932	101.25 %
2025	17,287,830	-6.1%	6.439	53.863	60.302	1,042,491	1,043,163	100.06 %
Estimated for Year Ending December 31, 2026	$ 16,673,740	-3.6%	6.297	53.778	60.075	1,001,675		

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

Source: Weld County Assessor and Treasurer.