LEYDEN RANCH METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2025

with

Independent Auditor's Report

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WIPFLI

Board of Directors
Leyden Ranch Metropolitan District
Jefferson County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Leyden Ranch 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Leyden Ranch Metropolitan District as of December 31, 2025, and the respective changes in financial position and the respective 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), 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.

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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.

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Other Matters

Required Supplemental Information

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

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Denver, Colorado

August 18, 2026

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Leyden Ranch Metropolitan District

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service	Total	Adjustments	Statement of Net Position
ASSETS					
Cash and investments	$ 29,568	$ -	$ 29,568	$ -	$ 29,568
Cash and investments - restricted	2,121	95,290	97,411	-	97,411
Receivable - County Treasurer	332	2,354	2,686	-	2,686
Property taxes receivable	63,143	427,256	490,399	-	490,399
Prepaid expenses	3,498	-	3,498	-	3,498
Capital assets not being depreciated	-	-	-	5,826,930	5,826,930
Total Assets	98,662	524,900	623,562	5,826,930	6,450,492
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	-	-	91,735	91,735
Total Deferred Outflows of Resources	-	-	-	91,735	91,735
Total Assets and Deferred Outflows of Resources	$ 98,662	$ 524,900	$ 623,562		
LIABILITIES					
Accounts payable	$ 1,762	$ -	$ 1,762	-	1,762
Accrued interest	-	-	-	35,116	35,116
Long-term liabilities:					
Due within one year	-	-	-	25,000	25,000
Due in more than one year	-	-	-	6,776,370	6,776,370
Total Liabilities	1,762	-	1,762	6,836,486	6,838,248
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	63,143	427,256	490,399	-	490,399
Total Deferred Inflows of Resources	63,143	427,256	490,399	-	490,399
FUND BALANCES/NET POSITION					
Fund Balances:					
Nonspendable:					
Prepaids	3,498	-	3,498	(3,498)	-
Restricted:					
Emergencies	2,121	-	2,121	(2,121)	-
Debt service	-	97,644	97,644	(97,644)	-
Unassigned	28,138	-	28,138	(28,138)	-
Total Fund Balances	33,757	97,644	131,401	(131,401)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 98,662	$ 524,900	$ 623,562		
Net Position:					
Restricted for:					
Emergencies				2,121	2,121
Debt service				62,528	62,528
Unrestricted				(851,069)	(851,069)
Total Net Position				$ (786,420)	$ (786,420)

The notes to the financial statements are an integral part of these statements.

Leyden Ranch Metropolitan District

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2025

	General	Debt Service	Total	Adjustments	Statement of Activities
EXPENDITURES					
Accounting and audit	$ 16,737	$ -	$ 16,737	$ -	$ 16,737
Election expense	3,623	-	3,623	-	3,623
Insurance	3,756	-	3,756	-	3,756
Legal	14,725	-	14,725	-	14,725
HOA Joint Project	29,460	-	29,460	-	29,460
Miscellaneous expenses	1,030	-	1,030	-	1,030
Treasurer's fees	899	6,393	7,292	-	7,292
Loan principal	-	20,000	20,000	(20,000)	-
Loan interest expense	-	408,457	408,457	13,293	421,750
Repay landowner advances	-	37,593	37,593	(37,593)	-
Landowner interest	-	37,407	37,407	(33,448)	3,959
Total Expenditures	70,230	509,850	580,080	(77,748)	502,332
GENERAL REVENUES					
Property taxes	59,925	426,134	486,059	-	486,059
Specific ownership taxes	4,068	28,926	32,994	-	32,994
Interest income	13,079	52	13,131	-	13,131
Total General Revenues	77,072	455,112	532,184	-	532,184
NET CHANGES IN FUND BALANCES	6,842	(54,738)	(47,896)	47,896	
CHANGE IN NET POSITION				29,852	29,852
FUND BALANCES/NET POSITION:					
BEGINNING OF YEAR	26,915	152,382	179,297	(995,569)	(816,272)
END OF YEAR	$ 33,757	$ 97,644	$ 131,401	$ (917,821)	$ (786,420)

The notes to the financial statements are an integral part of these statements.

Leyden Ranch Metropolitan District

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
For the Year Ended December 31, 2025

	Original & Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	$ 59,996	$ 59,925	$ (71)
Specific ownership taxes	5,428	4,068	(1,360)
Interest income	150	13,079	12,929
Total Revenues	65,574	77,072	11,498
EXPENDITURES			
Accounting and audit	15,000	16,737	(1,737)
Election expense	3,000	3,623	(623)
Insurance	4,500	3,756	744
Legal	20,000	14,725	5,275
Miscellaneous expenses	250	1,030	(780)
Treasurer's fees	900	899	1
HOA joint project	30,000	29,460	540
Contingency	6,637	-	6,637
Emergency reserve	2,210	-	2,210
Total Expenditures	82,497	70,230	12,267
NET CHANGE IN FUND BALANCE	(16,923)	6,842	23,765
FUND BALANCE:			
BEGINNING OF YEAR	16,923	26,915	9,992
END OF YEAR	$ -	$ 33,757	$ 33,757

The notes to the financial statements are an integral part of these statements.

LEYDEN RANCH METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2025

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Leyden Ranch Metropolitan District ("District"), located in Jefferson County, City of Arvada, Colorado, conform to the accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on June 13, 2012 as a quasi-municipal organization established under the State of Colorado Special District Act. The District operates pursuant to a service plan approved by the City of Arvada (the "City") on April 2, 2012 (the "Service Plan"). The District was established to provide for the construction and completion of a part or all of the public improvements for the use and benefit of the residents and property owners within the service area. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets 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 pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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.*

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 the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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 material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.
The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. 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 appropriation is at the total fund expenditures level and lapses at year end. The District amended is budget for the Debt Service Fund.

Assets, Liabilities and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and investments, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2025, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value. The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities 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 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets 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 using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

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 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact. Nonspendable fund balance in the General Fund represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of $2,121 of the General Fund balance has been reserved in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of $97,644 is restricted for the payment of the debt service costs associated with the Series 2023 Loan (see Note 4).

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a 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

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance
Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

Net Position
Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net positions that do not meet the definition of the above two components and are available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position 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. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

Note 2: Cash

As of December 31, 2025, cash is classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	$ 29,568
Cash and investments - restricted	97,411
Total	$ 126,979

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

Deposits with financial institutions	$ 14,290
COLOTRUST	112,689
Total	$ 126,979

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. 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 is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

Investments

Credit Risk

The District has not adopted a formal investment policy; however the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

As of December 31, 2025, the District had the following investment:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST"), is rated AAAm by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of $1.00. The COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of $1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. On December 31, 2025, the District had $112,689 invested in COLOTRUST Plus+.

Note 3: Capital Assets

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

Governmental Type Activities:	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Construction in progress	$ 5,826,930	$ -	$ -	$ 5,826,930
Total capital assets not being depreciated	5,826,930	-	-	5,826,930
Government type assets, net	$ 5,826,930	$ -	$ -	$ 5,826,930

Pursuant to the Service Plan, all public improvements are to be owned and maintained by the City upon their completion and acceptance by the City, except for parks and open space tracts, which may be owned and maintained by the District or by a homeowners association. The District does not own or maintain any such park and open space tracts as such amenities are the responsibility of the homeowners association.

Note 4: Long Term Debt

A description of the long-term obligations as of December 31, 2025, is as follows:

Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Loan, Series 2023
On November 7, 2023, the District entered into a Loan Agreement with Western Alliance Business Trust ("Lender") whereby the Lender agreed to loan the District $6,785,000, ("2023 Loan") for the purpose of fully refunding the Series 2017A Bonds and the Series 2017B Bonds and the 2017C Bonds. The 2023 Loan bears interest at the rate of 6.02% payable semiannually on each June 1 and December 1, commencing on June 1, 2024. Payments of principal on the loan are due annually on each December 1, commencing on December 1, 2025. The 2023 Loan is secured by the property taxes generated from the Required Mill Levy, the portion of the Specific Ownership Tax which is collected as a result of the Required Mill Levy, and any other legally available moneys as determined by the District. The 2023 Loan matures on November 7, 2033. The Loan is not subject to prepayment prior to December 1, 2024. At the Districts option and subject to restrictions on or after December 1, 2024, the District may prepay all or, with the consent of the Lender, any part of the principal of the 2023 Loan on any Payment Date upon payment to the Lender of the principal amount so prepaid, accrued interest thereon to the prepayment date, and, subject to a prepayment fee ranging from 3% to 1% of the principal amount so redeemed.

Events of Default as defined in the Loan Agreement include the District fails to pay the principal of, premium if any, or interest on the Loan or any other amount payable to the Lender hereunder when due; The District fails or refuses to impose the Required Mill Levy or to remit the Pledged Revenue as required by this Loan Agreement; the District fails to observe or perform any of the material covenants, agreements, or conditions on the part of the District in this Loan Agreement or the other Financing Documents, and the District fails to remedy the same to the satisfaction of the Lender within 30 days after the Lender has provided the District with notice thereof (except for an Event of Default pursuant to (a) and (b) above, which shall not be subject to any cure period); provided however, that there shall be no Event of Default for failure to observe or perform any of the covenants, agreements, or conditions on the part of the District in this Loan Agreement or the other Financing Documents which are qualified by the phrase "to the extent permitted by law" or by phrases of similar import, if a court or other tribunal of competent jurisdiction has determined in a final, nonappealable judgment that such covenants, agreements, or conditions are not permitted by law; Remedies available in the Event of Default include 1) exercise any and all remedies available under the Custodial Agreement; or 2) take any other action or remedy available under the other Financing Documents or any other document, or at law or in equity. Acceleration of payments shall not be an available remedy for an Event of Default.

The 2023 Loan and proceeds along with funds on hand deposited funds in an escrow to repay the Series 2017A Bonds and the Series 2017B Bonds and the 2017C Bonds. As a result the Series the Series 2017A Bonds and the Series 2017B Bonds and the 2017C Bonds were considered defeased and were removed from the District's Statement of Net Position. The refunding resulted in a net present value savings of $1,776,329.

The following is an analysis of changes in long-term debt for the period ending December 31, 2025:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025	Current Portion
Direct Placement					
2023 Loan	6,785,000	$ -	$ 20,000	6,765,000	25,000
Other					
Landowner advance	73,963	-	37,593	36,370	-
Total	$ 6,858,963	$ -	$ 57,593	$ 6,801,370	$ 25,000

The following is a summary of the annual long-term debt principal and interest requirements for the Series 2023 Loan Bonds.

	Principal	Interest	Total
2026	$ 25,000	$ 407,253	$ 432,253
2027	30,000	405,748	435,748
2028	35,000	403,942	438,942
2029	40,000	401,835	441,835
2030	50,000	399,427	449,427
2031-2033	6,585,000	1,178,415	7,763,415
	$ 6,765,000	$ 3,196,620	$ 9,961,620

Debt Authorization

A majority of the qualified electors of the District authorized the issuance of indebtedness in the amount not to exceed $48,500,000. Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to $6,500,000. Prior to the issuance of the 2023 Loan, notice was provided to the City of the issuance and no objection was received. As of December 31, 2025, the District had no remaining authority under the Service Plan.

Note 5: Other Agreements

Advance and Reimbursement Agreement

The District and Leyden Properties, LLC. a Colorado limited liability company (the "Landowner") entered into an Advance and Reimbursement Agreement on December 21, 2012 (the "Advance and Reimbursement Agreement"). Pursuant to the Advance and Reimbursement Agreement the Landowner agreed to advance funds to the District for organizational costs, continued administrative and operations costs and construction, maintenance and operations costs associated with the provisions of certain improvements, facilities and services. The District agreed to reimburse the Landowner for any advances plus interest at the rate of 7% per annum. The District's obligation to make reimbursement payments is subject to annual appropriations of the Board from funds available within any fiscal year and not otherwise required for operations, capital improvements, or debt service costs.

Infrastructure Acquisition Agreement

The District and Taylor Morrison of Colorado, Inc., a Colorado corporation ("Taylor Morrison") entered into an Infrastructure Acquisition Agreement on December 21, 2012 (the "Infrastructure Acquisition Agreement"). Pursuant to the Infrastructure Acquisition Agreement, Taylor Morrison agrees to construct Public Improvements and the District agrees to acquire such Public Improvements from Taylor Morrison and pay the reasonable costs related thereto when the requirements and conditions of the Infrastructure Acquisition Agreement are met. In accordance with the Infrastructure Acquisition Agreement, the District's engineer reviewed expenditures by Taylor Morrison and issued a Cost Certification with respect to $5,826,930 in costs. The District agreed to include interest at 7% per annum from the time a Public Improvement is accepted by the District or initially accepted by the City or other governmental jurisdiction.

Agreement Regarding Assignment

In connection with Taylor Morrison's purchase of the property from the Landowner, the District, Taylor Morrison and the Landowner entered into the Agreement Regarding Assignment of Payments Under Infrastructure Acquisition Agreement and Release on December 21, 2012 (the "Agreement Regarding Assignment"). Pursuant to the Agreement Regarding Assignment, Taylor Morrison assigned to the Landowner all amounts payable from the District to Taylor Morrison.

Note 6: Tax, Spending and Debt Limitations

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

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

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

The District'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.

On May 8, 2012, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool ("Pool") which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other 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: Related Party

During 2025 one Director on the District's Board was an employee, owner or was otherwise associated with the Landowner and may have had conflicts of interest in dealing with the District. At December 31, 2025 none of the Districts Directors were related parties.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and,

2) long-term liabilities such as bonds payable, landowner advances payable and accrued interest on bonds and landowner advances are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

1) Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are held as construction in progress pending transfer to other governmental entities or depreciated over their useful lives;

2) Governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method in the statement of activities; and,

3) Governmental funds report landowner repayments and/or long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

Leyden Ranch Metropolitan District

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	$ 426,641	$ 426,641	$ 426,134	$ (507)
Specific ownership taxes	21,332	21,332	28,926	7,594
Miscellaneous income	-	50	-	(50)
Interest income	-	100	52	(48)
Total Revenues	447,973	448,123	455,112	6,989
EXPENDITURES				
Loan principal	20,000	20,000	20,000	-
Bond interest expense	408,457	408,457	408,457	-
Repay landowner advances	-	75,000	37,593	37,407
Landowner interest	-	-	37,407	(37,407)
Paying agent fees	5,000	5,000	-	5,000
Treasurer's fees	6,400	6,400	6,393	7
Total Expenditures	439,857	514,857	509,850	5,007
NET CHANGE IN FUND BALANCE	8,116	(66,734)	(54,738)	11,996
FUND BALANCE:				
BEGINNING OF YEAR	148,947	152,382	152,382	-
END OF YEAR	$ 157,063	$ 85,648	$ 97,644	$ 11,996

The notes to the financial statements are an integral part of these statements.

Leyden Ranch Metropolitan District

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2025

Assessed Valuation Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Percent Change	Mills Levied		Total Property Tax		Percent Collected to Levied
			General Fund	Service	Levied	Collected	
2015	$ 258,832		45.000	0.000	$ 11,647	$ 11,647	100.00%
2016	$ 4,837,560	1769%	45.000	0.000	$ 217,690	$ 216,760	99.57%
2017	$ 5,221,390	8%	5.000	40.000	$ 234,963	$ 234,963	100.00%
2018	$ 6,057,840	16%	5.527	44.222	$ 301,371	$ 301,200	99.94%
2019	$ 6,988,422	15%	5.527	44.222	$ 347,667	$ 347,667	100.00%
2020	$ 6,941,107	-1%	5.566	44.531	$ 347,729	$ 347,729	100.00%
2021	$ 7,131,927	3%	5.566	44.531	$ 357,288	$ 357,288	100.00%
2022	$ 7,603,179	7%	5.566	44.531	$ 380,896	$ 380,897	100.00%
2023	$ 7,517,473	-1%	5.625	45.004	$ 380,602	$ 380,603	100.00%
2024	$ 9,905,062	32%	4.319	44.273	$ 481,307	$ 483,062	100.36%
2025	$ 10,666,014	8%	5.625	40.000	$ 486,637	$ 486,059	99.88%
Estimated for year ending December 31, 2026	$ 11,243,566	14%	5.616	38.000	$ 490,399		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.