

LARKRIDGE METROPOLITAN DISTRICT NO. 1
Adams County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Larkridge Metropolitan District No. 1
Adams County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Larkridge Metropolitan District No. 1 (the District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Supplementary Information

Our audit was conducted for the purpose of forming 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Dargis & Associates, P.C.

March 18, 2026

BASIC FINANCIAL STATEMENTS

LARKRIDGE METROPOLITAN DISTRICT NO. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	\$ 29,518
Cash and Investments - Restricted	46,215
Prepaid Insurance	450
Receivable from County Treasurer	3,596
Property Tax Receivable	11,303
Capital Assets:	
Capital Assets Net of Depreciation	197,156
Total Assets	288,238
LIABILITIES	
Accounts Payable	19,886
Accrued Interest	40,632
Noncurrent Liabilities:	
Due Within One Year	410,000
Due in More Than One Year	11,968,556
Total Liabilities	12,439,074
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	11,303
Total Deferred Inflows of Resources	11,303
NET POSITION	
Net Investment in Capital Assets	(836,797)
Restricted for:	
Emergency Reserve	3,800
Debt Service	4,950
Unrestricted	(11,334,092)
Total Net Position	\$ (12,162,139)

See accompanying Notes to Basic Financial Statements.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental Activities:					
General Government	\$ 154,059	\$ -	\$ -	\$ -	\$ (154,059)
Interest on Long-Term Debt and Related Costs	536,261	-	-	-	(536,261)
	\$ 690,320	\$ -	\$ -	\$ -	(690,320)
Total Governmental Activities					
GENERAL REVENUES					
Property Taxes					14,534
Property Taxes - TDA					959,573
Specific Ownership Taxes					49,307
Interest Income					5,822
Other Revenue					66
Total General Revenues					1,029,302
CHANGES IN NET POSITION					
Net Position - Beginning of Year					338,982
					(12,501,121)
NET POSITION - END OF YEAR					\$ (12,162,139)

See accompanying Notes to Basic Financial Statements.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2025**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and Investments	\$ 29,518	\$ -	\$ 29,518
Cash and Investments - Restricted	3,800	42,415	46,215
Receivable from County Treasurer	429	3,167	3,596
Prepaid Insurance	450	-	450
Property Tax Receivable	1,476	9,827	11,303
Total Assets	\$ 35,673	\$ 55,409	\$ 91,082
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 19,886	\$ -	\$ 19,886
Total Liabilities	19,886	-	19,886
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	1,476	9,827	11,303
Total Deferred Inflows of Resources	1,476	9,827	11,303
FUND BALANCES			
Nonspendable:			
Prepaid Expense	450	-	450
Restricted for:			
Emergency Reserves	3,800	-	3,800
Debt Service	-	45,582	45,582
Assigned to:			
Subsequent Year's Expenditures	10,061	-	10,061
Total Fund Balances	14,311	45,582	59,893
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,673	\$ 55,409	
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.			197,156
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			(40,632)
Loans Payable			(11,310,000)
Developer Advance Payable			(1,068,556)
Net Position of Governmental Activities			\$ (12,162,139)

See accompanying Notes to Basic Financial Statements.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
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	\$ 1,731	\$ 12,803	\$ 14,534
Property Taxes - TDA	114,283	845,290	959,573
Specific Ownership Taxes	5,881	43,426	49,307
Interest Income	5,715	107	5,822
Other Revenue	66	-	66
Total Revenues	<u>127,676</u>	<u>901,626</u>	<u>1,029,302</u>
EXPENDITURES			
Current:			
Accounting	39,241	-	39,241
Auditing	6,300	-	6,300
County Treasurer's Fee	26	195	221
District Management	15,025	-	15,025
Dues And Membership	374	-	374
Election	2,267	-	2,267
Insurance	4,831	-	4,831
Landscape Maintenance	13,664	-	13,664
Legal	30,705	-	30,705
Miscellaneous	177	-	177
Utilities	5,553	-	5,553
Utility Locates	3,036	-	3,036
Debt Service:			
Loan Interest - Series 2022	-	503,747	503,747
Loan Principal - Series 2022	-	375,000	375,000
Paying Agent Fees	-	750	750
Total Expenditures	<u>121,199</u>	<u>879,692</u>	<u>1,000,891</u>
NET CHANGE IN FUND BALANCES	6,477	21,934	28,411
Fund Balances - Beginning of Year	<u>7,834</u>	<u>23,648</u>	<u>31,482</u>
FUND BALANCES - END OF YEAR	<u>\$ 14,311</u>	<u>\$ 45,582</u>	<u>\$ 59,893</u>

See accompanying Notes to Basic Financial Statements.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025**

Net Change in Fund Balances - Total Governmental Funds \$ 28,411

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 (32,860)

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.

Loan Principal 375,000

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund financial statements.

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest Payable - Change in Liability 1,347
Accrued Interest Payable Developer Advance - Change in Liability (32,916)

Changes in Net Position of Governmental Activities \$ 338,982

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,236	\$ 1,731	\$ 495
Property Taxes - TDA	114,474	114,283	(191)
Specific Ownership Taxes	6,942	5,881	(1,061)
Interest Income	3,955	5,715	1,760
Other Revenue	-	66	66
Total Revenues	<u>126,607</u>	<u>127,676</u>	<u>1,069</u>
EXPENDITURES			
Accounting	30,000	39,241	(9,241)
Auditing	6,500	6,300	200
Contingency	3,306	-	3,306
County Treasurer's Fee	19	26	(7)
Directors' Fees	1,500	-	1,500
District Management	20,000	15,025	4,975
Dues And Membership	600	374	226
Election	3,000	2,267	733
Insurance	6,000	4,831	1,169
Landscape Maintenance	15,000	13,664	1,336
Legal	37,000	30,705	6,295
Miscellaneous	-	177	(177)
Payroll Taxes	115	-	115
Utilities	5,000	5,553	(553)
Utility Locates	-	3,036	(3,036)
Website	960	-	960
Total Expenditures	<u>129,000</u>	<u>121,199</u>	<u>7,801</u>
NET CHANGE IN FUND BALANCE	(2,393)	6,477	8,870
Fund Balance - Beginning of Year	<u>7,624</u>	<u>7,834</u>	<u>210</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,231</u>	<u>\$ 14,311</u>	<u>\$ 9,080</u>

See accompanying Notes to Basic Financial Statements.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 DEFINITION OF REPORTING ENTITY

Larkridge Metropolitan District No. 1 (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 Adams County on May 18, 2004 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under an Amended and Restated Service Plan approved by The City of Thornton on August 9, 2005, as further revised pursuant to the First Revision to the Amended and Restated Service Plan approved by The City of Thornton on August 28, 2012 (the Service Plan). The District's service area is located in Thornton, Colorado. The District was established to provide water, storm sewer and sanitary sewer, streets and traffic safety protection, parks and recreation, transportation, mosquito control, and other powers.

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, potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide and Fund Financial Statements

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

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

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds, notes and developer advances are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District 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 is due.

The District reports the following major governmental funds:

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

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

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

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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 level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Pooled Cash and Investments

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

Property Taxes

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

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

Capital Assets

Capital assets, which include property and infrastructure assets (e.g. detention ponds and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

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

Detention Pond	25 Years
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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 assets 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.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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.

NOTE 3 CASH AND INVESTMENTS

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

Statement of Net Position:

Cash and Investments	\$ 29,518
Cash and Investments - Restricted	46,215
Total Cash and Investments	\$ 75,733

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

Deposits with Financial Institutions	\$ 25,700
Investments	50,033
Total Cash and Investments	\$ 75,733

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.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued)

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 and carrying balance of \$25,700.

Investments

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

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

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

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

- . Obligations of the United States, 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:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Surplus Asset Fund (CSAFE)	Weighted-Average Under 60 Days	\$ 50,033
Total		<u>\$ 50,033</u>

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

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 operations are similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under 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.

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 AAmmf 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.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

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:				
Detention Pond	\$ 821,484	\$ -	\$ -	\$ 821,484
Total Capital Assets, Being Depreciated	821,484	-	-	821,484
Less Accumulated Depreciation for:				
Accumulated Depreciation	591,468	32,860	-	624,328
Total Accumulated Depreciation	591,468	32,860	-	624,328
 Total Capital Assets, Being Depreciated, Net	 230,016	 (32,860)	 -	 197,156
 Governmental Activities Capital Assets, Net	 <u>\$ 230,016</u>	 <u>\$ (32,860)</u>	 <u>\$ -</u>	 <u>\$ 197,156</u>

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

Governmental Activities:	
General Government	\$ 32,860
Total Depreciation Expense - Governmental Activities	<u>\$ 32,860</u>

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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
Notes/Loans/Bonds from Direct Borrowings and Direct Placements					
Series 2022 Loan	\$ 11,685,000	\$ -	\$ 375,000	\$ 11,310,000	\$ 410,000
Subtotal Notes/Loans/Bonds from Direct Borrowings and Direct Placements	11,685,000	-	375,000	11,310,000	410,000
Other Debts:					
Developer Advance - Operating	450,847	-	-	450,847	-
Developer Advance - Capital	19,394	-	-	19,394	-
Accrued Interest on:					
Developer Advance - Operating	548,931	31,559	-	580,490	-
Developer Advance - Capital	16,468	1,357	-	17,825	-
Subtotal Other Debts	1,035,640	32,916	-	1,068,556	-
Total Long-Term Obligations	<u>\$ 12,720,640</u>	<u>\$ 32,916</u>	<u>\$ 375,000</u>	<u>\$ 12,378,556</u>	<u>\$ 410,000</u>

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

General Obligation Refunding Loan, Series 2022

On November 2, 2022, the District issued its \$12,375,000 General Obligation Refunding Loan, Series 2022 (the Loan) maturing on December 1, 2042. The Loan was issued for the following purposes: to refund and pay \$9,500,000 of the outstanding portion of the District’s General Obligation Refunding and Improvement Bonds, Series 2012A; to refund and pay \$1,940,000 of the outstanding portion of the District’s Subordinate Limited Tax Bonds (Taxable Convertible to Tax-Exempt), Series 2012C; and to pay for issuance costs of the Loan. The District refunded the Series 2012A and 2012C Bonds, having interest rates ranging from 5.375% to 7.000%, with the Series 2022 Loan, having an average interest rate of 4.314%. The Loan is not subject to acceleration. The Loan does not have any unused lines of credit. No assets have been pledged as collateral on the Loan.

The Loan is due December 1, 2042, with an annual interest rate of 4.252%, calculated on the basis of a 360-day year and actual number of days elapsed, payable semi-annually on June 1 and December 1, beginning on December 1, 2022. Payments of principal are due annually on December 1, beginning on December 1, 2023. The Loan is secured by and payable from the Pledged Revenue consisting of monies derived from the imposition of the Required Mill Levy, net of collection costs, whether received directly by the District or as Tax Increment Revenue pursuant to the Agreement with the Thornton Development Authority (the Authority), and specific ownership taxes. Required Mill Levy means an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year without limitation of rate and in an amount sufficient to pay when due the principal of and interest on the Loan.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Refunding Loan, Series 2022 (Continued)

The occurrence of any one or more of the following events or conditions will constitute an event of default unless remedied.

- (a) failure to pay principal of or interest when due on the Loan and continuance of such default beyond any grace period;
- (b) failure or refusal to impose the Required Mill Levy or to apply the Pledged Revenue as required by the Loan Agreement;
- (c) the pledge of the Pledged Revenue or any other security interest created under the Loan Agreement or under the Custodial Agreement fails to be fully enforceable with the priority required under the respective agreement;
- (d) failure to observe or perform any of the covenants, agreements or conditions of the Loan agreement or other Financing Documents, and the District fails to remedy the same within 30 days after the bank has provided the District provided notice thereof; failure to pay the principal, interest, or other amount payable to the Bank when due; the pledge of the Pledged Revenue or any other security interest created under the loan agreement or under the Custodial Agreement fails to be fully enforceable with the priority required;
- (e) commencement of any case, proceeding, or other action relating to bankruptcy, insolvency, reorganization, or relief of debtors;

The Loan is not subject to acceleration, thus acceleration is not an available remedy for an event of default.

The District's Series 2022 Loan will mature as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Loan Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 410,000	\$ 487,580	\$ 897,580
2027	430,000	469,905	899,905
2028	465,000	452,604	917,604
2029	485,000	431,321	916,321
2030	525,000	410,412	935,412
2031 - 2035	3,105,000	1,687,265	4,792,265
2036 - 2040	4,030,000	937,810	4,967,810
2041 - 2042	1,860,000	121,141	1,981,141
Total	<u>\$ 11,310,000</u>	<u>\$ 4,998,038</u>	<u>\$ 16,308,038</u>

The District may, at its option and with not less than thirty (30) days written notice to the lender, prepay the 2022 Loan, in whole or in part, on the date which is the tenth (10th) anniversary of the closing date of the 2022 Loan and on any date thereafter at a prepayment price equal to the principal amount so prepaid plus accrued and unpaid interest thereon (at the rate then borne by the Loan Balance) to the date of prepayment, without penalty or premium. Since the closing date was November 2, 2022, the 10th anniversary is November 2, 2032.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

The limit on the District's ability to issue Debt is set forth in its Service Plan as \$14,500,000 for the initial District boundaries (the Service Plan Debt Issuance Limit) and if Future Inclusion Area 1, as defined in the Service Plan, is included into the District, the District may issue up to \$3,500,000 for Future Inclusion Area 1. In no event is the District authorized to issue Debt in excess of the Service Plan Debt Issuance Limit. The amount of debt authorization remaining within the Service Plan Debt Issuance Limit for the District is \$885,000 (the Remaining Service Plan Authority).

Service Plan Debt Issuance Limit	Previous Debt Issuance	Remaining Service Plan Authority
\$14,500,000	\$13,615,000	\$885,000

The District's voters have authorized the District to issuance of Bonds to the remaining amount of Service Plan Authorization.

In the future, the District may issue a portion or all of the Remaining Service Plan Authority for purposes of providing public improvements to support development as it occurs within the District's service area.

Any increase in the debt limit issuance of debt over the Service Plan Issuance Limit will be considered a material modification of the Service Plan which would require approval from The City of Thornton.

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 as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 197,156
Current and Noncurrent Portion of Long-Term Obligations - Loans	(1,032,183)
Portion of Debt Related to Developer Advances	(1,770)
Net Investment in Capital Assets	\$ (836,797)

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 NET POSITION (CONTINUED)

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

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 3,800
Debt Service Reserve	4,950
Total Restricted Net Position	\$ 8,750

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

NOTE 7 DISTRICT AGREEMENTS

Tax Increment Sharing Agreement

The District has entered into a Tax Increment Sharing Agreement with the Thornton Development Authority (the Authority), dated as of June 9, 2004, regarding the sharing of Tax Increment Revenues generated within the District. The Tax Increment Sharing Agreement provides that in consideration for the District providing public improvements and services, the Authority agrees that the portion of revenues which it receives as a result of ad valorem property tax increments, which are attributable to the District's current and future levy of ad valorem taxes on property within the Development and encompassed by the Urban Renewal Plan, shall be segregated upon receipt and shall be remitted by the Authority to the District within 45 days of the end of each quarter.

Construction IGA

The District has entered into an Intergovernmental Agreement regarding Construction of Public Improvements (the Construction IGA) with the Authority, dated as of June 9, 2004, regarding the construction of public improvements. Pursuant to the Construction IGA, the District has agreed to construct street, water, sewer, and other public improvements to benefit the Urban Renewal Project Area, and the Authority has agreed to finance the cost of such improvements. The Authority anticipates using the net proceeds of its proposed bonds to fulfill its obligations under the Construction IGA.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 7 DISTRICT AGREEMENTS (CONTINUED)

City of Thornton IGA

The District has entered into an intergovernmental agreement with the City of Thornton (the City), dated June 9, 2004, as amended September 13, 2005, and August 28, 2012 (the City IGA), regarding the District's Service Plan. In the City IGA, the District agrees not to do the following without the prior approval of the City: (i) change its boundaries; (ii) refund its outstanding bonds (which would include the Series 2012A, 2012B and 2012C Bonds) so as to extend the maturity or increase total debt service; (iii) impose capital fees or exactions; (iv) consolidate with any other special district; (v) acquire, own, manage, adjudicate or develop water rights or resources; (vi) use its power of eminent domain for any real property; (vii) apply for Greater Outdoors Colorado Trust Fund grants or other state or federal grants; (viii) permit bond documents which provide acceleration of debt against the issuer as a remedy; (ix) provide services outside its boundaries except as necessary to construct, operate and maintain the public improvements set forth in its Service Plan; and (x) own, operate or otherwise allow telecommunication facilities in such a way as to affect the ability of the City to expand the City's telecommunications facilities or impair the City's existing telecommunication facilities. The District further agrees that, once the District's outstanding debt has been retired, upon a determination by the City Council that the purposes for which the District was created have been accomplished the District shall take all actions necessary to dissolve. The District agrees that it is subject to the City's zoning, subdivision building code, and other land use requirements. Prior to the issuance of bonds, the District is to provide the City with an opinion of bond counsel that the bond issue satisfies the Taxpayer Bill of Rights requirements set forth in Article X, Section 20 of the Colorado Constitution and an opinion of the District's counsel that the bond issue is in conformity with the District's Service Plan. The City agrees that it will not impose any growth limitations on a property within the District's boundaries.

The Mill Levy Cap set forth in the Service Plan is 50.000 mills. The City agrees that any portion of the District's debt with respect to which the Debt to Assessed Valuation is less than 50%, the District will be permitted to impose a mill levy that shall not be subject to the Mill Levy Cap. The City further agrees that in the event the method of calculating assessed valuation is changed by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut or abatement, the Mill Levy Cap may be increased or decreased to reflect such change.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 8 RELATED PARTY

The Developer of the property which constitutes the District is JP Thornton LLC. Jordon Perlmutter & Co. has an interest in the Developer. All of the members of the Board of Directors are employees, owners, or are otherwise associated with Jordon Perlmutter & Co. and with the Developer and may have conflicts of interest in dealing with the District.

Developer Advances

The District has entered into Funding and Reimbursement Agreements with the Developer as follows:

Funding and Reimbursement Agreement

The District and JP Thornton LLC (the Developer) entered into a Funding and Reimbursement Agreement (General District Improvements) dated August 10, 2004. Pursuant to the Funding and Reimbursement Agreement, the Developer has agreed to advance funds to the District for the construction of Initial Public Improvements and Additional Public Improvements (as such terms are defined in the Funding and Reimbursement Agreement). The District has agreed to reimburse the Developer for funds advanced under the Funding and Reimbursement Agreement, together with interest thereon at the rate of 7% per annum, from the proceeds of the Bonds to the extent of the amounts advanced for the Initial Public Improvements and the Additional Public Improvements.

Project Funding Agreement

The District and the Developer entered into a Project Funding Agreement (Developer Improvements) (TDA Improvements), dated August 10, 2004. Pursuant to the Project Funding Agreement, the Developer has agreed to advance funds for financing the costs associated with the construction of Developer Improvements and TDA Improvements. Costs associated with the construction of the Developer Improvements and the TDA Improvements are defined in the Project Funding Agreement as the "Developer Construction Related Expenses" and the "TDA Construction Related Expenses," respectively. On August 31, 2012, the District and the Developer entered into an Acknowledgment of Reimbursement pursuant to Project Funding Agreement (TDA Improvements). There are currently no amounts due and owing under the Project Funding Agreement, though it remains in effect and additional funds may be advanced in the future.

The District and the Developer entered into a Project Funding Agreement (Future Improvements), dated June 10, 2014, pursuant to which the Developer agrees to incur the costs of designing, planning and constructing the Future Improvements (Future Expenses). The Future Expenses must be verified by an independent engineer (Verified Costs) and shall not exceed \$59,999 for any single Future Improvements project, in order to qualify for reimbursement under this Agreement. The District agrees to appropriate amounts each year for reimbursement of Verified Costs to the Developer, to the extent that the District has revenue available after the imposition and collection of its mill levy, payment of operation and maintenance costs of the District, allocations of amounts required for repair, replacement or depreciation, and after payment of debt service requirements on existing debt. Interest on the Verified Costs shall accrue at 7% per annum.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 8 RELATED PARTY (CONTINUED)

Developer Advances (Continued)

Operations Funding Agreements

The District and the Developer have entered into several Operations Funding Agreements (the Operations Funding Agreements). Pursuant to the Operations Funding Agreements, the Developer has agreed to advance funds to the District to pay the operations and maintenance expenses of the District. The District has agreed to: (i) use its reasonable efforts to impose and collect its operations mill levy and to impose and collect its rates, fees, tolls and charges in the minimum amounts set forth in the District's Service Plan; and (ii) repay the amounts advanced by the Developer under the Operations Funding Agreements, together with interest at the rate of 7%, to the extent that it has funds available after the payment of its annual debt service payments and operations and maintenance expenses. The repayment obligation of the District is specifically subordinate to the District's annual debt service obligations except under the conditions set forth in the Operations Funding Agreements.

Construction Management Agreement

The District entered into a Construction Management Agreement with Jordon Perlmutter & Co. dated September 9, 2004. Under the terms of such agreement, the District retains Jordon Perlmutter & Co. to provide consulting services for the construction of certain improvements set forth in the District's Service Plan, as well as certain improvements which the District will be constructing on behalf of and subject to funding by the Authority and the Developer. Pursuant to this agreement, Jordon Perlmutter & Co. will be retained to supervise all engineers, consultants, and contractors, conduct competitive bid procedures, and related construction activities. Under the terms of this agreement, Jordon Perlmutter & Co. would be paid a fee of 3.5% of the hard costs and 6% of certain soft costs associated with the construction of such improvements.

Construction Management/Project Management Agreement

The District entered into a Construction Management/Project Management Agreement with Jordon Perlmutter & Co. dated September 9, 2004. Under the terms of such agreement, the District retains Jordon Perlmutter & Co. to provide consulting services for the construction of certain improvements set forth in the District's Service Plan, as well as certain improvements which the District will be constructing on behalf of and subject to funding by the Authority and the Developer. Pursuant to this agreement, Jordon Perlmutter & Co. will be retained to supervise all engineers, consultants and contractors, conduct competitive bid procedures, assist the District with certain project management and administrative activities, including assisting the District in preparing a work budget, reviewing and giving recommendation of approval on change orders, attending District Board meetings, assisting the District in processing a Service Plan Amendment, and managing compliance with applicable provisions of the laws, rules and regulations of all governing jurisdictions. Under the terms of this agreement, Jordon Perlmutter & Co. would be paid a fee of 9% of the hard costs and 6% of the soft costs of such improvements.

LARKRIDGE METROPOLITAN DISTRICT NO. 1
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 9 RISK MANAGEMENT

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

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

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

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

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

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

On May 8, 2012, a majority of the District's electors authorized the District to collect and spend or retain in a reserve the full amount of all currently levied taxes and fees from the District annually, without regard to any limitations under TABOR.

On May 6, 2025, the voters of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2025 and all future property tax years.

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.

SUPPLEMENTARY INFORMATION

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
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	\$ 9,142	\$ 12,803	\$ 3,661
Property Taxes - TDA	846,825	845,290	(1,535)
Specific Ownership Taxes	51,359	43,426	(7,933)
Interest Income	3,808	107	(3,701)
Total Revenues	<u>911,134</u>	<u>901,626</u>	<u>(9,508)</u>
EXPENDITURES			
County Treasurer's Fee	137	195	(58)
Paying Agent Fees	5,000	750	4,250
Loan Interest - Series 2022	503,747	503,747	-
Loan Principal - Series 2022	375,000	375,000	-
Contingency	6,116	-	6,116
Total Expenditures	<u>890,000</u>	<u>879,692</u>	<u>10,308</u>
NET CHANGE IN FUND BALANCE	21,134	21,934	800
Fund Balance - Beginning of Year	<u>47,407</u>	<u>23,648</u>	<u>(23,759)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 68,541</u></u>	<u><u>\$ 45,582</u></u>	<u><u>\$ (22,959)</u></u>

OTHER INFORMATION

LARKRIDGE METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

\$12,375,000 General Obligation Refunding Loan Series 2022 Interest Rate - 4.252%, Dated November 2, 2022 Payable June 1 and December 1, Principal Due			
Year Ending December 31,	Principal	Interest	Total
2026	\$ 410,000	\$ 487,580	\$ 897,580
2027	430,000	469,905	899,905
2028	465,000	452,604	917,604
2029	485,000	431,321	916,321
2030	525,000	410,412	935,412
2031	550,000	387,779	937,779
2032	590,000	365,066	955,066
2033	615,000	338,633	953,633
2034	660,000	312,120	972,120
2035	690,000	283,667	973,667
2036	740,000	254,617	994,617
2037	770,000	222,019	992,019
2038	805,000	188,824	993,824
2039	840,000	154,120	994,120
2040	875,000	118,230	993,230
2041	910,000	80,186	990,186
2042	950,000	40,955	990,955
	\$ 11,310,000	\$ 4,998,038	\$ 16,308,038
Total	\$ 11,310,000	\$ 4,998,038	\$ 16,308,038

**LARKRIDGE METROPOLITAN DISTRICT NO. 1
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025**

Year Ended December 31,	Prior Year	Prior Year	Mills Levied		Total Property Taxes		Percent Collected to Levied
	Gross Assessed Valuation for Current Year Property Tax Levy	Net Assessed Valuation for Current Year Property Tax Levy	General Operations	Debt Service	Levied	Collected	
2021	\$ 23,597,980	\$ 357,540	4.500	33.500	\$ 13,585	\$ 13,591	100.04 %
2022	25,199,470	361,570	4.500	33.500	13,740	17,265	125.66 %
2023	24,652,700	336,020	4.500	33.289	12,698	16,183	127.45 %
2024	25,661,950	330,972	4.500	33.289	12,507	14,562	116.43 %
2025	26,138,800	274,635	4.500	33.289	10,378	14,534	140.05 %
Estimated for Year Ending December 31, 2026	\$ 27,982,310	\$ 295,191	5.000	33.289	\$ 11,303		

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

Source: Adams County Assessor and Treasurer.